

**ONTARIO
SUPERIOR COURT OF JUSTICE**

COMMERCIAL LIST

**IN THE MATTER OF THE *COMPANIES' CREDITORS
ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED**

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

Applicants

**RESPONDING MOTION RECORD
OF POSTMEDIA NETWORKS INC.
(Returnable December 10, 2010)**

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Applicants

**AFFIDAVIT OF EILEEN FLOOD
(sworn December 5, 2010)**

I, Eileen Flood of the City of Montreal, in the Province of Québec, **MAKE OATH AND SAY:**

My Position

1. I am the Assistant Manager, Human Resources, at *The Gazette*, a Montreal English-language newspaper.
2. *The Gazette* is now owned by Postmedia Network Inc. ("**Postmedia**").
3. I have been employed by the Gazette since January, 1989, through its periods of prior ownership by the Southam/Hollinger group and more recently by Canwest Publishing Inc./Publications Canwest Inc.
4. In my role as Assistant Manager, Human Resources, and in my preceding positions, I have become familiar with the extensive litigation between the Typographers (as defined below) and *The Gazette* that commenced in 1996 and that has continued until the stay

issued in these proceedings (the “**CCAA Proceedings**”). Through a review of the various arbitration and court decisions, my presence at certain of the hearings and through working closely with Jean-Pierre Tremblay, former VP Human Resources, who passed away in July, 2010, I have knowledge of the matters regarding the litigation deposed to in this Affidavit. With respect to the matters deposed to herein in respect of the CCAA Proceedings and the sale to Postmedia, my information, which I believe, is from the various documentation referred to and personnel at Postmedia involved with the CCAA Proceedings and the sale.

Postmedia and the Purchase Transaction

5. Canwest Publishing Inc., Canwest Limited Partnership, and certain related entities (collectively, the “**LP Entities**”) filed for protection in the CCAA Proceedings and obtained an Initial Order on January 8, 2010. Postmedia Network Canada Corp. (formerly known as 7535538 Canada Inc.) and CW Acquisition Limited Partnership entered into an asset purchase agreement, dated as of May 10, 2010, with the LP Entities, a copy of which is attached hereto as Exhibit “A”. The asset purchase agreement was assigned by CW Acquisition Limited Partnership to Postmedia pursuant to an assignment and amending agreement, dated as of June 10, 2010, a copy of which is attached hereto as Exhibit “B” (the asset purchase agreement, as assigned and amended, being the “**Asset Purchase Agreement**”).

6. Pursuant to a Vesting Order of the Honourable Madam Justice Pepall issued on June 18, 2010, and an assignment and assumption agreement dated as of June 13, 2010 between the LP Entities and Postmedia (the “**Assignment**”, a copy of which is attached hereto as Exhibit “C”), the LP Entities transferred to Postmedia certain assets, property and undertaking relating to

its business free and clear of encumbrances (other than certain permitted encumbrances).

Pursuant to the Assignment, Postmedia assumed certain liabilities.

The Gazette Typographers and the Tripartite Agreements

7. As at 1982, *The Gazette* employed approximately two hundred typographers in what was known as the ‘composing room’. Historically, typographers performed the function of composing the type for the printing of the newspaper. By the early 1980’s, however, these typography functions, a labour-intensive task, were becoming obsolete as computerized technology was replacing these functions. The typographers’ positions at *The Gazette* were becoming redundant.

8. In 1982, *The Gazette*, the typographers’ union (Le Syndicat Québécois de l’Imprimerie et des Communications, Section Locale 145) (the “**Union**”), and each of the two hundred typographers employed in *The Gazette* composing room at the time entered into agreements (the “**1982 Tripartite Agreements**”). A sample copy of the 1982 Tripartite Agreements is attached as Exhibit “D”.

9. The 1982 Tripartite Agreements guaranteed that the typographers would not lose their employment due to technological changes until they reached the age of 65.

10. In 1987, *The Gazette*, the Union and the then remaining 132 typographers entered into further tripartite agreements (the “**1987 Tripartite Agreements**”, and, collectively with the

1982 Tripartite Agreements, the “**Tripartite Agreements**”). A sample copy of the 1987 Tripartite Agreements is attached as Exhibit “E”.

11. The Tripartite Agreements provide that they come into effect only when a collective agreement between *The Gazette* and Union is not in force:

“The present agreement will come into effect only at the time when the collective agreement between the employer and the Union as mentioned below, similarly in the case of future collective agreements, shall end, disappear, become without value or, for any other reason become null and void or inapplicable.”

As such, the Tripartite Agreements have intermittent applicability, being effective only during periods when there is no collective agreement operating.

12. By August, 1994, as a result of the acceptance of retirement packages by the bulk (51) of the then remaining 62 typographers, only 11 typographers remained, being those who refused the package (the “**Typographers**”).

13. Six of the Typographers, namely Umed Gohil, JP Martin, Marc Tremblay, Leslie Stockwell, Robert Davies and Horrace Holloway, have now retired or resigned and are not employed by Postmedia.

14. The remaining 5 of the Typographers, namely Pierre Rebetez, René Brazeau, Michael Thomson, Rita Blondin and Eriberto DiPaolo, are still employed by Postmedia at *The Gazette* as “Transferred Employees” under the Asset Purchase Agreement.

Litigation History

15. The Typographers and *The Gazette* have been involved in a long history of litigation over the Tripartite Agreements, with multiple proceedings before arbitrators, the Québec Superior Court, the Québec Court of Appeal, and in the case of a leave-to-appeal application, the Supreme Court of Canada.

16. On January 31, 1996, *The Gazette* sent the Union a notice to bargain pursuant to the Québec *Labour Code* confirming its intention to negotiate the renewal of the then existing collective agreement between *The Gazette* and the Union which was due to expire on April 30, 1996.

17. On April 30, 1996, the Union and the Typographers individually notified *The Gazette* of their demand to exchange last final best offers (“LFBOs”), pursuant to the 1987 Tripartite Agreements.

18. *The Gazette* did not participate in an exchange of LFBOs. On May 8, 1996, the Union filed a grievance to challenge the non-exchange of LFBOs by *The Gazette*. Negotiations ensued but failed. As a result of the failed negotiations, *The Gazette* declared a lock-out of the Typographers on June 3, 1996.

19. On June 4, 1996, the Typographers and the Union filed a notice of dispute challenging the right of *The Gazette* to declare a lockout and requested orders requiring *The Gazette* to exchange LFBOs with the Union and pay to the Typographers their regular salary and benefits for the duration of the lockout.

20. Both the May 8, 1996 grievance and the June 4, 1996 claim were submitted to arbitration before arbitrator André Sylvestre (“**Arbitrator Sylvestre**”), who held six days of hearings between December 5, 1996 and July 9, 1997.

21. As a preliminary matter, Arbitrator Sylvestre ruled on February 13, 1997 that each of the Typographers had standing as an individual party to the arbitration proceedings because the June 4, 1996 claim alleged the violation of their individual rights under the Tripartite Agreements and not only rights under the collective agreement. A copy of the February 13, 1997 decision is attached as Exhibit “F”.

22. On February 5, 1998, Arbitrator Sylvestre addressed both the May 8, 1996 grievance and the June 4, 1996 claim. A copy of the February 5, 1998 decision is attached as Exhibit “G”.

23. In his February 5, 1998 decision, Arbitrator Sylvestre dismissed the May 8, 1996 grievance because it was filed pursuant to the collective agreement which did not require an exchange of LFBOs, since the mandatory LFBO exchange procedure had been removed from the collective agreement in 1994. However, Arbitrator Sylvestre allowed the June 4, 1996 claim because he found that the Tripartite Agreements came into force as free-standing civil contracts upon the declaration of the lockout on June 3, 1996 and that the 1987 Tripartite Agreements, as civil contracts still contained the LFBOs exchange procedure. Arbitrator Sylvestre ruled in effect that the lockout suspended the application of the collective agreement but triggered the coming into force of the original 1987 Tripartite Agreements.

24. On February 5, 1998, Arbitrator Sylvestre ordered, *inter alia*, *The Gazette* to exchange LFBOs with the Typographers and to pay the Typographers their salary and benefits for the duration of the lockout.

25. *The Gazette* filed an application in the Superior Court of Québec, challenging the portion of the February 5, 1998 decision that accepted the June 4, 1996 claim, on the grounds that Arbitrator Sylvestre as a grievance arbitrator under a collective agreement had no jurisdiction to interpret and apply civil contracts (the Tripartite Agreements) during a legal lockout.

26. In the meantime, *The Gazette* complied with Arbitrator Sylvestre's order to pay the Typographers their salary and benefits during the lockout as an interim measure while *The Gazette's* application was pending, and subject to Arbitrator Sylvestre's order being quashed.

27. On October 30, 1998, the Québec Superior Court granted *The Gazette's* application and quashed the portion of Arbitrator Sylvestre's award which had accepted the June 4, 1996 claim (the "**1998 Superior Court Decision**"). A copy of the 1998 Superior Court Decision is attached as Exhibit "H".

28. The 1998 Superior Court Decision held that Arbitrator Sylvestre had exceeded his jurisdiction in accepting the June 4, 1996 claim on the basis that the Tripartite Agreements came into force and had legal effect during a lockout, and held that Arbitrator Sylvestre was acting only as a grievance arbitrator pursuant to the Québec *Labour Code*.

29. Upon receiving the 1998 Superior Court Decision, *The Gazette* ceased paying the Typographers their salary and benefits for the lockout period.

30. The Typographers and the Union appealed the 1998 Superior Court Decision to the Québec Court of Appeal.

31. On December 15, 1999, the Québec Court of Appeal allowed the appeal in part, ordering *The Gazette* to proceed with the exchange of LFBOs within the following 30 days (the “1999 CA Decision”). A copy of the 1999 CA Decision, issued in French, is attached as Exhibit “I”. (I understand from counsel to Postmedia that they have engaged a professional translation firm to translate the decision to English.)

32. In the 1999 CA Decision, the Québec Court of Appeal quashed the portion of Arbitrator Sylvestre’s February 5, 1998 award that ordered *The Gazette* to pay the Typographers their salary and benefits during the lockout, and it provided a new mandate for Arbitrator Sylvestre to decide whether the Typographers were entitled to any damages as a result of a lockout that was possibly unduly prolonged by the failure of *The Gazette* to exchange LFBOs after the April 30, 1996 demand.

33. *The Gazette*, the Union and the Typographers exchanged LFBOs on January 21, 2000.

34. On February 25, 2000, Arbitrator Sylvestre convened the parties to a case management conference with respect to the new mandate provided by the Québec Court of Appeal in the 1999 CA Decision. At this meeting, counsel for the Typographers indicated that

the Typographers would be seeking, in addition to damages for lost salary and benefits during the lockout for the period from June 4, 1996 to January 21, 2000, a number of other claims for damages such as damages due to stress and anxiety, moral damages, exemplary and punitive damages, damages for loss of enjoyment of life, etc.

35. On September 28, 2000, Arbitrator Sylvestre ruled on a number of preliminary issues, with detailed reasons following on October 11, 2000. He found that: (i) the Union was not entitled to claim any damages; (ii) the Typographers were limited to claiming for loss of salary and benefits during the lockout; and iii) the maximum time period for the claim was limited to the period from June 4, 1996 to January 21, 2000. A copy of the October 11, 2000 decision is attached as Exhibit "J".

36. The October 11, 2000 award gave rise to a second round of litigation between the Typographers and *The Gazette*, with the Typographers filing a Motion in Annulment under Book VII of the Québec *Code of Civil Procedure*, challenging the October 11, 2000 award.

37. On February 1, 2001, *The Gazette* launched a parallel civil action against the Typographers to recover the salary and benefits paid for the period running from February 5, 1998 to October 30, 1998. On August 14, 2001, the Québec Superior Court referred this action to Arbitrator Sylvestre to be dealt with in conjunction with the June 4, 1996 claim. Accordingly, *The Gazette's* legal action for the recovery of salary and benefits paid to the Typographers, and the June 4, 1996 claim, were joined before Arbitrator Sylvestre.

38. The Typographers' Motion in Annulment culminated with a second Québec Court of Appeal decision on August 6, 2003 (the "**2003 CA Decision**"). A copy of the 2003 CA Decision is attached as Exhibit "K".

39. In the 2003 CA Decision, the Québec Court of Appeal ruled that Arbitrator Sylvestre, acting as a civil arbitrator under Book VII of the Québec *Code of Civil Procedure*, correctly decided that under the June 4, 1996 claim the Typographers were only entitled to claim damages in respect of salary and benefits for the period running from June 4, 1996 to January 21, 2000. The Québec Court of Appeal then referred the matter back to Arbitrator Sylvestre to determine whether the lockout was unduly prolonged by *The Gazette's* refusal to exchange LFBOs and what, if any, damages the Typographers were entitled to receive as a result.

40. In the 2003 CA Decision, the Québec Court of Appeal further confirmed that the June 4, 1996 Claim was a "dispute" within the meaning of section 944 of the Québec *Code of Civil Procedure* as a result of the 1999 CA Decision.

41. Arbitrator Sylvestre held hearings on the merits of the June 4, 1996 claim as clarified by the 1999 CA Decision and the 2003 CA Decision. On March 18, 2005, Arbitrator Sylvestre ruled that the Typographers were not entitled to any damages for the period running from June 3, 1996 to January 21, 2000. A copy of the March 18, 2005 decision is attached as Exhibit "L".

42. The Typographers commenced yet another round of litigation with respect to the June 4, 1996 claim by filing a new Motion in Annulment under Book VII of the Québec *Code of*

Civil Procedure. This round of litigation culminated with a third decision by the Québec Court of Appeal on March 17, 2008 (the “**2008 CA Decision**”). A copy of the 2008 Court of Appeal Decision is attached as Exhibit “M”.

43. In the 2008 CA Decision, the Québec Court of Appeal quashed Arbitrator Sylvestre’s March 18, 2005 award and referred the matter back to Arbitrator Sylvestre for a third time, directing him to determine when the collective agreement would have been finalized (i.e., on which date would the lockout have ended) had the LFBOs exchange process proceeded following the Union’s April 30, 1996 request.

44. Arbitrator Sylvestre heard the parties once more with respect to the June 4, 1996 claim. On January 21, 2009, Arbitrator Sylvestre held that if the LFBOs exchange process had begun after the April 30, 1996 notice, the new collective agreement would have been finalized and the lockout would have ended in May 1999. A copy of the January 21, 2009 decision is attached as Exhibit “N”.

45. Arbitrator Sylvestre did not, however, order *The Gazette* to pay damages to the Typographers for the period running from May 1999 to January 21, 2000 as a result of his latest arbitration award, because he remained seized (and had yet to dispose) of *The Gazette*’s counterclaim for the reimbursement of salaries and benefits paid from February 5, 1998 to October 30, 1998.

46. In the January 21, 2009 award, Arbitrator Sylvestre provided the Typographers and *The Gazette* with the opportunity to resolve the question of quantification of damages owed

to the Typographers in light of a potential set-off with *The Gazette's* counterclaim, while retaining jurisdiction if the parties failed to reach an agreement on the issue.

47. *The Gazette* notes that the damages for lost salary and benefits claimed by the Typographers cover the nine month period from May 1999 to January 21, 2000 including interest and legal indemnity. *The Gazette's* counterclaim for the recovery of salary and benefit payments wrongly made with interest and legal indemnity is also for a period of approximately nine months from February 5, 1998 to October 30, 1998. The amounts should substantially offset each other.

48. On April 16, 2009, the Union and the Typographers filed a third Motion in Annulment under Book VII of the Québec *Code of Civil Procedure* challenging Arbitrator Sylvestre's January 21, 2009 award, thereby commencing a fourth round of litigation with respect to the June 4, 1996 claim. Hearings in this Motion were scheduled before the Québec Superior Court for June 7, 8 and 9, 2010.

49. Accordingly, at the time the LP Entities filed for protection in the CCAA Proceedings on January 8, 2010, the Typographers and *The Gazette* were still actively engaged - in their fourth round of litigation proceedings - in the Québec Superior Court regarding the June 4, 1996 claim.

50. The Québec Superior Court indefinitely postponed hearings on the third Motion in Annulment filed by the Typographers given the CCAA proceedings. That Motion, and the litigation before Arbitrator Sylvestre, remain pending.

51. Attached as Exhibit "O" is a chart prepared by counsel listing the principle Court and arbitration orders discussed above and the operative effects thereof.

Postmedia and the Typographers' Claims

52. Postmedia has never had any involvement whatsoever with, or any participation whatsoever in, the litigation between the Typographers and *The Gazette*.

53. When it agreed to purchase certain assets under the Asset Purchase Agreement, Postmedia had no interest or benefit in assuming, or reason to assume, the Typographers' claims or any litigation liability around them. These damages claims relate to events 14 years prior to the asset purchase in 2010 by Postmedia, and have no relation to the current employment or role of the Typographers who are Transferred Employees. It is Postmedia's position that it was not required under the Asset Purchase Agreement to assume liability for any award of damages that may ultimately made to the Typographers as a result of alleged past breaches of the Tripartite Agreements. Postmedia has, since the asset purchase closed, honoured all of its ongoing obligations to Transferred Employees, including those of the Typographers who are Transferred Employees.

SWORN before me at the City of Montreal, in the Province of Québec, on December 5, 2010.

Celie Rhee
A Commissioner for taking affidavits

Eileen Flood
Eileen Flood

A

This is Exhibit "A" referred to in the
affidavit of Eileen Flood
sworn before me, this 5th
day of December, 2010.

Celia Rhee
A Commissioner for Taking Affidavits

ASSET PURCHASE AGREEMENT

Dated as of May 10, 2010

Between

7535538 CANADA INC.

and

CW ACQUISITION LIMITED PARTNERSHIP

and

CANWEST BOOKS INC.

and

CANWEST (CANADA) INC.

and

CANWEST LIMITED PARTNERSHIP/CANWEST SOCIÉTÉ EN COMMANDITE

and

CANWEST PUBLISHING INC. / PUBLICATIONS CANWEST INC.

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ASSET PURCHASE AGREEMENT

This Agreement is dated as of May 10, 2010 between

7535538 CANADA INC.
("Holdco")

and

CW ACQUISITION LIMITED PARTNERSHIP
("Purchaser")

and

CANWEST BOOKS INC.
("Canwest Books")

and

CANWEST (CANADA) INC.
("Canwest GP")

and

**CANWEST LIMITED PARTNERSHIP/CANWEST SOCIÉTÉ EN
COMMANDITE**
("Canwest LP")

and

CANWEST PUBLISHING INC. / PUBLICATIONS CANWEST INC.
("CPI")

RECITALS

- A. The LP Entities carry on the Business and CPI owns all of the issued and outstanding shares of National Post.
- B. The LP Entities voluntarily commenced proceedings under the CCAA pursuant to the Initial Order.
- C. In connection with the CCAA Case, the LP Entities have agreed to sell to Purchaser and Purchaser has agreed to purchase from the LP Entities substantially all of the assets, property and undertaking of and relating to the Business, on the terms and conditions of this Agreement.

THEREFORE, the Parties agree as follows:

ARTICLE 1 - INTERPRETATION

Section 1.1 Definitions

In this Agreement:

(1) **“Accounts Payable”** means amounts relating to the Business owing to any Person as of the Acquisition Time, which are incurred by the LP Entities on or after the Filing Date in connection with the purchase of goods or services in the Ordinary Course of Business and in accordance with the terms of the Initial Order and this Agreement.

(2) **“Accounts Receivable”** means all accounts receivable, notes receivable, loans receivable and other evidences of Indebtedness and rights of the LP Entities to receive payment and the security arrangements and collateral securing the repayment and satisfaction of the foregoing.

(3) **“Accrued Liabilities”** means liabilities relating to the Business incurred by the LP Entities as of the Acquisition Time but on or after the Filing Date in the Ordinary Course of Business and in accordance with the terms of the Initial Order and this Agreement, including liabilities in respect of pre and post-filing accruals for vacation pay for Transferred Employees, customer rebates and allowances for product returns.

(4) **“Acquired Assets”** means all right, title and interest of the LP Entities in and to all properties, assets, interests and rights used in connection with or otherwise relating to the Business, including the following:

- (a) the Accounts Receivable, including all debts owed by National Post to CPI;
- (b) Cash and Equivalents;
- (c) the Actions;
- (d) the Books and Records (other than Books and Records of National Post);
- (e) the Contracts;
- (f) the Goodwill;
- (g) the Intellectual Property;
- (h) the Inventory;
- (i) the Licences;
- (j) the Personal Property Leases;
- (k) the Prepaid Expenses;
- (l) the Real Property;
- (m) the Real Property Leases;

- (n) the shares of National Post; and
- (o) the Tangible Personal Property;

provided, for greater certainty, that "Acquired Assets" does not include the Excluded Assets.

(5) "Acquisition" means the acquisition by Purchaser of the Acquired Assets as contemplated by this Agreement.

(6) "Acquisition Date" means the third Business Day after the date that the Sanction and Vesting Orders become Final Orders, provided that if the Marketing Period has not ended at the time of the satisfaction or waiver of the conditions set forth in Article 10 (other than those conditions that by their nature cannot be satisfied until the Acquisition Date, but subject to the fulfillment or waiver of those conditions), then the Acquisition Date shall occur instead on the date following the satisfaction or waiver of such conditions that is the earliest to occur of (a) any business day before or during the Marketing Period as may be specified by Purchaser on no less than three Business Days' prior notice to the LP Entities and (b) the final day of the Marketing Period, or such other date, time, or place as agreed to in writing by the parties hereto. For purposes of this Agreement, the term "Marketing Period" shall mean the first period of 20 days beginning on the delivery of the Required Information (together with the authorization letter referred to in Section 9.10(1)(i)), throughout which (i) Purchaser shall have the Required Information and (ii) the conditions set forth in Section 10.2 have been satisfied (other than the conditions set forth in Section 10.2(5)(ii) and Section 10.2(10)(ii) and conditions that by their nature can only be satisfied on the Acquisition Date) and nothing has occurred and no condition exists that would cause any of the conditions set forth in Section 10.1 to fail to be satisfied assuming the Acquisition Date were to be scheduled for any time during such 20-day period; provided that: (x) the "Marketing Period" shall be deemed not to have commenced if, prior to the completion of such 20-day period, PricewaterhouseCoopers LLP or the then LP Entities' auditors shall have withdrawn its audit or review opinion with respect to any of the financial statements contained in the Required Information, (y) the Marketing Period shall be extended until the date that the Sanction and Vesting Orders become Final Orders, and (z) notwithstanding any of the foregoing, if the financial statements included in the Required Information that are available to Purchaser on the first day of any such 20-day period would be required to be updated pursuant to Rule 3-12 of Regulation S-X on any day during such 20-day period if a registration statement using such financial statements were to be filed with the SEC on such date, then a new 20-day period shall commence.

(7) "Acquisition Time" means 12:00 p.m. on the Acquisition Date or such other time on such date as the Parties may agree.

(8) "Actions" means all rights of action and claims whatsoever of the LP Entities against third parties arising by reason of any facts or circumstances that occurred or existed before the Acquisition Time whether or not an action or other proceeding shall have been commenced before the Acquisition Time.

(9) "Administrative Agent" means The Bank of Nova Scotia or any successor in its capacity as administrative agent under the Senior Credit Agreement.

(10) **"Administrative Reserve"** means a cash reserve in an amount to be agreed by the Monitor, the LP Entities and Purchaser, not exceeding \$25,000,000, and approved by the CCAA Court pursuant to the Administrative Reserve Order, which reserve shall be established by the Monitor out of the LP Entities' Cash and Equivalents as a segregated account held in trust by the Monitor for the benefit of Persons entitled to be paid the Administrative Reserve Costs and Purchaser, in accordance with the terms hereof for the purpose of paying the Administrative Reserve Costs in accordance with the terms hereof and the Administrative Reserve Order.

(11) **"Administrative Reserve Account"** means an account established by the Monitor in trust in accordance with this Agreement and the Administrative Reserve Order.

(12) **"Administrative Reserve Costs"** means administrative claims and costs outstanding on the Acquisition Date (or to the extent provided below arising thereafter) falling within one or more of the following categories (i) amounts secured by the administration charge, the LP MIP charge or financial advisor charge granted by the CCAA Court in the Initial Order including, in the case of the Monitor, the reasonable fees and costs of the Monitor with respect to the performance of its duties and obligations whether arising before or after the Acquisition Date, (ii) amounts secured by the directors' and officers' charge (including for greater certainty claims for wages indirectly secured by the directors' and officers' charge) granted by the CCAA Court in the Initial Order, (iii) Government Priority Claims, (iv) any portion of pre-filing vacation pay that is not part of Employee Priority Claims, (v) Pension Priority Claims, (vi) Trustee Fees and Costs, and (vii) Post-Filing Trade Payables, in each case to the extent not paid by the LP Entities or, in the case of (ii), (iii), (iv), (v) and (vii) above, assumed by Purchaser on or before the Acquisition Date.

(13) **"Administrative Reserve Order"** means an Order of the CCAA Court, in form and substance satisfactory to Purchaser and the LP Entities, acting reasonably, to be made in connection with the CCAA Case on or before the Acquisition Date that will set out the amount of the Administrative Reserve and the process for the administration of the Administrative Reserve by the Monitor.

(14) **"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.

(15) **"Agreement"** means this agreement and all schedules to this agreement, as may be amended from time to time in accordance with the terms hereof.

(16) **"Applicable Law"** means, in respect of any Person, property, transaction, event or other matter, any 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 all applicable requirements, requests, official directives, rules, consents, approvals, authorizations, guidelines, and policies, in each case, having the force of law, 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.

(17) **"Approval Order"** has the meaning given to it in Section 14.6.

(18) **"Assumed Contracts"** means all Contracts, Personal Property Leases and Real Property Leases, other than the Excluded Contracts and Leases.

(19) **"Assumed Liabilities"** means (i) Accounts Payable, Deferred Revenue Obligations, Accrued Liabilities and Insured Litigation Deductibles, (ii) the other Liabilities of the LP Entities relating to the Business accrued due on, or accruing due subsequent to, the Acquisition Date under the Assumed Contracts, Licences and the Permitted Encumbrances, (iii) the Liabilities of the LP Entities relating to the Transferred Employees, and (iv) other Liabilities to be assumed by Purchaser as specifically provided for under this Agreement.

(20) **"Books and Records"** means the Financial Records and all other books, records, files and papers of the LP Entities (other than minute books and corporate records) and National Post relating to the Business or the Acquired Assets and the business and assets of National Post, 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 and suppliers, personnel, employment and other records, and all such records, data and information stored electronically, digitally or on computer-related media.

(21) **"Business"** means, collectively, the English language newspaper, digital and online businesses carried on by CPI and the respective business carried on by Canwest Books, Canwest GP and Canwest LP.

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

(23) **"Cash and Equivalents"** means all cash, certificates of deposits, bank deposits, commercial paper, treasury bills and other cash equivalents of, and all of the cheques and cheque books of, the LP Entities.

(24) **"Cash Elected Amount"** means, in respect of any Proven Claim of an unsecured creditor of the LP Entities, a cash amount equal to the lesser of \$1,000 and the amount of such Proven Claim.

(25) **"Cash Election"** means an election made or deemed to be made by an unsecured creditor of the LP Entities prior to the date of the creditors' meeting pursuant to and in accordance with the CCAA Plan pursuant to which such creditor has elected or been deemed to have elected to receive the Cash Elected Amount in respect of the Proven Claim of such creditor, and is deemed to vote in favour of the CCAA Plan.

(26) **"CCAA"** means *Companies' Creditors Arrangement Act* (Canada), R.S.C. 1985, c. C-36, as amended from time to time.

(27) **"CCAA Case"** means the proceedings commenced by way of an application for the Initial Order pursuant to the CCAA filed by Canwest Books, Canwest GP and CPI on the Filing Date.

(28) **"CCAA Court"** means the Ontario Superior Court of Justice (Commercial List).

(29) "CCAA Plan" means the plan of compromise or arrangement reflecting the transactions contemplated by this Agreement substantially on the terms set out in the outline attached as Schedule 1.1(29) and in form and substance satisfactory to Purchaser and the LP Entities, acting reasonably, to be filed by the LP Entities in the CCAA Case in accordance with this Agreement.

(30) "Claims" means any right of any Person against any of the LP Entities in connection with any Indebtedness, liability or obligation of any kind of such LP Entity owed to such Person and any interest accrued thereon or costs or other amounts payable in respect thereof, whether liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, present, future, known or unknown, by guarantee, surety or otherwise and whether or not such right is executory or anticipatory in nature, including the right or ability of any Person to advance a claim for contribution or indemnity or otherwise with respect to any grievance, matter, action, cause or chose in action, whether existing at present or commenced in the future, and for greater certainty, includes any claim that would have been provable if the LP Entities had become bankrupt on the Filing Date.

(31) "Claims Procedure Order" means the claims procedure order issued by the CCAA Court on April 12, 2010 in connection with the CCAA Case, as amended from time to time.

(32) "CMI Entities" means Canwest Global Communications Corp., Canwest Media Inc. and all direct and indirect subsidiaries of Canwest Media Inc. other than the LP Entities, National Post and Echo Publications Partnership.

(33) "Commissioner" means the Commissioner of Competition under the *Competition Act* (Canada).

(34) "Common Shares" means either voting common shares or limited voting common shares in the capital of Holdco, as applicable.

(35) "Competition Act Approval" means either (a) the applicable waiting period under section 123 of the *Competition Act* (Canada) shall have expired or been waived, and the Commissioner shall have advised Purchaser that she does not intend to make an application under section 92 of the *Competition Act* (Canada) in respect of the Acquisition, and any terms and conditions attached to any such advice are acceptable to Purchaser, acting reasonably; or (b) the Commissioner shall have issued an advance ruling certificate under section 102(1) of the *Competition Act* (Canada) to the effect that the Commissioner is satisfied that she would not have sufficient grounds upon which to apply to the Competition Tribunal for an order under section 92 of the *Competition Act* (Canada) in respect of the Acquisition.

(36) "Computer Systems" means all computer hardware, peripheral equipment, software and firmware, processed data, technology infrastructure and other computer and communication systems and services that are used by the LP Entities to receive, store, process or transmit data, to carry on the Business, to carry on their day to day operations and affairs, or otherwise.

(37) "Confidential Information" has the meaning given in Section 9.6(1).

(38) "Consent" means any consent, approval, permit, waiver, ruling, exemption or acknowledgement from any Person (other than an LP Entity or National Post) which is provided for or required in respect of or pursuant to the terms of any Material Contract or any material

Personal Property Lease or material Real Property Lease or any material Intellectual Property in connection with the Acquisition, to permit Purchaser to use the Acquired Assets to carry on the Business after the Acquisition Date or which is otherwise necessary to permit the Parties to perform their obligations under this Agreement.

(39) **"Contaminant"** means any substance, product, element, radiation, vibration, sound or matter regulated or giving rise to liability under any Environmental Law (including any defined as "hazardous product," "dangerous goods," "waste," "toxic substance," "contaminant," "pollutant," "deleterious substance") or the presence of which in the environment is likely to affect adversely the quality of the environment or human health in any way.

(40) **"Contracts"** means all contracts and agreements relating to the Business to which any of the LP Entities is a party as at the Acquisition Time, including the Shared Services Agreement and the Omnibus Transition and Reorganization Agreement (other than the Personal Property Leases and the Real Property Leases, but including the LP Leased Property Leases).

(41) **"Control"** of a Person by another Person means that the second Person directly or indirectly possesses the power to direct or cause the direction of the management and policies of the first Person, whether through the ownership of securities, by contract or by any other means and "controlled by" and "under common control with" have corresponding meanings.

(42) **"Credit Acquisition"** has the meaning given to it in the LP Support Agreement between the LP Entities and the Administrative Agent, dated January 8, 2010, as amended from time to time.

(43) **"Debt Commitment Letter"** has the meaning given to it in Section 8.6.

(44) **"Deferred Revenue Obligations"** means obligations of the LP Entities incurred in the Ordinary Course of Business in respect of prepaid circulation and advertising revenues of the Business that by their terms are to be satisfied following the Acquisition Time.

(45) **"Deposit"** means the sum of (i) \$10 million paid by or on behalf of Purchaser to the Monitor on or before the date hereof; plus (ii) interest earned on the amount set out in (i) in accordance with the SISP Procedures.

(46) **"Designated Purchaser"** has the meaning given to it in Section 12.2.

(47) **"DIP Administrative Agent"** means The Bank of Nova Scotia or any successor in its capacity as administrative agent under the DIP Credit Agreement.

(48) **"DIP Claims Amount"** means, at any time, the aggregate amount of all Claims of the lenders and the DIP Administrative Agent arising under or in connection with the DIP Credit Agreement.

(49) **"DIP Credit Agreement"** means the senior-secured super priority debtor-in-possession credit agreement made as of February 5, 2010 between Canwest LP, as borrower, the guarantors party thereto, The Bank of Nova Scotia, as administrative agent and arranger, The Bank of Nova Scotia, as an issuing bank, and the initial lenders and other lenders party thereto.

(50) **"DIP Lender Distribution"** means the payments to be made to the DIP Administrative Agent for and on behalf of the lenders under the DIP Credit Agreement under the CCAA Plan in respect of the amount referred to in Section 2.4(1)(b).

(51) **"Employee Priority Claims"** means the following Claims of Employees and former or inactive employees of the LP Entities:

- (a) Claims equal to the amounts that such Employees and former or inactive employees would have been qualified to receive under paragraph 136(1)(d) of the *Bankruptcy and Insolvency Act (Canada)* if the LP Entities had become bankrupt on the Filing Date; and
- (b) Claims for wages, salaries, commissions or compensation for services rendered by them after the Filing Date and on or before the Acquisition Date together with, in the case of travelling salespersons, disbursements properly incurred by them in and about the Business during the same period.

(52) **"Employees"** means any and all (i) employees who are actively at work (including full-time, part-time or temporary employees) of the LP Entities, including Misaligned CMI Employees; and (ii) employees of the LP Entities who are on approved leaves of absence (including maternity leave, parental leave, short-term disability leave, workers' compensation and other statutory leaves).

(53) **"Employment Laws"** means all Applicable Laws relating to employment and labour, including those relating to wages, hours of work, 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 insurance, income tax withholdings, Canada or Quebec Pension Plan and occupational health and safety.

(54) **"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 and shall be construed in the widest possible terms and principles known under the law applicable to such property, interests or rights and whether or not they constitute specific or floating charges as those terms are understood under the laws of the Province of Ontario.

(55) **"Environmental Claim"** includes a claim, notice, administrative order, citation, complaint, summons, writ, proceeding or demand relating to remediation, investigation, monitoring, emergency response, decontamination, restoration or other action under any Environmental Law or any notice, claim, demand or other communication alleging or asserting liability, either direct or indirect, and either in whole or by way of contribution or indemnity, for investigatory, monitoring or cleanup costs, Governmental Authority response costs, damages, personal injuries, fines, penalties or for other relief, and arising out of, based on or resulting from (a) the presence, or Release into the environment, of any Contaminant, or (b) any non-compliance or alleged non-compliance with any Environmental Law, or (c) otherwise relating to obligations or liabilities under any Environmental Law.

- (56) **"Environmental Laws"** means all Applicable Laws relating to or imposing liability or standards of conduct concerning the protection and preservation of the environment, health or safety.
- (57) **"Environmental Permits"** means Licences issued pursuant to an Environmental Law.
- (58) **"Equity Commitment Letter"** has the meaning given to it in Section 8.6.
- (59) **"Equity Sponsors"** has the meaning given to it in Section 8.6.
- (60) **"Excluded Assets"** has the meaning given to it in Section 3.1.
- (61) **"Excluded Contracts and Leases"** means all Contracts, Personal Property Leases and Real Property Leases described in Schedule 3.1(3) (Scheduled Excluded Assets).
- (62) **"Excluded Liabilities"** means all Liabilities of the LP Entities other than the Assumed Liabilities, and for certainty Excluded Liabilities includes all of the Liabilities described in Schedule 1.1(62).
- (63) **"Filing Date"** means January 8, 2010.
- (64) **"Final Order"** means, in respect of any Order, such Order after (i) the expiry of applicable appeal periods; or (ii) in the event of an appeal or application for leave to appeal or to stay, vary, supersede, set aside or vacate such Order, final determination of such appeal or application by the applicable court or appellate tribunal.
- (65) **"Financial Records"** means all books of account and other financial data and information of the LP Entities or National Post relating to the Business or the Acquired Assets or the business or assets of National Post and all such records, data and information stored electronically, digitally or on computer-related media.
- (66) **"Funds"** has the meaning given to it in Section 5.3(1).
- (67) **"GAAP"** means, at any time, generally accepted accounting principles in effect in Canada at that time, including the accounting recommendations published in the Handbook of the Canadian Institute of Chartered Accountants.
- (68) **"Goodwill"** means all goodwill of the LP Entities including (i) the goodwill related to the Business at the Acquisition Time, and (ii) the right to represent Purchaser as carrying on the Business in continuation of, and in succession to the LP Entities.
- (69) **"Government Priority Claims"** means all Claims of Governmental Authorities that are:
- (a) Claims by Her Majesty in Right of Canada pursuant to subsections 224(1.2) and 224(1.3) of the ITA;
 - (b) Claims pursuant to any provision of the Canada Pension Plan or the *Employment Insurance Act* (Canada) that refers to subsection 224(1.2) of the ITA and provides for the collection of a contribution, as defined in the Canada Pension Plan, or employee's premium or employer's premium as defined in the *Employment*

Insurance Act (Canada), or a premium under Part VII.1 of that Act, and of any related interest, penalties or other amounts;

- (c) Claims pursuant to any provision of provincial legislation that has a similar purpose to subsection 224(1.2) of the ITA, or that refers to that subsection, to the extent that it provides for the collection of a sum, and of any related interest, penalties or other amounts, where the sum:
- (i) has been withheld or deducted by a person from a payment to another person and is in respect of a tax similar in nature to the income tax imposed on individuals under the ITA; or
 - (ii) is of the same nature as a contribution under the Canada Pension Plan if the province is a "province providing a comprehensive pension plan" as defined in subsection 3(1) of the Canada Pension Plan and the provincial legislation establishes a "provincial pension plan" as defined in that subsection.

(70) "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.

(71) "GST" means goods and services or harmonized sales tax imposed under Part IX of the GST Act.

(72) "GST Act" means the *Excise Tax Act* (Canada).

(73) "Guarantee" of a Person means any absolute or contingent liability of that Person under any guarantee, agreement, endorsement (other than for collection or deposit in the ordinary course of business of that Person), discount with recourse or other obligation to pay, purchase, repurchase or otherwise be or become liable or obligated upon or in respect of any Indebtedness of any other Person and including any absolute or contingent obligation to:

- (a) advance or supply funds for the payment or purchase of any Indebtedness of any other Person;
- (b) purchase, sell or lease (as lessee or lessor) any property, assets, goods, services, materials or supplies primarily for the purpose of enabling any Person to make payment of Indebtedness or to assure the holder of the Indebtedness against loss; or
- (c) indemnify or hold harmless any Person from or against any losses, liabilities or damages, in circumstances intended to enable the Person to incur or pay any Indebtedness or to comply with any agreement relating thereto or otherwise to assure or protect creditors against loss in respect of the Indebtedness.

(74) **"Hedging Agreements"** means the interest rate, currency and commodity hedging agreements entered into between an LP Entity and one or more Senior Lenders, in respect of which such LP Entity's obligations are secured *pari passu* with the obligations under the Senior Credit Agreement.

(75) **"ICA"** means the *Investment Canada Act*.

(76) **"Indebtedness"** of a Person means, without duplication:

- (a) all debts and liabilities of that Person for borrowed money;
- (b) all debts and liabilities of that Person representing the deferred acquisition cost of property and services; and
- (c) all Guarantees given by that Person.

(77) **"Initial Order"** means the initial order issued by the CCAA Court on January 8, 2010 in connection with the CCAA Case, as amended and extended by further orders of the CCAA Court dated February 2, 2010, March 26, 2010, April 12, 2010 and April 28, 2010, and as may be further amended from time to time after the date hereof.

(78) **"Insured Litigation"** means the insured litigation notices and claims involving the LP Entities, Old National Post and National Post as set out in Schedule 1.1(78) and in respect of insured litigation claims for libel, slander and/or defamation arising in the Ordinary Course of Business after the currency date of such schedule.

(79) **"Insured Litigation Deductibles"** means any remaining deductibles under insurance policies maintained by or on behalf of the LP Entities in respect of the Insured Litigation.

(80) **"Intellectual Property"** means:

- (a) all patents, patent rights, patent applications, registrations, continuations, continuations in part, divisional applications or analogous rights thereto, and inventions owned by the LP Entities or used by the LP Entities in the Business;
- (b) all trade-marks, trade names, trade-mark applications and registrations, trade name registrations, service marks, logos, slogans and brand names owned by the LP Entities or used by the LP Entities in the Business;
- (c) all works of authorship, copyright works, copyrightable works, copyright applications and registrations, and design rights, including packaging designs, displays, photographs, graphics, artwork, videos, proprietary fonts and typefaces, advertising and promotional materials, training materials and manuals used for internal and external purposes, website and electronic content, compilations, documentation and other textual and audiovisual works owned by the LP Entities or used by the LP Entities in the Business;
- (d) all industrial designs and applications for registration of industrial designs and industrial design rights, design patents and industrial design registrations owned by the LP Entities or used by the LP Entities in the Business;

- (e) all business names, corporate names, telephone numbers, domain names, domain name registrations, website names and worldwide web addresses and other communications addresses owned by the LP Entities or used by the LP Entities in the Business;
- (f) all Computer Systems and applications software, including all documentation relating thereto and the latest revisions of all related object and source codes therefor owned by the LP Entities or used by the LP Entities in the Business;
- (g) all rights and interests in and to processes, lab journals, notebooks, data, trade secrets, designs, know-how, product formulae and information, manufacturing, engineering and other technical drawings and manuals, technology, blue prints, research and development reports, technical information, technical assistance, engineering data, design and engineering specifications, and similar materials recording or evidencing expertise or information owned by the LP Entities or used by the LP Entities in the Business;
- (h) all customer lists, subscriber lists and supplier lists;
- (i) all other intellectual property rights owned by the LP Entities or used by the LP Entities in the Business, or arising from the operation of the Business, and foreign equivalents or counterpart rights, in any jurisdiction throughout the world;
- (j) all licences granted by the LP Entities of the intellectual property described in paragraphs (a) to (i) above;
- (k) all future income and proceeds from any of the intellectual property listed in paragraphs (a) to (i) above and the licences described in paragraph (i) above;
- (l) all rights to damages and profits by reason of the infringement of any of the intellectual property described in items (a) to (i) above and the licences described in item (j) above;
- (m) all materials and content in any form or media embodying any of the foregoing; and
- (n) all goodwill associated with any of the foregoing,

provided, for greater certainty, that "Intellectual Property" does not include intellectual property that is in the public domain.

(81) "Interim Period" means the period from and including the date of this Agreement to and including the Acquisition Date.

(82) "ITA" means the *Income Tax Act* (Canada).

(83) "Inventory" means all inventories of the LP Entities 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.

(84) **"Leased Premises"** means the real or immovable property subject to the Real Property Leases.

(85) **"Lenders"** has the meaning given to it in Section 8.6.

(86) **"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.

(87) **"Licence"** means any licence, permit, authorization, approval or other evidence of authority issued or granted to, conferred upon, or otherwise created for, the LP Entities by any Governmental Authority.

(88) **"LP Benefit Plans"** means the employee benefit plans, agreements, arrangements (whether funded or unfunded) that are maintained for, available to, or otherwise relating to any Employee or former or inactive employee of any LP Entity or which any LP Entity sponsors or is obligated to contribute to or is in any way liable for, whether or not insured and whether or not subject to any Applicable Law, including bonus, deferred compensation, incentive compensation, share purchase, share appreciation, share option, severance and termination pay, hospitalization, health and other medical benefits, accidental death and dismemberment, life and other insurance, dental, vision, legal, long-term and short-term disability, salary continuation, vacation, supplemental unemployment benefits, education assistance, profit sharing, mortgage assistance, employee loan, employee assistance and pension, retirement and supplemental retirement plans, programs, agreements (including the LP Pension Plans and any registered retirement savings arrangements), except that the term "LP Benefit Plans" shall not include any Multi-Employer Plans or Statutory Plans.

(89) **"LP Entities"** means collectively Canwest Books, Canwest GP, Canwest LP and CPI and, for greater certainty, a reference to the LP Entities includes any one of them.

(90) **"LP Leased Property Leases"** means all executed offers to lease, agreements to lease, leases, subleases, renewals of leases, tenancy agreements, rights of occupation, licences or other occupancy agreements granted by or on behalf of an LP Entity or its predecessors in title as lessor to possess or occupy space within the Real Property or any part thereof now or hereafter, together with all security, guarantees and indemnities of the tenants' obligations thereunder.

(91) **"LP Pension Plans"** means each of the defined benefit and defined contribution pension plans that are sponsored, maintained, and administered by any LP Entity and that are required to be, and are, registered and regulated under the ITA and under applicable provincial minimum standards legislation, but excluding any Multi-Employer Plan.

(92) **"Material Adverse Effect"** means any change, effect or circumstance that: (a) is or is reasonably expected to be, individually or in the aggregate, materially adverse to the operations or condition of (i) the Business or the business of National Post; (ii) or any newspaper operated as part of the Business, in each case, financial or otherwise; or (b) would or would reasonably be expected to, individually or in the aggregate, materially impact the ability of the LP Entities to complete the transactions contemplated in this Agreement, but in each case excluding any change, effect or circumstance arising out of, resulting from or attributable to (u) 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 or digital/online industry in general; (v) the negotiation, execution, announcement or consummation of the transactions contemplated by, or the performance of obligations under, this Agreement; (w) the identity of, or the effects of any facts or circumstances relating to, Purchaser or its Affiliates; (x) any changes or prospective changes in Applicable Law or GAAP or the enforcement or interpretation thereof; (y) 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; or (z) the CCAA Case (provided, that changes, effects or circumstances set forth in clauses (u), (x) and (y) above may be taken into account in determining whether there has been or is a Material Adverse Effect to the extent such changes, effects or circumstances have a materially disproportionate adverse effect on the Business and National Post, taken as a whole, as compared to other participants in the industries in which the Business and National Post operate).

(93) **"Material Contract"** means any Contract that is material to the Business or the business of National Post or any newspaper operated as part of the Business that, if breached or terminated, would have a Material Adverse Effect, and also includes any Contract (other than LP Leased Property Leases) which cannot be terminated on less than 12-months notice and which creates a Liability of more than \$10,000,000 annually.

(94) **"Misaligned CMI Employees"** means the employees of the CMI Entities who devote a majority of their working time to the Business as identified in the letter dated May 10, 2010 from Osler, Hoskin & Harcourt LLP, counsel to the LP Entities, to Davies Ward Phillips & Vineberg LLP, counsel to Purchaser.

(95) **"Monitor"** means FTI Consulting Canada Inc., in its capacity as CCAA court-appointed Monitor of the LP Entities pursuant to the Initial Order.

(96) **"Multi-Employer Plan"** means plans, arrangements, agreements, programs, policies, practices or undertakings, whether funded or unfunded, insured or uninsured, registered or unregistered to which the LP Entities or National Post are a party or bound or in which the Employees or former or inactive employees of the LP Entities or National Post participate or under which the LP Entities or National Post have, or will have, any liability or contingent liability, or pursuant to which payments are made, or benefits are provided to, or an entitlement to payments or benefits may arise with respect to any of its Employees or former or inactive employees (or any spouses, dependants, survivors or beneficiaries of any such persons) and which are not, sponsored, maintained or administered by the LP Entities or National Post or any of their Affiliates, but for the avoidance of doubt including the Pacific Press Retirement Plan.

(97) **"National Post"** means National Post Inc., a corporation formed under the laws of Canada.

(98) **"National Post Benefit Plans"** means the employee benefit plans, agreements, arrangements (whether funded or unfunded) that are maintained for, available to, or otherwise relating to any employee or former or inactive employee of National Post or in respect of which National Post sponsors or is obligated to contribute to or is in any way liable for, whether or not insured and whether or not subject to any Applicable Law, including bonus, deferred compensation, incentive compensation, share purchase, share appreciation, share option, severance and termination pay, hospitalization, health and other medical benefits, accidental

death and dismemberment, life and other insurance, dental, vision, legal, long-term and short-term disability, salary continuation, vacation, supplemental unemployment benefits, education assistance, profit sharing, mortgage assistance, employee loan, employee assistance and pension, retirement and supplemental retirement plans, programs, agreements, except that the term "National Post Benefit Plans" shall not include any Multi-Employer Plan or Statutory Plans.

(99) "Non-Union Employees" has the meaning given to it in Section 5.1(2).

(100) "Notice" means any notice, approval, demand, direction, consent, designation, request, document, instrument, certificate or other communication required or permitted to be given under this Agreement.

(101) "Old National Post" means National Post Holdings Ltd. and The National Post Company / La Publication National Post.

(102) "Omnibus Transition and Reorganization Agreement" means the Omnibus Transition and Reorganization Agreement to be entered into between Canwest LP, CPI and certain CMI Entities, to address, *inter alia*, the matters described in Section 9.12 that is in form and substance satisfactory to Purchaser and the LP Entities, acting reasonably, as such agreement may be amended from time to time.

(103) "Order" means any order, directive, judgment, decree, injunction, decision, ruling, award or writ of any Governmental Authority.

(104) "Ordinary Course of Business" means the ordinary and usual course of the routine daily affairs of the Business and the business of National Post consistent with past practice, but having regard to the fact that the LP Entities are subject to the CCAA Case and the Shared Services Agreement.

(105) "Party" means a party to this Agreement and any reference to a Party includes its successors and permitted assigns and "Parties" means every Party.

(106) "Pension Assignment and Assumption Agreements" has the meaning given to it in Section 5.3(1).

(107) "Pension Priority Claims" means all Claims for the payment of any of the following amounts that, in respect of the period up to the Acquisition Date are due and remain unpaid to the funds established in respect of CCAA prescribed pension plans of the LP Entities:

- (a) an amount equal to the sum of all amounts that were deducted from the employees' remuneration for payment to such funds;
- (b) if any of the CCAA prescribed pension plans is regulated by an Act of Parliament:
 - (i) an amount equal to the normal cost, within the meaning of subsection 2(1) of the Pension Benefits Standards Regulations, 1985, that was required to be paid by the employer to the fund; and
 - (ii) an amount equal to the sum of all amounts that were required to be paid by the employer to the fund under a defined contribution provision, within the

meaning of subsection 2(1) of the *Pension Benefits Standards Act*, 1985; and

- (c) in the case of any other CCAA prescribed pension plan:
 - (i) an amount equal to the amount that would be the normal cost, within the meaning of subsection 2(1) of the *Pension Benefits Standards Regulations*, 1985, that the employer would be required to pay to the fund if the prescribed plan were regulated by an Act of Parliament; and
 - (ii) an amount equal to the sum of all amounts that would have been required to be paid by the employer to the fund under a defined contribution provision, within the meaning of subsection 2(1) of the *Pension Benefits Standards Act*, 1985, if the prescribed plan were regulated by an Act of Parliament.

(108) "**Permitted Encumbrances**" means the Encumbrances described in Schedule 1.1(108).

(109) "**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.

(110) "**Personal Information**" means any factual or subjective information, recorded or not, about an Employee, contractor, agent, consultant, officer, director, executive, client, customer, supplier, or about any other identifiable 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.

(111) "**Personal Property Leases**" means the leases of personal property used by the LP Entities in connection with the Business, including all purchase options, prepaid rents, security deposits, warranties, licences and permits relating thereto and all leasehold improvements thereon.

(112) "**Plan Implementation Date**" means the date on which all of the conditions precedent to the implementation of the Acquisition set out in the CCAA Plan have been fulfilled or, to the extent permitted pursuant to the terms and conditions of this Agreement and the CCAA Plan, waived, as evidenced by a certificate to that effect filed with the CCAA Court by the Monitor, with the consent of Purchaser.

(113) "**Post-Filing Trade Payables**" means trade payables that were incurred by the LP Entities (i) after the Filing Date and before the Acquisition Date, (ii) in the Ordinary Course of Business, and (iii) in compliance with the Initial Order and other Orders issued in connection with the CCAA Case.

(114) "**Prepaid Expenses**" means all prepayments, prepaid charges, deposits, sums and fees of the LP Entities.

(115) **"Prior Ranking Secured Claims"** means Claims existing on both the Filing Date and the Plan Implementation Date, other than Government Priority Claims, Employee Priority Claims, Pension Priority Claims and Claims secured by charges ordered by the CCAA Court under the Initial Order, that (i) have the benefit of a valid and enforceable security interest in, mortgage or charge over, lien against or other similar interest in, any of the assets that the LP Entities own or to which the LP Entities are entitled, but only to the extent of the realizable value of the property subject to such security, and (ii) would have ranked senior in priority to the Claims under the Senior Credit Agreement or a Hedging Agreement (other than any Cash Management Claims (as defined in the Senior Lenders' Plan)) if the LP Entities had become bankrupt on the Filing Date.

(116) **"Proven Claim"** means a Claim by an unsecured creditor of the LP Entities proven in accordance with the Claims Procedure Order.

(117) **"Purchase Price"** has the meaning given to it in Section 2.2(1).

(118) **"Purchaser Assumed Benefit Plans"** means the LP Benefit Plans listed in Schedule 7.7(1), and **"Purchaser Assumed Benefit Plan"** means any one of such plans.

(119) **"Purchaser Established Benefit Plans"** has the meaning given to it in **Error! Reference source not found.**

(120) **"Purchaser Established Pension Plans"** has the meaning given to it in Section 5.3(8).

(121) **"QST"** means Québec sales tax imposed under the QST Act.

(122) **"QST Act"** means Title I of *An Act respecting the Québec sales tax*.

(123) **"Real Property"** means the real or immovable property used in the Business, owned by the LP Entities and (i) all plant, buildings, structures, erections, improvements, appurtenances of every kind or nature situate therein or on thereof and (ii) all fixtures of every nature and kind incorporated therein, situate upon and used in connection therewith, including heating, ventilating, air-conditioning, plumbing, electrical, sprinkler and drainage systems, in each case other than fixtures and other property owned by any tenant.

(124) **"Real Property Leases"** means all offers to lease, agreements to lease, leases, renewals of leases, subleases, tenancy agreements, rights of occupation, licenses or other occupancy agreements for real or immovable property, including all purchase options, prepaid rents, security deposits, licences and permits relating thereto and all leasehold improvements thereon, whether oral or written, relating to the Business where an LP Entity is a tenant.

(125) **"RCA Plan"** means the CanWest MediaWorks Limited Partnership (now Canwest LP) and Related Companies Retirement Compensation Arrangement Plan.

(126) **"Reference Date"** means September 1, 2009.

(127) **"Regulatory Approval"** means any approval, consent, ruling, authorization, notice, permit or acknowledgement that may be required from any Person pursuant to Applicable Law or under the terms of any Licence or the conditions of any Order in connection with the acquisition of the Acquired Assets by Purchaser on the terms contemplated in this Agreement, to

permit Purchaser to carry on the Business and the business of National Post after the Acquisition Date or which is otherwise necessary to permit the Parties to perform their obligations under this Agreement, and includes the Competition Act Approval.

(128) **"Release"** means any release, spill, leak, emission, pumping, injection, deposit, discharge, dispersal, leaching, migration, spraying, abandonment, pouring, emptying, throwing, dumping, placing or exhausting of a Contaminant and when used as a verb has a like meaning.

(129) **"Required Information"** has the meaning given to it in Section 9.10(1)(f).

(130) **"Sanction and Vesting Orders"** means Orders to be granted by the CCAA Court as contemplated under this Agreement approving and sanctioning the CCAA Plan and the transactions contemplated hereby and thereby, and vesting in Purchaser title to and in all of the Acquired Assets free and clear of all Encumbrances, other than Permitted Encumbrances, including any Order which may be required as contemplated in Section 9.3(1) each in form and substance satisfactory to Purchaser and the LP Entities, acting reasonably.

(131) **"Securities Act"** has the meaning given to it in Section 9.10(1)(f).

(132) **"Senior Credit Agreement"** means the Credit Agreement dated as of July 10, 2007 between CanWest MediaWorks Limited Partnership (now Canwest LP), as Borrower, the guarantors party thereto from time to time, as guarantors, the lenders party thereto from time to time, as Senior Lenders, and the Administrative Agent on behalf of the Senior Lenders, as amended from time to time.

(133) **"Senior Lender Distribution"** means the payments to be made to the Administrative Agent for and on behalf of the Senior Secured Creditors under the CCAA Plan in respect of the amount referred to in Section 2.2(1)(a).

(134) **"Senior Lenders"** means the lenders party to the Senior Credit Agreement from time to time.

(135) **"Senior Lenders' Plan"** means the plan of compromise or arrangement proposed by the LP Entities in the CCAA Case on the Filing Date, and attached as a schedule to the Initial Order.

(136) **"Senior Secured Claims Amount"** means, at any time, the aggregate amount at that time of Claims of the Senior Lenders arising under or in connection with the Senior Credit Agreement or a Hedging Agreement, in each case calculated based on the deemed conversion of Claims denominated in US dollars to Canadian dollars on the Filing Date, and, for greater certainty, does not include any Cash Management Claims (as that term is defined in the Senior Lenders' Plan).

(137) **"Senior Secured Creditors"** means the Administrative Agent, the Senior Lenders, the DIP Administrative Agent and the lenders party to the DIP Credit Agreement.

(138) **"SERA"** means the top-up retirement allowance arrangements made with certain former employees of Southam Inc. which were assumed by the LP Entities and are referred to as the Southam Executive Retirement Arrangements.

(139) **"Shared Services Agreement"** means the Agreement on Shared Services and Employees dated October 26, 2009 among Canwest Global Communications Corp., Canwest LP, Canwest

Media Inc., CPI, Canwest Television Limited Partnership and Old National Post (as subsequently assigned to National Post), as amended from time to time.

(140) "SISP Procedures" means the procedures regarding the sale and investor solicitation process attached as schedule A to the Initial Order, as the same may be amended from time to time after the date hereof with the consent of Purchaser.

(141) "Special Committee" has the meaning given to it in the Initial Order.

(142) "Statutory Plans" means any plans or programs sponsored by a Governmental Authority, including but not limited to the Canada/Quebec Pension Plan, provincial health tax, workers' compensation and employment insurance.

(143) "Stikeman Letter" means the letter dated May 7, 2010 from Stikeman Elliott LLP, counsel to the Monitor, to counsel to the Administrative Agent and counsel to the Purchaser, as supplemented by the further assurances email sent by Monitor's counsel to Purchaser's counsel on May 9, 2010, in each case, in the form appended to the Monitor's seventh report dated on or about May 10, 2010, as such letter may be amended or supplemented with the consent of Purchaser.

(144) "Tangible Personal Property" means all of the LP Entities' machinery, equipment, motor vehicles, office equipment, furniture, spare parts, dies, tooling, tools, computer hardware, supplies and accessories and other chattels.

(145) "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/Quebec Pension Plan and other 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.

(146) "Third Party Approval" has the meaning given to it in Section 9.3(1).

(147) "Transferred Employees" means (i) Union Employees; and (ii) Non-Union Employees who accept offers of employment by Purchaser or who begin active employment with Purchaser as of the Acquisition Date or their next scheduled work day.

(148) "Trustee Fees and Costs" means the fees and costs of any trustee in bankruptcy that may be appointed in respect of any of the LP Entities upon or following the completion of the Acquisition.

(149) "Union Employees" has the meaning given to it in Section 5.1(2)(a).

Section 1.2 Actions on Non-Business Days

If any payment is required to be made or other action (including the giving of notice) 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 Currency and Payment Obligations

Except as otherwise expressly provided in this Agreement:

- (a) unless otherwise specified all money amounts referred to in this Agreement are to lawful currency of Canada; and
- (b) any payment contemplated by this Agreement shall be made by wire transfer of immediately available funds to an account specified by the payee.

Section 1.4 Calculation of Time

In this Agreement, a period of days shall be deemed to begin on the first day after the event which began the period and to end at 5:00 p.m. Toronto time on the last day of the period. If any period of time is to expire hereunder on any day that is not a Business Day, the period shall be deemed to expire at 5:00 p.m. Toronto time on the next succeeding Business Day.

Section 1.5 Tender

Any tender of documents or money hereunder may be made upon the Parties or their respective counsel and money shall be tendered by official bank draft drawn upon a Canadian chartered bank or by negotiable cheque payable in Canadian funds and certified by a Canadian bank listed in Schedule 1 to the *Bank Act* (Canada) or by wire transfer of immediately available funds.

Section 1.6 Knowledge

Any reference to the knowledge of any Party means the actual knowledge of such Party (and, in respect of the LP Entities, the senior executive responsible for the subject matter in question) after making due inquiries of their direct reports or advisors responsible for the subject matter in question.

Section 1.7 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.

Section 1.8 Schedules

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

<u>Schedule</u>	<u>Description</u>
Schedule 1.1(29)	CCAA Plan
Schedule 1.1(62)	Excluded Liabilities
Schedule 1.1(78)	Insured Litigation
Schedule 1.1(108)	Permitted Encumbrances
Schedule 3.1(3)	Excluded Assets
Schedule 7.1(1)	Status and Capacity of LP Entities
Schedule 7.1(8)	No other Acquisition Agreements
Schedule 7.1(10)	Consents
Schedule 7.2(3)	Specified Changes or Events
Schedule 7.4(2)	Real Property
Schedule 7.4(3)	Real Property Leases and Leased Premises
Schedule 7.4(6)	Personal Property Leases
Schedule 7.4(8)	Intellectual Property
Schedule 7.5(1)	Material Adverse Changes
Schedule 7.5(4)	Material Contracts
Schedule 7.6(2)	Labour Matters and Employee Contracts

ASSET PURCHASE AGREEMENT

Schedule 7.6(3)	Employee Laws
Schedule 7.7 (1)	LP Benefit Plans
Schedule 7.7(9)	Post-Retirement Benefits
Schedule 9.13	Holdco Share Provisions
Schedule 10.1(6)	Regulatory Approvals

ARTICLE 2 - PURCHASE AND SALE OF ACQUIRED ASSETS

Section 2.1 Purchase and Sale

On the Acquisition Date effective as at the Acquisition Time, pursuant to the Sanction and Vesting Orders, the LP Entities shall sell and Purchaser shall purchase the Acquired Assets, free and clear of all Encumbrances (other than Permitted Encumbrances), and Purchaser shall assume the Assumed Liabilities, in each case, on the terms and subject to the conditions of this Agreement, the CCAA Plan and the Sanction and Vesting Orders.

Section 2.2 Purchase Price

- (1) The purchase price payable by Purchaser for the purchase of the Acquired Assets (the "Purchase Price"), exclusive of all applicable sales and transfer taxes, shall be the aggregate of:
 - (a) the sum of (i) the Senior Secured Claims Amount as at the Acquisition Date, and (ii) the DIP Claims Amount as at the Acquisition Date;
 - (b) the Cash Elected Amount in respect of all Proven Claims of unsecured creditors of the LP Entities who have made or who have been deemed to have made a valid Cash Election in accordance with the CCAA Plan, provided that the Monitor shall advise Purchaser of the amount payable pursuant to this Section 2.2(1)(b) not less than three Business Days prior to the Acquisition Date;
 - (c) \$150,000,000 less the amount payable under Section 2.2(1)(b); and
 - (d) the amount of the Assumed Liabilities.

Section 2.3 Payment of Purchase Price

- (1) The Purchase Price shall be satisfied by Purchaser at the Acquisition Time as follows:
 - (a) the amount referred to in Section 2.2(1)(a)(i) shall be paid in cash (i) as to an amount equal to the Deposit, by the release of the Deposit from escrow by the Monitor to the Administrative Agent on behalf of CPI, and (ii) as to the remainder, by wire transfer from Purchaser to the Administrative Agent on behalf of Canwest GP, Canwest Books and Canwest LP to the extent of the portion of the Purchase Price allocable to Canwest GP, Canwest Books and Canwest LP, respectively, pursuant to Section 4.1 and on behalf of CPI, as to the remainder;
 - (b) the amount referred to in Section 2.2(1)(a)(ii) shall be paid in cash by wire transfer from Purchaser to the DIP Administrative Agent on behalf of the CPI;

- (c) the amount referred to in Section 2.2(1)(b) shall be paid in cash by Purchaser by wire transfer to the Monitor on behalf of the CPI;
- (d) the amount referred to in Section 2.2(1)(c) shall be satisfied by the issuance by Purchaser to the Monitor on behalf of the CPI of one or more unsecured demand promissory notes with a principal amount equal to such amount; and
- (e) Purchaser shall assume the Assumed Liabilities effective at the Acquisition Time.

Section 2.4 Distribution of Purchase Price

(1) The consideration received on behalf of the LP Entities pursuant to Section 2.3 shall be distributed in accordance with the CCAA Plan as follows:

- (a) the cash portion of the Purchase Price referred to in Section 2.3(1)(a) shall be considered a distribution (the "**Senior Lenders' Distribution**") to the Administrative Agent on behalf of the Senior Secured Creditors in exchange for the complete and final release and discharge of all Claims and Encumbrances in respect of or securing the Liabilities of the LP Entities under or pursuant to the Senior Credit Agreement or the Hedge Agreements (including, for greater certainty, all further Claims or entitlements to receive any other payment, distribution or other amount under the CCAA Plan or through the CCAA Case);
- (b) the cash portion of the Purchase Price referred to in Section 2.3(1)(b) shall be considered a distribution (the "**DIP Lenders' Distribution**") to the DIP Administrative Agent on behalf of the lender under the DIP Credit Agreement in exchange for the complete and final release and discharge of all Claims and Encumbrances in respect of or securing the Liabilities of the LP Entities under or pursuant to the DIP Credit Agreement (including, for greater certainty, all further Claims or entitlements to receive any other payment, distribution or other amount under the CCAA Plan or through the CCAA Case);
- (c) the cash portion of the Purchase Price referred to in Section 2.3(1)(c) shall be distributed by the Monitor to unsecured creditors of the LP Entities who have made or who have been deemed to have made a valid Cash Election in respect of their Proven Claims; and
- (d) the note or notes of Purchaser to be issued to the Monitor on behalf of the LP Entities pursuant to Section 2.3(1)(d) shall be used by the LP Entities to purchase Common Shares of Holdco under the CCAA Plan at a purchase price of \$13.3333 per Common Share, and such Common Shares shall be distributed by the Monitor to unsecured creditors of the LP Entities (other than any unsecured creditors who have made or who have been deemed to have made a valid Cash Election) in accordance with the CCAA Plan.

Section 2.5 Deposit

(1) The Deposit shall be held, pending completion of the Acquisition, by the Monitor in accordance with this Section 2.5.

- (2) If
- (a) this Agreement is terminated by the LP Entities pursuant to Section 13.1(b) as a result of a failure to satisfy a condition in favour of the LP Entities in Section 10.2(1), Section 10.2(2) or Section 10.2(3) or if the transactions contemplated hereby are not consummated due to the failure of Purchaser to complete the required financing referred to in Section 9.14; or
 - (b) this Agreement is terminated by Purchaser pursuant to Section 13.1(a)
 - (i) for failure of the condition specified in Section 10.1(5) to be satisfied; or
 - (ii) for failure of the condition specified in Section 10.1(1) to be satisfied as a result of the representation in Section 7.5(1) not being true and correct in any respect,
- in each case, as a result of a Material Adverse Effect referred to in subclause (a)(ii) of the definition of "Material Adverse Effect",

the full amount of the Deposit shall be released to Canwest LP, or its designee, by the Monitor and shall become the property of and be retained by Canwest LP to compensate the LP Entities for expenses incurred in connection with the transactions contemplated in this Agreement and the delay caused to the LP Entities' efforts to sell the Acquired Assets. As provided in Section 13.3, such retainer of the Deposit shall be the sole and exclusive remedy of the LP Entities against Purchaser and Holdco. If this Agreement is terminated for any other reason, the full amount of the Deposit shall be immediately returned by the Monitor to Purchaser.

Section 2.6 Tax Elections

- (1) Purchaser and the LP Entities shall jointly execute and file an election pursuant to subsection 20(24) of the ITA and the corresponding provisions of any applicable provincial Tax legislation, in the prescribed manner and within the prescribed time limits, in respect of the consideration paid by the LP Entities for Purchaser to assume the Deferred Revenue Obligations.
- (2) Purchaser and the LP Entities shall jointly execute and file an election pursuant to section 22 of the ITA, and the corresponding provisions of any applicable provincial Tax legislation, in the prescribed manner and within the prescribed time limits, in respect of the Accounts Receivable and shall designate therein that portion of the Purchase Price allocated to the Accounts Receivable in accordance with the allocation contemplated by Section 4.1 of this Agreement as the consideration paid by Purchaser to the LP Entities for such Accounts Receivable.

Section 2.7 Conveyance Documents

- (1) **Transfer and Delivery of Acquired Assets.** At the Acquisition Time, the Parties shall execute and deliver to each other all such bills of sale, assignments, instruments of transfer, deeds, assurances and other documents as shall be necessary or reasonably requested to evidence the transfer to Purchaser of the Acquired Assets free and clear of all Encumbrances (other than Permitted Encumbrances) and the Assumed Liabilities (including share certificates representing

the shares of National Post duly endorsed in blank for transfer, or accompanied by irrevocable security transfer powers of attorney duly executed in blank, in either case by the holders of record). At the Acquisition Time, the LP Entities shall deliver up to Purchaser possession of the Acquired Assets, free and clear of all Encumbrances (other than Permitted Encumbrances).

(2) **Other Documents.** The Parties shall execute and deliver such other documents as may be necessary or reasonably requested to complete and give full effect to the transactions provided for in this Agreement.

ARTICLE 3 EXCLUDED ASSETS AND EXCLUDED LIABILITIES

Section 3.1 Excluded Assets

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

- (1) **Avoidance claims.** All rights and claims against any Person for any liability or obligation of any kind based on or arising out of the occurrence of any fraudulent conveyance, settlement, reviewable transaction, transfer at undervalue, fraudulent preference, preference or similar claim.
- (2) **Corporate Records.** The corporate charters, minute, share and partnership record books and corporate seals of the LP Entities.
- (3) **Scheduled Excluded Assets.** The property and assets described in Schedule 3.1(3).
- (4) **Director and Officer Insurance Policies.** All rights of the LP Entities under any director and officer insurance policies.
- (5) **Rights Under this Agreement.** The LP Entities' rights under this Agreement.

Section 3.2 Excluded Liabilities

Except as specifically provided in this Agreement, Purchaser shall not assume and shall not be obliged to pay, perform or discharge any Liabilities of any LP Entity which arise or relate to the Business or otherwise. Without limiting the generality of the foregoing, Purchaser shall not assume and shall have no obligations in respect whatsoever of any of the Excluded Liabilities or any Claims relating thereto.

ARTICLE 4 PURCHASE PRICE ALLOCATION

Section 4.1 Purchase Price Allocation

On or before the Acquisition Date, the LP Entities and Purchaser shall prepare an allocation of the Purchase Price among the Acquired Assets and the LP Entities, provided, however, that the amount allocated to the debts owed by National Post to CPI shall not be less than 80% of the principal amount thereof. The LP Entities shall cooperate with Purchaser in order to resolve any disagreement regarding such allocation, including promptly providing to Purchaser all information, documents and other material pertaining thereto in their custody and

control. The LP Entities and Purchaser shall report the purchase and sale of the Acquired Assets for tax purposes in accordance with such allocation.

ARTICLE 5 - EMPLOYEE MATTERS

Section 5.1 Offers

(1) No later than 15 days prior to the Acquisition Date, the LP Entities shall provide a list of all Employees, including details as to their title, position, status, base salary, bonus, date of hire and applicable LP Benefit Plan.

(2) Subject to Section 5.1(3) and Section 5.1(4), Purchaser shall offer employment, effective as of the Acquisition Date and conditioned on the completion of the Acquisition, to all Employees immediately prior to the Acquisition Date on the following terms and conditions:

- (a) to Employees who are part of a bargaining unit ("Union Employees") in respect of which a collective agreement is in force, or has expired and the terms and conditions of which remain in effect by operation of law, the terms and conditions provided for in such collective agreement, or expired collective agreement if such terms and conditions remain in effect by operation of law, subject to any amendments or alterations to the terms thereof to which the bargaining agent under such collective agreement or expired collective agreement consents; and
- (b) to all other Employees ("Non-Union Employees") on substantially similar terms and conditions as their then existing employment immediately prior to the Acquisition Date, excluding any equity or equity-like compensation, supplementary retirement or supplementary pension arrangements or plans.

(3) Subject to Section 5.1(4), Purchaser shall offer employment, effective as of the Acquisition Date and conditional on the completion of the Acquisition, to all part-time or temporary Non-Union Employees in accordance with Section 5.1(2)(b). Notwithstanding the immediately preceding sentence, Purchaser shall have the right not to offer employment to part-time or temporary Non-Union Employees that, in the aggregate, do not exceed 10% of the aggregate number of part-time or temporary Non-Union Employees employed by the LP Entities, provided that Purchaser gives written notice to the LP Entities prior to May 30, 2010 (or such other date as the Purchaser and the LP Entities may agree) identifying those part-time or temporary Non-Union Employees to whom it does not intend to offer employment. If Purchaser does not give such notice, then it shall be obligated to offer employment to all part-time or temporary Non-Union Employees in accordance with this Section 5.1(3).

(4) Notwithstanding Section 5.1(2) and Section 5.1(3), Purchaser shall not be obligated to offer employment to Employees who are on long-term disability on the Acquisition Date, but shall use its commercially reasonable efforts to offer employment in accordance with Section 5.1(2) to any such Employee who is able to return to work and notifies Purchaser of his or her desire to do so within 24 months following the Acquisition Date. For certainty, however, this Section 5.1(4) does not relieve Purchaser of its obligation hereunder to assume the long term disability plans and benefits thereunder in favour of any of the Employees on long-term disability.

(5) The LP Entities will not take any act that is intended to impede, hinder or interfere with Purchaser's efforts to hire any Employee.

(6) Purchaser acknowledges and agrees that (i) the LP Entities make no representation or warranty that any Employee will accept employment with Purchaser and (ii) the acceptance by Employees of offers of employment with Purchaser shall not constitute a condition to Purchaser's obligation to complete the Acquisition.

(7) The LP Entities and Purchaser shall co-operate with each other in all respects relating to any actions to be taken pursuant to this Article 5 and, subject to Applicable Laws, the LP Entities shall provide to Purchaser at Purchaser's request, any information or copies of any personnel records relating to the Transferred Employees.

(8) The LP Entities shall be solely responsible for all termination pay, pay in lieu of notice, severance obligations and all other Liabilities and Claims (other than in connection with (a) the LP Pension Plans; and (b) the Purchaser Assumed Benefit Plans) in respect of any Employee to whom an offer is not made on the Acquisition Date to the extent permitted by this Section 5.1 and any Employee who is offered employment by Purchaser but does not accept or commence employment with Purchaser.

(9) No Employee or Person other than the LP Entities and Purchaser shall be entitled to any rights or privileges under this Section 5.1 or under any other provisions of this Agreement. Without limiting the foregoing, no provision of this Agreement shall: (i) create any third party beneficiary or other rights in any bargaining agent representing Employees or in any other Employee or former employee of an LP Entity (or on any beneficiary or dependant of any Employee or former employee of an LP Entity); (ii) constitute or create an employment agreement or collective agreement; or (iii) constitute or be deemed to constitute an amendment to any of the Purchaser Established Benefit Plans, National Post Benefit Plans or LP Benefit Plans.

(10) Contracts with all independent contractors, including freelance writers and photographers, which are assignable shall be assigned by the LP Entities to Purchaser effective on the Acquisition Date. Where consent to assignment of any independent contractor agreement is required, the LP Entities shall use their commercial reasonable efforts to obtain such consent as soon as reasonably possible and prior to the Acquisition Date and Purchaser shall accept such assignments or offer contracts to all such independent contractors on terms substantially similar to the terms on which they are retained immediately prior to the Acquisition Time.

Section 5.2 LP Benefit Plans

(1) Effective as of the Acquisition Time, the LP Entities shall assign and transfer to Purchaser and Purchaser shall assume the Purchaser Assumed Benefit Plans and the LP Entities' rights, duties, obligations, assets and Liabilities with respect to the Purchaser Assumed Benefit Plans and their related group policies, insurance contracts or other funding media, and all agreements related thereto. Effective as of the Acquisition Time, Purchaser shall accept the assignment and transfer and shall assume all obligations, Liabilities, duties, rights and responsibilities required of it as policy holder or plan sponsor of the Purchaser Assumed Benefit Plans and related agreements pursuant to the terms thereof and Applicable Law. For certainty however, nothing in this Section 5.2 shall require Purchaser to assume any Excluded Liabilities.

- (2) Purchaser shall, on or after the Acquisition Date, be responsible for and make all required contributions and payments in relation to the Purchaser Assumed Benefit Plans.
- (3) Purchaser shall be responsible, in accordance with the terms of the applicable Purchaser Assumed Benefit Plan, for any and all Claims incurred, other than Excluded Liabilities, under the Purchaser Assumed Benefit Plan prior to or after the Acquisition Date.
- (4) The LP Entities agree to do all things necessary to effect the assignment and transfer of the Purchaser Assumed Benefit Plans to Purchaser. Without limiting the generality of the foregoing, the LP Entities agree to advise and direct applicable insurers and service providers as soon as possible after the Acquisition Date, of the assumption of sponsorship of the Purchaser Assumed Benefit Plans and relevant agreements as provided hereunder. Purchaser shall do all things required of it under Applicable Law to assume sponsorship of the Purchaser Assumed Benefit Plans in accordance with the terms of policies, contracts or service agreements applicable to the Purchaser Assumed Benefit Plans as provided hereunder.
- (5) Where consent to the assignment of a Purchaser Assumed Benefit Plan or an insurance policy or any other agreement related to a Purchaser Assumed Benefit Plan is required from a Person other than Purchaser or the LP Entities, Purchaser shall use its commercially reasonable efforts to obtain such consent. If Purchaser is unable to obtain consent from such Person after making such commercially reasonable efforts, Purchaser will, as of the Acquisition Date, establish or otherwise provide non-pension benefit plans (the "Purchaser Established Benefit Plans") that provide benefits which are substantially similar to those that were provided under the Purchaser Assumed Benefit Plan in question. Purchaser will use commercially reasonable efforts to waive, or cause to be waived, any pre-existing medical condition or other restriction that would prevent immediate and full participation of any Employee or former employee covered by the LP Benefits Plans in the Purchaser Established Benefit Plans. In addition, where the benefits provided under a Purchaser Established Benefit Plan are subject to a deductible in respect of the benefits provided to an individual during a certain period of time, Purchaser shall take into account the amount of any corresponding deductible which has already been paid by the applicable Employee or former employee covered by the LP Benefits Plan during such period and prior to the Acquisition Date under the corresponding LP Benefit Plan, for the purpose of determining the amount of the deductible to be paid by the Employee or former employee covered by the LP Benefits Plan under the Purchaser Established Benefit Plan after the Acquisition Date.
- (6) After the sponsorship, assets, Liabilities and administration of the Purchaser Assumed Benefit Plans, policies, contracts and agreements have been transferred to Purchaser, the LP Entities shall have no further obligation or Liability with respect to the Purchaser Assumed Benefit Plans. Purchaser shall be responsible for satisfying any and all governmental reporting and disclosure requirements applicable to the Purchaser Assumed Benefit Plans and for claims administration, communication and completion of all other forms and reports required on and after the Acquisition Date. Prior to the Acquisition Date, the LP Entities shall cooperate with Purchaser with respect to such recording and reporting requirements in the plan year in which the Acquisition Date occurs. Prior to the Acquisition Date, the LP Entities shall use all reasonable efforts to provide Purchaser with such books, records, and other relevant data relating to the Purchaser Assumed Benefit Plans within its control or access that Purchaser shall reasonably request.

Section 5.3 LP Pension Plans

- (1) Effective as of the Acquisition Time, the LP Entities shall assign and transfer to Purchaser and Purchaser shall assume the LP Pension Plans and the rights, duties, obligations and Liabilities of the LP Entities with respect to the LP Pension Plans and their related trust or other funding medium (the "Funds"), and all agreements related thereto. Effective as of the Acquisition Time, Purchaser shall accept the assignment and transfer and shall assume all obligations, Liabilities, duties, rights and responsibilities required of it as sponsor and administrator of the LP Pension Plans and Funds pursuant to the terms thereof and Applicable Law, including any special payments that become payable after the Acquisition Date ("**Pension Assignment and Assumption Agreements**"). Without limiting the generality of the foregoing, the LP Entities shall have no liabilities or obligations for any unfunded liability or solvency deficiency under the LP Pension Plans, which shall be the sole responsibility of Purchaser.
- (2) The LP Entities agree to do all things necessary to effect the assignment and transfer of its sponsorship of the LP Pension Plans to Purchaser. Without limiting the generality of the foregoing, the LP Entities agree to cause to be filed with applicable Governmental Authorities as soon as possible after the Acquisition Date, such documents as may be required by Applicable Law or under the terms of the LP Pension Plans or Funds with respect to the assumption of sponsorship of the LP Pension Plans and Funds as provided hereunder. Purchaser shall do all things required of it under Applicable Law to establish that it is the successor sponsor and administrator to the LP Entities of the LP Pension Plans in accordance with the terms of the LP Pension Plans as provided hereunder. Without limiting the generality of the foregoing, Purchaser shall file with the applicable federal and provincial authorities, as soon as possible following the Acquisition Date, such documentation as may be required to establish Purchaser in such capacity.
- (3) Purchaser shall initially continue the appointment of the funding agent of the LP Pension Plans and Purchaser shall use its commercially reasonable efforts to have the funding agent execute, after the Acquisition Date, all documents necessary to effect such continued appointment, as applicable, including the Pension Assignment and Assumption Agreements.
- (4) Where consent to the assignment of any funding agreement or any other agreement related to the LP Pension Plans is required from a Person other than Purchaser or the LP Entities, Purchaser shall make commercially reasonable efforts to obtain such consent. The LP Entities shall assist and cooperate with Purchaser in obtaining such consent. If Purchaser is unable to obtain consent from such Person after making such commercially reasonable efforts, Purchaser may enter into such agreements with any other Person as may be reasonably necessary.
- (5) With respect to the administration of the LP Pension Plans from and after the Acquisition Date, Purchaser shall be entitled to direct, or cause to be directed, the funding agent of the LP Pension Plans.
- (6) After the sponsorship and administration of the LP Pension Plans and Funds has been transferred to Purchaser, the LP Entities shall have no further obligation or Liability with respect to the LP Pension Plans and Funds. The LP Entities shall be responsible for satisfying any and all governmental reporting and disclosure requirements applicable to the LP Pension Plans and Funds and for all benefit calculations, communication and completion of all other forms and reports in respects of the LP Pension Plans up to the Acquisition Date. Purchaser shall be

responsible for satisfying any and all governmental reporting and disclosure requirements applicable to the LP Pension Plans and Funds and for all benefit calculations, communication and completion of all other forms and reports on and after the Acquisition Date. The LP Entities shall cooperate with Purchaser with respect to reporting such requirements in the plan year in which the Acquisition Date occurs. Prior to and following the Acquisition Date, the LP Entities shall use all reasonable efforts to provide Purchaser such books, records, and other relevant data relating to the LP Pension Plans within its control or access, that Purchaser shall reasonably request.

(7) Effective as of the Acquisition Date, the LP Entities shall amend the LP Pension Plans were required to give effect to this Section 5.3, and shall, with the cooperation of Purchaser, file such amendments with the appropriate Governmental Authority. A Party who receives any consent or approval required to be obtained from a Governmental Authority in order to effect the transfer of the LP Pensions Plan to Purchaser shall immediately notify the other Parties when such consent or approval is received.

(8) If any required Governmental Authority approval in respect of an LP Pension Plan cannot be obtained, the LP Pension Plans shall not be assigned to or assumed by Purchaser and Purchaser shall establish or amend, effective as of Acquisition Date, a pension plan or plans (the "Purchaser Established Pension Plans") to provide benefits in compliance with all Applicable Laws applicable to the rights of the Transferred Employees covered by such LP Pension Plan and in respect of the employment of such Transferred Employees on and after the Acquisition Date on substantially similar terms and conditions as those provided under such LP Pension Plan. For the avoidance of doubt, in the event that the Pension Assignment and Assumption Agreements do not receive regulatory approval the Parties agree and intend to act in good faith and use commercially reasonable efforts to find an alternative method to deal with accrued pension benefits of Transferred Employees.

Section 5.4 Unionized Employees

(1) The provisions of this Article 5 insofar as they relate to unionized Employees shall be subject and subordinate to the provisions of the relevant collective agreements (including expired collective agreements that continue by operation of law) and Purchaser shall be bound as a successor employer to such collective agreements to the extent required by Applicable Law.

(2) Effective as of the Acquisition Date, Purchaser shall assume all of the LP Entities' obligations and Liabilities to make contributions to the Multi-Employer Plans in which any LP Entity participates, pursuant to the terms of the collective agreements applicable to its unionized Employees or as otherwise required under applicable pension benefits legislation.

ARTICLE 6 – TAX MATTERS

Section 6.1 Goods and Services Tax and Québec Sales Tax

(1) CCI hereby represents and warrants

- (a) that it is duly registered for the purposes of Part IX of the GST Act; and
- (b) that it is duly registered for the purposes of the QST Act.

- (2) Canwest LP hereby represents and warrants
 - (a) that it is duly registered for the purposes of Part IX of the GST Act; and
 - (b) that it is duly registered for the purposes of the QST Act.
- (3) CPI hereby represents and warrants
 - (a) that it is duly registered for the purposes of Part IX of the GST Act; and
 - (b) that it is duly registered for the purposes of the QST Act.
- (4) Purchaser hereby covenants that as of the Acquisition Date:
 - (a) it will be duly registered for the purposes of Part IX of the GST Act; and
 - (b) it will be duly registered for the purposes of the QST Act.
- (5) The LP Entities hereby represent and warrant to Purchaser that Purchaser 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.
- (6) Purchaser and the LP Entities shall jointly make the elections provided for under subsection 167(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. Purchaser and the LP Entities shall jointly complete the election forms (more particularly described as form GST 44 and QST form FP-2044-V) in respect of such elections and Purchaser shall file the said election forms no later than the due date for Purchaser'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 6.2 Provincial Retail Sales Taxes

- (1) On or before the Acquisition Date, Purchaser will provide the LP Entities with Purchaser's retail sales tax registration numbers and prescribed exemption certificates to substantiate exemptions from the Taxes for qualifying production equipment and machinery, and with respect to inventories of goods held for sale or resale or for incorporation, processing and manufacturing into goods to be held for sale for the purposes of substantiating exemptions from the Tax exigible under the *Retail Sales Tax Act* (Ontario) and provincial Tax legislation in British Columbia, Saskatchewan, Manitoba and Prince Edward Island. At the Acquisition Time, Purchaser shall pay to the LP Entities any such Taxes exigible under provincial sales tax legislation in the foregoing provinces in respect of any Acquired Assets and the LP Entities shall remit such Taxes to the appropriate Governmental Authorities in each province in accordance with the applicable legal and administrative requirements, provided that, if the harmonized sales tax regime is applicable in Ontario or British Columbia on the Acquisition Date, Section 6.1, rather than this Section 6.2(1), shall apply in respect of any Acquired Assets that would have otherwise been subject to taxes under the *Retail Sales Tax Act* (Ontario) or the *Social Services Tax Act* (British Columbia), respectively.

(2) Purchaser shall pay to the LP Entities the provincial retail sales taxes under this Section 6.2(2) based on the portion of the Purchase Price allocated to the applicable Acquired Assets pursuant to the allocation described in Section 4.1. If (a) any additional provincial sales taxes are payable in respect of the Acquired Assets, Purchaser shall remit such additional provincial sales taxes directly to the appropriate taxing authority, (b) provincial sales taxes have been collected by the LP Entities in excess of the amount required to be remitted in respect of the Acquired Assets, the LP Entities shall return such excess to Purchaser, and (c) provincial sales taxes have been collected and remitted by the LP Entities in excess of the amount required to be remitted in respect of the Acquired Assets, Purchaser shall apply for a refund of such excess taxes directly to the appropriate taxing authority.

Section 6.3 Land Transfer Taxes

Purchaser shall prepare and file (a) any affidavits or returns required under the *Land Transfer Tax Act* (Ontario) and other applicable provincial legislation and (b) any municipal land transfer taxes applicable in the City of Toronto and any other applicable city or municipal land transfer taxes, at its cost and expense and pay to the prescribed Governmental Authority any Tax exigible in respect thereof.

Section 6.4 Rejected Elections and Indemnity

(1) Notwithstanding any representations given by the LP Entities contained herein, if any Governmental Authority refuses to accept an election contemplated in Section 6.1(6), after exhausting any challenges to and appeals of such refusal which Purchaser in its sole discretion (and at its sole expense) may choose to initiate and prosecute, Purchaser shall pay to the relevant Governmental Authority any Tax which would, in the absence of such elections, become payable in connection with the transactions contemplated by this Agreement.

(2) If any Tax is imposed on any LP Entity or its directors by reason of Purchaser failing to comply with any obligation under this Article 6 (other than Taxes which are imposed by reason of any of the LP Entities' non-compliance, delinquency or delay in remitting any Taxes collected from Purchaser), Purchaser shall indemnify and hold harmless such LP Entity and its directors for such Taxes, notwithstanding any representations given by the LP Entities contained herein.

ARTICLE 7 - REPRESENTATIONS AND WARRANTIES OF THE LP ENTITIES

Each of the LP Entities jointly and severally represents and warrants to Purchaser and Holdco as stated below and acknowledges that each of Purchaser and Holdco is relying on the accuracy of each such representation and warranty in entering into this Agreement and completing the Acquisition.

Section 7.1 Corporate Matters

(1) **Status and Capacity of the LP Entities.** Except as disclosed in Schedule 7.1(1), each of Canwest Books, Canwest GP, CPI and National Post has been duly incorporated and organized, is a subsisting corporation under the laws of their jurisdiction of incorporation, and each has the corporate power and capacity and is duly qualified to own or lease its property and to carry on the Business and the business of National Post, as the case may be, as now conducted in each jurisdiction in which any of them own or lease property or carry on the Business or the business

of National Post. Except as disclosed in Schedule 7.1(1), each of Canwest Books, Canwest GP and CPI has full corporate power and capacity to execute and deliver this Agreement and to consummate the Acquisition and otherwise perform its obligations under this Agreement. Canwest LP is a subsisting limited partnership under the *Limited Partnerships Act* (Ontario). Except as disclosed in Schedule 7.1(1), Canwest GP has the corporate power and capacity to act as the general partner of Canwest LP, to enter into and perform its obligations under this Agreement, and to execute and deliver this Agreement on behalf of Canwest LP.

(2) **Authorization of Acquisition.** The execution and delivery of this Agreement and, subject to the making of the Sanction and Vesting Orders, as of the Acquisition Date the consummation of the Acquisition has been duly and validly authorized by all necessary corporate action on the part of the LP Entities (other than Canwest GP and Canwest LP). The execution and delivery of this Agreement and, subject to the making of the Sanction and Vesting Orders, as of the Acquisition Date the consummation of the Acquisition have been duly and validly authorized by all necessary corporate action on the part of Canwest GP on its own behalf and on behalf of Canwest LP.

(3) **Enforceability.** This Agreement has been duly and validly executed and delivered by each of the LP Entities (other than Canwest LP) and has been duly and validly executed and delivered by Canwest GP on behalf of Canwest LP. This Agreement, subject to the making of the Sanction and Vesting Orders, is a valid and legally binding obligation of each of the LP Entities enforceable against each of the LP Entities in accordance with its terms, except as may be subject to applicable bankruptcy, insolvency, moratorium or other similar laws, now or hereafter in effect, relating to or affecting the rights of creditors generally and by legal and equitable limitations or the enforceability of specific remedies.

(4) **Residence.** None of the LP Entities is a non-resident of Canada within the meaning of the ITA. Canwest LP is a "Canadian partnership" for purposes of the ITA.

(5) **Books and Records.** The Books and Records (other than the corporate and other records specifically referenced in Section 7.1(6), all of which have been or prior to the Acquisition Date will be provided to Purchaser, are complete and accurate records of the information purported to be reflected therein in all material respects.

(6) **Corporate Records.** The corporate records, minute books and share record books of National Post, all of which have been or prior to the Acquisition Date will be provided to Purchaser, contain complete and accurate minutes of all meetings of and corporate actions or written resolutions of the directors, committees of directors and shareholders of National Post, including all by-laws and resolutions passed by the directors, committees of directors and shareholders of National Post, since the date National Post was formed. All such meetings were duly called and held, all such corporate actions and written resolutions were duly taken or validly signed and all such by-laws and resolutions were duly passed. The share certificate books, register of shareholders, register of transfers, register of directors and similar corporate records of National Post are complete, accurate and current.

(7) **Shareholders' Agreements, etc.** There are no shareholders' agreements, pooling agreements, voting trusts or other similar agreements with respect to the ownership or voting of any of the shares of National Post.

(8) **No Other Acquisition Agreements.** Except as disclosed in Schedule 7.1(8), no Person has any agreement, option, understanding or commitment, or any right or privilege (whether by law, or by any pre-emptive or other contractual right) capable of becoming an agreement, option or commitment: (i) for the purchase or other acquisition from an LP Entity of any of the Acquired Assets, (ii) which would restrict the ability of the LP Entities to transfer any of the Acquired Assets free of any Encumbrances (other than Permitted Encumbrances) to Purchaser, or (iii) or for the issuance of any securities of National Post or the acquisition of any assets of National Post, in each case other than the sale of any Acquired Asset in the Ordinary Course of Business.

(9) **Regulatory Approvals.** Neither an LP Entity nor National Post is under any obligation, contractual or otherwise, to request or obtain any material Regulatory Approval (other than Competition Act Approval) or to give any notice to any Governmental Authority:

- (a) by virtue of or in connection with the execution, delivery or performance by the LP Entities of this Agreement or the completion of the Acquisition;
- (b) to avoid the loss of any Licence or to avoid the violation, breach or termination of, or any default under, or the creation of any Encumbrance under the terms of, any Applicable Law; or
- (c) in order that the authority and ability of Purchaser to carry on the Business and for National Post to carry on its business in the Ordinary Course of Business and in the same manner as presently conducted by the LP Entities and National Post remains in good standing and in full force and effect as of and following the Acquisition.

(10) **Consents.** All Material Contracts and all Real Property Leases, Personal Property Leases and Licences which are material to the Business or the operation of the National Post newspaper or any newspaper which is part of the Business under which an LP Entity or National Post is obligated to request or obtain any Consent or Regulatory Approval or to give any notice by virtue of or in connection with the execution, delivery or performance by the LP Entities of this Agreement or the completion of the Acquisition are identified in Schedule 7.1(10).

Section 7.2 Financial Matters

(1) **Financial Statements.** The audited consolidated balance sheet of the LP Entities at August 31, 2009 (the "**Reference Balance Sheet**") and the audited consolidated balance sheet of the LP Entities at August 31, 2008 and August 31, 2007, (ii) the audited consolidated statements of earnings (loss), comprehensive income (loss), partners' deficiency and cash flows of the LP Entities for the years then ended, (iii) the unaudited consolidated balance sheet of the LP Entities and National Post at February 28, 2010 and November 30, 2009 and (iv) the unaudited consolidated statements of earnings (loss), comprehensive income (loss), partners' deficiency and cash flows of the LP Entities and National Post for the interim periods ended February 28, 2010 and November 30, 2009 (the balance sheets and statements referred to in clauses (i), (ii), (iii) and (iv) being herein collectively referred to as the "**Financial Statements**") have been prepared in all material respects in accordance with Canadian GAAP and present fairly, in all material respects, the financial condition and the results of operations of the LP Entities at the respective dates and for the period covered by such statements.

(2) **Financial Records.** All financial transactions of the Business or the business of National Post which are material to the Business or the business of National Post or the operation of any newspaper which is part of the Business or the business of the National Post have been properly recorded in the Financial Records, which have been maintained in accordance with sound business and financial practice and have been or prior to the Acquisition Date will be provided to Purchaser. The Financial Records accurately reflect in all material respects the basis for the financial condition and the revenues, expenses and results of operations of the Business and the business of National Post. No information, records, systems, controls or data pertaining to or required for the operation or administration of the Business or the business of National Post are recorded, stored, maintained by, or are otherwise dependent upon, any computerized or other system, program or device that is not licensed to or owned by and controlled by an LP Entity or National Post and on the Acquisition Date the LP Entities or National Post will have originals or copies of all such records, systems, controls or data in its possession or control, including where applicable, copies of all computer software and documentation relating thereto.

(3) **Absence of Certain Changes or Events.** Since the Reference Date and except as approved by an Order of the CCAA Court or as specified in Schedule 7.2(3), neither an LP Entity nor National Post has:

- (a) incurred any Liability which is material to the Business or the business of National Post, except normal trade or business obligations incurred in the Ordinary Course of Business, none of which is materially adverse to the Business or the business of National Post;
- (b) created any Encumbrance (other than Permitted Encumbrances and Encumbrances relating to the DIP Credit Agreement (including the pledge of all shares of National Post)) upon any of the Acquired Assets or any of the assets of National Post, except in the Ordinary Course of Business or as described in this Agreement or pursuant to, or as a result of, the CCAA Case;
- (c) sold, assigned, transferred, leased or otherwise disposed of any of the material Acquired Assets or any material assets of National Post, except in the Ordinary Course of Business or as contemplated by this Agreement;
- (d) purchased, leased or otherwise acquired any properties or assets, except in the Ordinary Course of Business or as contemplated by this Agreement;
- (e) waived, cancelled or written off any rights, Claims, Accounts Receivable or any amounts payable to an LP Entity or National Post which alone or together are material to the Business or the business of National Post or any newspaper which is part of the Business, except in the Ordinary Course of Business;
- (f) suffered any damage, destruction or loss (whether or not covered by insurance) which constitutes a Material Adverse Effect;
- (g) increased any form of compensation or other benefits payable or to become payable to any Employees or employees of National Post, or to any contractors, consultants or agents of the Business or National Post, except increases made in the Ordinary Course of Business and consistent with past practice or for "KERP"

or "MIP" payments due to certain senior Employees disclosed in writing to Purchaser prior to the date hereof; or

(h) authorized, agreed or otherwise become committed to do any of the foregoing.

(4) **Taxes.** There are no Encumbrances (other than Permitted Encumbrances) for Taxes upon any of the Acquired Assets or upon any of National Post's assets, and no event has occurred with which the passage of time or the giving of notice, or both, could reasonably be expected to result in an Encumbrance (other than a Permitted Encumbrance) for Taxes on any of the Acquired Assets or any of National Post's assets.

(5) **National Post - Certain Matters.**

(a) National Post has duly and on a timely basis prepared and filed with each Governmental Authority as required by Applicable Law all Tax returns, elections, filings, forms and other documents required to be filed by it in respect of all Taxes ("Tax Returns"), and such Tax Returns are complete and correct in all material respects. No extension of time in which to file any such Tax Return is in effect.

(b) National Post has paid, collected and remitted on a timely basis all Taxes which are due and payable, collectible or remittable, as the case may be, by it on or before the date hereof. Without limiting the foregoing, National Post has withheld from each amount paid or credited to any Person the amount of Taxes required to be withheld therefrom and has remitted such Taxes to the proper Governmental Authority within the time required under Applicable Law.

(c) No debt or other obligation of National Post has been or will be settled or extinguished on or prior to the Acquisition Time such that the provisions of Sections 80 to 80.04 of the ITA applies or would apply thereto and National Post has not entered, and will not enter, into an agreement to have a forgiven amount transferred to it under section 80.04 of the ITA.

(d) The value of consideration paid or received by National Post in respect of the acquisition, sale or transfer of any property or the provision of any services to or from any person with whom they do not deal at "arm's length" (as defined for purposes of the ITA) has been equal to the fair market value of such property acquired, sold or transferred or services provided.

(6) **Litigation.** Except for the CCAA Case and any claim filed in the claims procedure being conducted in the CCAA Case, the litigation matters set out on Schedule 1.1(78) and the two class action suits described in Schedule 1.1(62), none of the LP Entities nor National Post is a party to, a defendant in or otherwise subject to any material litigation, arbitration or court proceedings, and to the best of the knowledge of the LP Entities, no such proceedings are threatened against any of the LP Entities or National Post, except for libel, slander and defamation cases arising in the Ordinary Course of Business.

(7) **Insurance.** The LP Entities and National Post are covered by such policies of insurance, issued by responsible insurers, as are appropriate to the Business, the Acquired Assets or the business and assets of National Post, in such amounts and against such risks as are customarily

carried and insured against by owners of comparable businesses, properties and assets. True and complete copies of all such policies of insurance have been provided to Purchaser. All such policies are in full force and effect and the LP Entities and National Post are not in material default, as to the payment of premiums or otherwise, under the terms of any such policy.

(8) **Capital Expenditures.** Neither an LP Entity nor National Post is committed to make any capital expenditures in respect of the Business or the business of National Post, nor have any capital expenditures in respect of the Business or National Post been authorized by an LP Entity or National Post at any time since the Reference Date, except for capital expenditures made in the Ordinary Course of Business as reflected in the cash flows of the Business provided to Purchaser prior to the date hereof.

(9) **Canadian Newspapers.** Each newspaper to be acquired from an LP Entity pursuant to this Agreement and the newspaper published by National Post is a "Canadian newspaper", each issue of which is a "Canadian issue", for purposes of section 19 of the ITA.

Section 7.3 Share Capital, Shares and Assets – National Post

(1) **Authorized and Issued Share Capital.** The authorized capital of National Post is an unlimited number of common shares of which one common share has been duly issued and is outstanding as a fully paid and non-assessable share in the capital of National Post. No shares or other securities of National Post have been issued in violation of any Applicable Law, the articles of incorporation, by-laws or other constating documents of National Post or the terms of any shareholders' agreement or any agreement to which National Post is a party or by which it is bound. National Post has not issued or authorized the issue of any shares except the share which forms part of the Acquired Assets.

(2) **Title.** CPI legally and beneficially owns and controls all shares of National Post and the intercompany debt owed by National Post to CPI, with a good and marketable title thereto free of any Encumbrances other than Permitted Encumbrances, Encumbrances relating to the Senior Credit Agreement and the DIP Credit Agreement (including the pledge of all shares of National Post) and Encumbrances created by order of the CCAA Court in connection with the CCAA Case.

(3) **Title to Assets.** Except for any intellectual property in the public domain, National Post owns, and has good and marketable title to, or has the right to use its assets free of any Encumbrances other than Permitted Encumbrances and Encumbrances relating to the intercompany debt owed by National Post to CPI.

Section 7.4 Assets

(1) **Title to Assets.** Except as set out in Schedule 7.4(2), the LP Entities own, and have good and marketable title to, or have the right to use the Acquired Assets free and clear of any Encumbrances other than Permitted Encumbrances, Encumbrances relating to the Senior Credit Agreement and the DIP Credit Agreement (including the pledge of all shares of National Post) and Encumbrances created by order of the CCAA Court in connection with the CCAA Case.

(2) **Real Property.**

- (a) The Real Property listed in Schedule 7.4(2) is the only real property owned by the LP Entities and the National Post and the Leased Premises listed in Schedule 7.4(2) are the only material leased premises held or used in connection with the Business or the business of National Post.
 - (b) Except as set out in Schedule 7.4(2), CPI is the absolute, legal and beneficial owner of, and has good and marketable title in fee simple to, all of the Real Property, free and clear of any and all Encumbrances other than the Permitted Encumbrances, Encumbrances relating to the Senior Credit Agreement and the DIP Credit Agreement and Encumbrances created by order of the CCAA Court in connection with the CCAA Case.
- (3) **Real Property Leases and Leased Premises.**
- (a) Schedule 7.4(3) describes all material Real Property Leases. Complete and correct copies of such Real Property Leases have been provided to Purchaser.
 - (b) Except as disclosed in Schedule 7.4(3), the LP Entities are exclusively entitled to all rights and benefits as lessee under the Real Property Leases, and no LP Entity has sublet, assigned, licensed or otherwise conveyed any rights in the Leased Premises or in the Real Property Leases to any other Person.
 - (c) Except as disclosed in Schedule 7.4(3), or as has been or may be approved by Order of the CCAA Court, all rental and other payments and other obligations required to be paid and performed by an LP Entity pursuant to the Real Property Leases in respect of the periods after the Filing Date have been duly paid and performed. Except as disclosed in Schedule 7.4(3) or as has been or may be approved by Order of the CCAA Court, no LP Entity is in default of any of its obligations under the Real Property Leases and, to the best of the LP Entities' knowledge, none of the landlords or other parties to the Real Property Leases are in default of any of their obligations thereunder in each case except for defaults that, alone or in the aggregate, are not material to the Business, the business of National Post or the operation of any newspaper which is part of the Business.
- (4) **Status of Real Property and Leased Premises.** The Real Property and Leased Premises are zoned so as to permit their current use in all material respects. The use by the LP Entities of the Real Property and the Leased Premises is in material compliance with Applicable Laws and, in particular, is not in material breach of any building, zoning or other statute by-law, ordinance, regulation, covenant, restriction or official plan.
- (5) **Environmental Matters.**
- (a) (i) The LP Entities, National Post, the operation of the Business and the business of National Post, the Acquired Assets (including the Real Property and the Leased Premises) and the use, maintenance and operation thereof have been and are in material compliance with all Environmental Laws; and (ii) none of the LP Entities nor National Post has received any notice of any actual or alleged material non-compliance with any Environmental Law, and (iii) none of the LP Entities nor National Post have ever been convicted of an offence for non-compliance with

any Environmental Law or been fined or otherwise sentenced or settled any prosecution or claim under any Environmental Law.

- (b) There is (i) no pending or, to the best of the LP Entities' knowledge, threatened material Environmental Claim against the LP Entities or National Post or, to the best of the LP Entities' knowledge, any pending or threatened material Environmental Claim against any prior owner or occupant of any Real Property or Leased Premises; and (ii) to the best of knowledge of the LP Entities, there exists no environmental condition, incident or matter, including any Release, which constitutes a Material Adverse Effect.
- (c) The LP Entities and National Post have obtained all material Environmental Permits necessary to conduct the Business and the business of National Post and to own, use and operate the Acquired Assets (including the Real Property and Leased Premises) and the assets of National Post. All such Environmental Permits are valid and are in full force and effect in all material respects, there have been no material violations thereof and there are no legal proceedings pending or threatened to alter or revoke any of them.
- (d) All material environmental assessments and environmental studies and reports relating to any of the Acquired Assets generated on behalf of any LP Entity within the last three years and in the possession of the LP Entities (or which with reasonable effort could be brought into the possession of the LP Entities) have been made available to Purchaser.

(6) **Personal Property Leases.** Schedule 7.4(6) lists or identifies all Personal Property Leases which are material to the Business, the business of National Post or the operation of any newspaper which is part of the Business. Except as may be affected by an Order of the CCAA Court (i) each Personal Property Lease is in full force and effect and has not been amended, and an LP Entity or National Post is entitled to the full benefit and advantage of each Personal Property Lease in accordance with its terms; and (ii) each Personal Property Lease is in good standing and there has not been any material default by any party under any Personal Property Lease nor any material dispute between an LP Entity or National Post and any other party under any Personal Property Lease.

(7) **Work Orders and Deficiencies.** There are no material outstanding work orders, non-compliance orders, deficiency notices or other such notices relating to the Real Property, the Leased Premises, the other Acquired Assets, the Business or the business of National Post which have been issued by any Governmental Authority including any police or fire department, sanitation, environment, labour or health authority. There are no material matters under discussion with any Governmental Authority relating to work orders, non-compliance orders, deficiency notices or other such notices.

(8) **Intellectual Property.**

- (a) Schedule 7.4(8) sets forth a complete list and a brief description of (i) all material domain names and material trademarks owned or used in the Business or in the business of National Post whether or not such domain names or trademarks have been registered or whether applications for registration have been filed by or on

behalf of an LP Entity or National Post; and (ii) particulars of all registrations and applications for registration in respect of such domain names and trademarks.

- (b) The LP Entities and National Post do not own or use any material Intellectual Property that consists of patents and industrial designs. The LP Entities or National Post own or will own by the Acquisition Date all material trademarks used in the Business or the business of National Post, as applicable, other than trademarks licensed from the CMI Entities pursuant to the agreements referenced in the Shared Services Agreement and the Omnibus Transition and Reorganization Agreement and implied licences from advertisers.
- (c) The LP Entities do not and will not by the Acquisition Date grant or license any rights in any material Intellectual Property to (i) any Person other than to the CMI Entities pursuant to the Shared Services Agreement, the Omnibus Transition and Reorganization Agreement or the other agreements referenced therein; or (ii) third parties pursuant to agreements entered into in the Ordinary Course of Business that are not material to the Business or the business of the National Post.
- (d) Except for the matters listed in Schedule 1.1(78) and the two class action lawsuits described in Schedule 1.1(62), there are no claims pending, or to the knowledge of the LP Entities threatened, against the LP Entities or National Post relating to any of the material Intellectual Property owned by the LP Entities or National Post and, to the knowledge of the LP Entities, pending or threatened against the LP Entities or National Post relating to any of the material Intellectual Property used by the LP Entities or National Post.

Section 7.5 Conduct of Business

- (1) **No Material Adverse Change.** Except as set out in Schedule 7.5(1) or as approved by Order of the CCAA Court, since the Reference Date, there has not been any change in the affairs, prospects, operations, assets or financial condition of the Business or the business of National Post, other than changes in the Ordinary Course of Business or as otherwise contemplated in this Agreement, which would constitute a Material Adverse Effect.
- (2) **Ordinary Course.** Except as disclosed in writing to Purchaser prior to the date hereof or as approved by an Order of the CCAA Court, the Business and the business of National Post has been carried on only in the Ordinary Course of Business since the Reference Date, and will be carried on only in the Ordinary Course of Business after the date of this Agreement or as otherwise contemplated in this Agreement and up to the Acquisition Date, subject to the CCAA Case.
- (3) **Restrictions on Doing Business.** Neither an LP Entity nor National Post is a party to or bound by any agreement or commitment which would restrict or limit the rights of Purchaser to carry on or compete in any business or activity or to solicit business from any Person or in any geographical area or otherwise to conduct the Business as currently conducted and as proposed to be conducted. To the best of the LP Entities' knowledge, there are no facts or circumstances which could materially adversely affect the ability of Purchaser to continue to operate the Business, the National Post newspaper or any newspaper which is part of the Business as presently conducted following the completion of the Acquisition.

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(4) **Material Contracts.** Schedule 7.5(4) lists or identifies all Material Contracts. Except as contemplated by or resulting from the CCAA Case, (i) none of the LP Entities or National Post is, nor to the best of the LP Entities' knowledge, any other party to any such Material Contract, is in default under any such Material Contract and there has not occurred any event which, with the lapse of time or giving of notice or both, would constitute a default under any such Contract by an LP Entity or National Post or any other party to any such Material Contract, in each case except where such default is not material to the Business, the business of National Post or the operation of any newspaper which is part of the Business; (ii) each such Material Contract is in full force and effect, unamended by written or oral agreement, except as set out in Schedule 7.5(4), and an LP Entity or National Post is entitled to the full benefit and advantage of each Material Contract in accordance with its terms; and (iii) no notice of default has been received by any LP Entity or National Post under any such Material Contract nor does there exist any material dispute between an LP Entity or National Post and any other Person in respect of any such Material Contract.

(5) **Compliance.** Except as would not constitute a Material Adverse Effect, the LP Entities and National Post (i) are not and have not been in violation of any Applicable Law applicable to the conduct of the Business or the business of National Post, and (ii) possess and have been in compliance with all Licenses necessary for the conduct of the Business or the business of National Post.

Section 7.6 Employment Matters

(1) **Remuneration.** Since the Reference Date, no payments have been made or authorized by an LP Entity or by National Post to directors, officers, Employees, employees of National Post, contractors, consultants or agents except at regular rates of remuneration or increases made in the Ordinary Course of Business and consistent with past practice or for "KERP" or "MIP" payments disclosed in writing to Purchaser prior to the date hereof. There are no outstanding loans or advances made or granted by an LP Entity or National Post to any Employee, employee of National Post, contractor, consultant or agent, except for travel advances made to Employees or employees of National Post in the Ordinary Course of Business.

(2) **Labour Matters and Employee Contracts.** Except as disclosed in Schedule 7.6(2), neither any LP Entity nor National Post is a party to or bound by any collective 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, employees of National Post or contractors rendering services to an LP Entity or National Post, nor is an LP Entity or National Post currently conducting negotiations with any labour union, trade union, employee association or similar entity. Except as disclosed in Schedule 7.6(2), each LP Entity and National Post have complied in all material respects with all provisions of the collective agreements and other agreements disclosed in Schedule 7.6(2) and there are no existing or, to the best of the LP Entities' knowledge, threatened labour strikes, cessations or suspensions of work or labour disputes, lockouts, slowdowns, disturbances, grievances, arbitrations, unfair labour practice complaints, controversies or other labour troubles affecting an LP Entity, National Post or the Business, nor have there been any material labour disturbances within the period of five years preceding the date of this Agreement. True and complete copies of all employment agreements between any of the LP Entities, National Post and the Employees and National Post employees who are senior management have been provided to Purchaser.

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(3) **Employee Laws.** Except as disclosed in Schedule 7.6(3), each LP Entity and National Post are in material compliance with all Employment Laws relating to Employees and National Post employees. There are no outstanding charges or orders requiring an LP Entity or National Post to comply with the *Occupational Health and Safety Act* (Ontario) or comparable applicable legislation of any other jurisdiction. Except as disclosed in Schedule 7.6(3), all obligations of the LP Entities and National Post in respect of vacation pay and banked vacation entitlement, holiday pay, overtime pay or time-off entitlement, sick pay or banked sick leave, contributions or premiums for Statutory Plans, accrued employee compensation, Multi-Employer Plans, LP Benefit Plans and National Post Benefit Plans payments or premiums, will have been paid or discharged as of the Acquisition Date or, if unpaid, are accurately reflected in the Books and Records.

Section 7.7 Pension and Other Benefit Plans

(1) **Benefit Plans.** Schedule 7.7(1) lists or identifies all of the LP Benefit Plans and Multi-Employer Plans.

(2) **Disclosure.** True, current and complete copies of all written LP Benefit Plans and National Post Benefit Plans, as amended to date, or where oral, a written summary of the material terms thereof together with current and complete copies of all material documents related to the LP Benefit Plans and National Post Benefit Plans have been delivered or made available to Purchaser, including, where applicable:

- (i) trust agreements and funding agreements;
- (ii) insurance contracts and policies, investment management agreements, statements of investment policies and procedures, subscription and participation agreements, benefit administration contracts and any financial administration contracts;
- (iii) booklets, summaries, manuals and communications of a general nature, distributed or made available to any Employees or former employees of the LP Entities or the employees or former employees of National Post;
- (iv) the most recent financial and accounting statements and reports;
- (v) the most recent actuarial reports required to be filed with a Governmental Authority; and
- (vi) all reports, statements, valuations, returns and correspondence for each of the last three years which affect premiums, contributions, refunds, deficits or reserves under any of LP Benefit Plan or National Post Benefit Plan.

(3) **Compliance.** Each of the LP Benefit Plans and National Post Benefit Plans is registered, invested and administered, in all material respects, in compliance with the terms thereof, with all Applicable Laws, and any applicable collective agreements. None of the LP Entities or National Post has received in the last six years, any notice from any Person questioning or challenging such compliance (other than a claim relating solely to benefits by that Person), and none of the

LP Entities or National Post has any knowledge of such notice whether written or otherwise, from any Person questioning or challenging such compliance record beyond the last six years.

(4) **Amendments.** No amendments have been made to any LP Benefit Plans or National Post Benefit Plans and no improvements to any LP Benefit Plans or National Post Benefit Plans have been promised that are not disclosed in the plan documents provided to Purchaser, except as may be required, or are reasonably anticipated to be required, by Applicable Law or the terms of a collective agreement.

(5) **Obligations under Multi-Employer Plans.** The obligations of the LP Entities or National Post to any Multi-Employer Plans in which the LP Entities or National Post participate or to which the LP Entities or National Post are required to contribute are restricted solely to providing information to the administrators of the Multi-Employer Plan and making contributions in accordance with and the terms of the applicable collective agreements, and the employer contributions requirements under the applicable pension benefits legislation.

(6) **Employee Data.** All employee data necessary to administer the LP Benefit Plans and National Post Benefit Plans is true and correct in all material respects.

(7) **Penalties, Taxes.** There are no material outstanding defaults or violations by any LP Entity or National Post in respect of any LP Benefit Plans or National Post Benefit Plans, and no material Taxes, penalties or fees are owing or exigible under any of the LP Benefit Plans or National Post Benefit Plans.

(8) **Contributions.** All contributions or premiums required to be paid or remitted by an LP Entity or National Post under the terms of each LP Benefit Plan and National Post Benefit Plan or by any Applicable Law or collective agreement or other labour union contract have been paid or remitted in accordance with the terms thereof and any Applicable Law or collective agreement or other labour union contract. All employee contributions to the LP Benefit Plans and National Post Benefit Plans required to be made by way of payroll deduction have been authorized by the employees and properly withheld by an LP Entity or National Post and fully paid into the LP Benefit Plans and National Post Benefit Plans funds or remitted in connection with the LP Benefit Plans and National Post Benefit Plans.

(9) **Post-Retirement Benefits.** Except as disclosed in Schedule 7.7(9), none of the LP Benefit Plans provide benefits beyond retirement or other termination of service to Employees or National Post employees, or former employees or beneficiaries or dependants of such Employees or National Post employees.

Section 7.8 General Matters

(1) **No Conflicts.** The execution, delivery and performance of this Agreement and each of the other agreements contemplated or referred to herein by the LP Entities, and the completion of the Acquisition, will not constitute or result in a material violation or breach of or default under:

- (a) any term or provision of any of the articles, by-laws or other constating documents of the LP Entities or National Post;

- (b) subject to obtaining the Consents, the terms of any Personal Property Lease or Real Property Lease, in each case, that is material to the Business or the business of National Post or any Material Contract; and
- (c) subject to obtaining the Regulatory Approvals, any term or provision of any (i) Licence or Order that is material to the Business or the business of National Post or (ii) Applicable Law.

(2) **Disclaimer of Other Representations and Warranties.** Except as expressly set forth in this Article 7, the LP Entities make no representation or warranty, and there is no condition, in each case, express or implied, at law, by statute or in equity, in respect of the Business or the Acquired Assets or the Assumed Liabilities, or the business or assets of National Post, including with respect to merchantability or fitness for any particular purpose, and any such other representations, warranties or conditions are expressly disclaimed.

ARTICLE 8 – REPRESENTATIONS AND WARRANTIES OF PURCHASER AND HOLDCO

Each of Purchaser and Holdco represents and warrants to each of the LP Entities as stated below and acknowledges that each of the LP Entities is relying on the accuracy of each such representations and warranties in entering into this Agreement and completing the Acquisition.

Section 8.1 Status

It is and has full power and authority to execute and deliver this Agreement and to consummate the Acquisition.

Section 8.2 Due Authorization

The execution and delivery of this Agreement and the consummation of the Acquisition have been duly and validly authorized by it and no other corporate proceedings on its part are necessary to authorize this Agreement or the Acquisition.

Section 8.3 Enforceability

This Agreement has been duly and validly executed and delivered by it and is a valid and legally binding agreement of it enforceable against it in accordance with its terms except as may be subject to applicable bankruptcy, insolvency, moratorium or other similar laws, now or hereafter in effect, relating to or affecting the rights of creditors generally and by legal and equitable limitations or the enforceability of specific remedies.

Section 8.4 Investment Canada Act

Subject to a contrary determination by the Heritage Minister, Purchaser is not a “non-Canadian” within the meaning of the ICA.

Section 8.5 No Conflicts

The execution, delivery and performance of this Agreement and each of the other agreements contemplated or referred to herein by it, and the completion of the Acquisition, will not constitute or result in a violation or breach of or default under:

- (1) any term or provision of any of its articles, by-laws or other constating documents;
- (2) the terms of any indenture, mortgage, lease, agreement, obligation or instrument, in each case, that is material to it or any of its Affiliates; or
- (3) subject to obtaining the Regulatory Approvals described in Schedule 10.1(6), any term or provision of any Order applicable to it or any Applicable Law.

Section 8.6 Financial Ability

(1) Purchaser has firm commitments from lenders and/or other financing parties to provide an aggregate of US\$700 million and \$250 million of debt and equity financing to fund the cash portion of the Purchase Price. Prior to the execution and delivery of this Agreement, Purchaser delivered to the LP Entities and the Monitor true and complete copies of the following commitment letters evidencing such commitments: (i) the availability of committed credit facilities pursuant to an executed commitment letter (the "**Debt Commitment Letter**") dated April 30, 2010 made by J.P. Morgan Securities Inc., Morgan Stanley Senior Funding, Inc. And JPMorgan Chase Bank, N.A. (collectively, the "**Lenders**") in favour of Purchaser and Holdco, and (ii) equity commitments pursuant to an executed equity commitment letter (the "**Equity Commitment Letter**") dated April 30, 2010 made by each of GoldenTree Asset Management LP, TD Asset Management Inc., Invesco Trimark Ltd., Halbis Distressed Opportunities Master Fund Ltd, Alden Global Distressed Opportunities Fund, L.P., First Eagle Investment Management, LLC, 1798 Relative Value Master Fund, Ltd., Seneca Capital Investments, LP and OZ CW Investments LLC (collectively, the "**Equity Sponsors**") in favour of Purchaser and Holdco. The commitments described in the Debt Commitment Letter and the Equity Commitment Letter are not subject to any condition precedent other than the conditions expressly set forth therein. As of the date hereof, each of the Debt Commitment Letter and the Equity Commitment Letter are in full force and effect, unamended and is a legal, valid and binding obligation of Purchaser and Holdco, the Equity Sponsors and the Lenders. As of the date hereof: (i) no amendment or modification to the Debt Commitment Letter or the Equity Commitment Letter are contemplated (except to add additional Equity Sponsors), and (ii) as of the date hereof no event has occurred which, with or without notice, lapse of time or both, would constitute a default or breach on the part of the Purchaser or Holdco under the Debt Commitment Letter or the Equity Commitment Letter, respectively that would, in either (i) or (ii), reasonably be expected to materially impair, delay or prevent the consummation of the transactions contemplated by this Agreement. As of the date hereof Purchaser and Holdco have no reason to believe that they will be unable to satisfy on a timely basis any term or condition of closing of the financing to be satisfied by either of them contained in the Debt Commitment Letter or the Equity Commitment Letter and neither Purchaser nor Holdco is aware of any fact, occurrence or condition that would reasonably be expected to cause either of such financing commitments to terminate or be ineffective or any of the terms or conditions of closing of such financings not to be met or of any impediment to the funding of the cash payment obligations of Purchaser in connection with the Acquisition.

Section 8.7 Litigation

There are no claims, demands, complaints, grievances, actions, applications, suits, causes of action, Orders, charges, indictments, prosecutions, informations, investigations or other proceedings, including appeals and applications for review, in progress or, to its knowledge, pending or threatened against or relating to it which, if determined adversely against it, would,

- (1) prevent Purchaser from paying the Purchase Price in accordance with this Agreement;
- (2) enjoin, restrict or prohibit the transfer of all or any part of the Acquired Assets as contemplated by this Agreement; or
- (3) prevent it from fulfilling any of its obligations set out in this Agreement or arising from this Agreement.

Section 8.8 Tax Registrations

As of the Acquisition Date, Purchaser will be duly registered under Subdivision (d) of Division V of Part IX of the GST Act with respect to the goods and services tax and harmonized sales tax and under Division I of Chapter VIII of Title I of the QST Act with respect to QST.

Section 8.9 Canadian Newspapers

Upon completion of the Acquisition, each newspaper to be acquired from an LP Entity pursuant to this Agreement and the newspaper published by National Post will continue to be a "Canadian newspaper", each issue of which is a "Canadian issue", for purposes of section 19 of the ITA.

Section 8.10 Shareholders' Interests in Canadian Newspapers

No equityholder of Purchaser or Holdco owns any equity interest in excess of 10% in any newspaper or digital news media business in Canada.

Section 8.11 Diligence by Purchaser

Each of Purchaser and Holdco acknowledges that it has conducted an independent review, investigation and inspection of the financial condition, liabilities, results of operations and projected operations of the Business and the business of the National Post and the nature and condition of the LP Entities and the National Post's properties and assets and liabilities and, in making the determination to proceed with the transactions contemplated by this Agreement, has relied solely on the results of its own independent review, investigation and inspection and the representations, warranties, conditions and statements in Article 7 and, except to the extent specifically set forth in Article 7, Purchaser is purchasing the Acquired Assets on an "as-is, where-is" basis at Purchaser's risk and peril and Purchaser accepts the same in their present state, condition and location. Except as set forth in Article 7, no representation, warranty, condition or covenant is expressed or implied (by operation of law or otherwise) by the LP Entities, including any representations, warranties, conditions or covenants as to title, assignability, encumbrance, description, merchantability or fitness for a particular purpose, environmental compliance, condition, quantity or quality, or in respect of any other matter or thing whatsoever concerning

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the Business, Acquired Assets and/or the Assumed Liabilities or, as applicable, the right of the LP Entities to sell or assign same and Purchaser has not relied upon any written or oral statements, representations, promises, warranties, covenants, conditions or guaranties whatsoever, whether expressed or implied (by operation of law or otherwise) concerning the Business, the business of the National Post, Acquired Assets and/or the Assumed Liabilities or the completeness of any information provided in connection therewith, except as set forth in Article 7. The disclaimer in this Section 8.11 is made notwithstanding the delivery of disclosure to Purchaser or its directors, officers, employees, agents or representatives of any documentation or other information (including any financial projections or other supplemental data included in this Agreement and/or any schedule) and such documentation or information is not warranted to be complete or accurate or correct and such description does not constitute part of the terms and conditions of the sale of the Acquired Assets or the assumption of the Assumed Liabilities. Any and all conditions, warranties or representations express or implied pursuant to the Civil Code of Québec or other applicable sale of goods legislation do not apply hereto and are hereby expressly waived by Purchaser.

ARTICLE 9 - COVENANTS

Section 9.1 General Covenants

- (1) During the Interim Period, except as contemplated in the Initial Order or the CCAA Case or as otherwise consented to by Purchaser, the LP Entities shall, and shall cause National Post to:
- (a) **Operations.** Carry on the Business and the business of National Post (including carrying on the operation of all newspapers) in the usual and ordinary course in substantially the same manner as heretofore conducted and preserve intact their present business organization, use all reasonable efforts to keep available the services of their present officers and employees and preserve their relationships with customers, suppliers and others having business dealings with them, subject to the CCAA Case and the Shared Services Agreement;
 - (b) **Insurance.** Keep in full force their current insurance policies relating to the Acquired Assets and the assets and properties of National Post or without permitting any termination, cancellation or lapse thereof, enter into replacement policies providing coverage equal to or greater than the coverage under those cancelled, terminated or lapsed for substantially similar premiums;
 - (c) **Inconsistent Activities.** Except in respect of the Credit Acquisition, not to solicit or encourage any inquiries or proposals or initiate discussions or negotiations with, or provide any information to any third party (other than Purchaser) concerning, or enter into any transaction involving, the acquisition of all or any part of the Business, the business of National Post or the Acquired Assets;
 - (d) **Pension Plans.** Except as contemplated by the Shared Services Agreement or the Omnibus Transition and Reorganization Agreement, not transfer any Person to or from any LP Pension Plans or National Post pension plan or undertake any transaction in relation to such plan, without Purchaser's consent;

- (e) **Representations and Warranties.** Not do anything that would cause any of the representations and warranties of the LP Entities under this Agreement or under any document delivered pursuant to this Agreement to be untrue, except as otherwise contemplated in this Agreement.

(2) Each of the Parties shall comply with legislative requirements or, as applicable, use commercially reasonable efforts to cause each of the conditions contained in this Agreement to be fulfilled or performed by it on or before the Acquisition Date as contemplated hereunder. Purchaser agrees to take all such actions as are within its power and control, and to use its commercially reasonable efforts to cause other actions to be taken which are not within their power to control, so as to ensure compliance with and satisfy any conditions set forth in any financing commitment letters described in Section 8.6.

Section 9.2 Actions to Satisfy Closing Conditions

(1) Each of the Parties shall use commercially reasonable efforts to take all such actions as are within its power to control, and to cause other actions to be taken which are not within its power to control, so as to ensure compliance with each of the conditions and covenants set forth in Article 9 and Article 10 which are for the benefit of any other Party, including:

- (a) preparing and filing as promptly as practicable all necessary documents, registrations, statements, petitions, filings and applications for the Regulatory Approvals described in Schedule 10.1(6);
- (b) using their commercially reasonable efforts to obtain and maintain all approvals, clearances, consents, registrations, permits, authorizations and other confirmations required to be obtained from any Governmental Authority or other third party that are necessary, proper or advisable to consummate the transactions contemplated by this Agreement, including the Regulatory Approvals described in Schedule 10.1(6);
- (c) using commercially reasonable efforts to oppose, lift or rescind any injunction or restraining or other order seeking to stop, or otherwise adversely affecting its ability to consummate, the Acquisition and to defend, or cause to be defended, any proceedings to which it is a party or brought against it or its directors or officers challenging this Agreement or the consummation of the transactions contemplated hereby; and
- (d) carrying out the terms of any order of the CCAA Court applicable to it and using commercially reasonable efforts to comply promptly with all requirements which Applicable Laws may impose on it or its Affiliates with respect to the transactions contemplated hereby.

(2) Purchaser shall co-operate with the LP Entities, and keep the LP Entities informed as to the status of the proceedings relating to Competition Act Approval and provide the LP Entities with copies of applications, notifications, filings and other communications in draft form, deleting information that is confidential to Purchaser, or on an external counsel-only basis, or as may be agreed by the Parties in writing. Purchaser shall not participate, or permit its Affiliates to participate, in any substantive meeting or discussion, either in person or by telephone with any

Governmental Authority in connection with the consummation of the transactions contemplated by this Agreement unless it consults with the LP Entities in advance (or if prior consultation is impracticable, it notifies the LP Entities of the fact and substance of such meeting or discussion as soon as possible thereafter) and, to the extent not prohibited by such Governmental Authority, gives the LP Entities the opportunity to attend and participate. The LP Entities shall fully cooperate and communicate with Purchaser in respect of all dealings with the Commissioner, including the filing of notices required under the *Competition Act* (Canada) and the satisfaction of requests from the Commissioner for additional information respecting the transactions contemplated by this Agreement.

(3) Purchaser and the LP Entities shall take commercially reasonable steps in order to avoid the filing of an application for, or the issuance of any interim Order or other Order which would have the effect of delaying or preventing the Acquisition, and if any such interim Order or other Order is issued, Purchaser and the LP Entities shall take commercially reasonable steps to have it rescinded, revoked or set aside as soon as possible.

(4) Purchaser will promptly notify the LP Entities and the LP Entities will promptly notify Purchaser upon:

(a) becoming aware of any Order or any complaint requesting an Order restraining or enjoining the execution of this Agreement or the consummation of the transactions contemplated under this Agreement; or

(b) receiving any notice from any Governmental Authority of its intention:

(i) to institute a suit or proceeding to restrain or enjoin the execution of this Agreement or the consummation of the transactions contemplated by this Agreement; or

(ii) to nullify or render ineffective this Agreement or such transactions if consummated.

(5) Purchaser shall pay all filings fees, if any, required in connection with obtaining the Competition Act Approval.

Section 9.3 Non-Assignable Assets

(1) If any of the Acquired Assets shall not be assignable, or shall only be assignable with the Consent of a third party ("Third Party Approval"), the LP Entities shall, during the Interim Period, use commercially reasonable efforts, in co-operation with Purchaser, to secure any Third Party Approval required in connection with the assignment of such Acquired Asset prior to the Acquisition Date. Upon request by Purchaser, during the Interim Period the LP Entities shall use commercially reasonable efforts to obtain an Order from the CCAA Court, in form and substance satisfactory to Purchaser, acting reasonably to permit the assignment of any Acquired Assets, notwithstanding the absence of any required Third Party Approval.

(2) Where such Acquired Asset is not assignable or any Third Party Approval in respect of such Acquired Asset has not been obtained prior to the Acquisition Date, in accordance with the terms of the Sanction and Vesting Orders and any other Order granted by the Court, on the

Acquisition Date the LP Entities shall assign the relevant Acquired Asset to Purchaser without the Third Party Approval notwithstanding any restriction or prohibition on assignment in respect of such Acquired Asset.

Section 9.4 Access

(1) The LP Entities and the National Post shall provide Purchaser, its auditors, consultants, counsel and other representatives (a) such information about the Business and the business of National Post as Purchaser may reasonably require from time to time and (b) reasonable access to the LP Entities and National Post's premises, properties, corporate, financial and other books and records, all policies of insurance, contracts, leases, deeds, property and other assets within the possession or control of the LP Entities or National Post, wherever they may be located, which right of access shall include the right to inspect and appraise such property and assets and to enable Purchaser, its auditors, consultants, counsel and other representatives to continue to investigate the affairs of the Business and the business of National Post on an ongoing basis. No such investigation shall prejudice the rights of Purchaser under this Agreement. For the avoidance of doubt, confidential competitively-sensitive information of one Party may be shared with another Party only for purposes of preparing filings and related materials to secure Regulatory Approvals and subject to approval of external counsel.

(2) Purchaser shall preserve and keep all Books and Records and all information relating to the accounting, business, and financial affairs that relate to the Business and the business of National Post for a period of five years after the Acquisition Date (or such longer period as Purchaser and the LP Entities may agree) (the "Retention Period"). During the Retention Period, Purchaser shall provide the LP Entities and the Monitor with reasonable access to any information in its possession or control relating to the Business and the business of National Post as the LP Entities or the Monitor may reasonably require to meet legal, regulatory, accounting and auditing requirements. If requested by the Monitor, acting reasonably, employees of Purchaser shall assist the Monitor in the performance of its duties and obligations, including the duties and obligations of the LP Entities under this Agreement and the preparation and service of notices to creditors and preparation of the LP Entities' tax returns. During the Retention Period, if reasonably requested by any trustee in bankruptcy appointed in respect of the estates of the LP Entities, Purchaser agrees to (i) provide such trustee in bankruptcy with reasonable access to any information in its possession or control relating to the Business and the business of National Post, and (ii) direct any requested Transferred Employees to assist the trustee in bankruptcy in the performance of its duties and obligations including the preparation and service of notices to creditors.

Section 9.5 Personal Information Privacy

Purchaser shall at all times comply with all Applicable Law governing the protection of personal information, with respect to Personal Information disclosed or otherwise provided to Purchaser by the LP Entities or National Post under this Agreement. Purchaser shall only use or disclose such Personal Information for the purposes of reasonably investigating the affairs of the Business and the business of National Post as contemplated in Section 9.4 and completing the Acquisition or, in the case of Employees, offering employment to Employees in accordance with this Agreement. Purchaser shall safeguard all Personal Information collected from the LP Entities or National Post 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

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Information. Purchaser shall 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 Acquisition is not completed for any reason, and shall return all Personal Information to the LP Entities or National Post, or destroy such Personal Information at the LP Entities' request.

Section 9.6 Confidentiality

(1) Prior to the Acquisition Date, Purchaser and Holdco shall keep confidential all information disclosed to it by the LP Entities or their agents relating to the LP Entities, National Post, the Business or the business of the National Post (including any information disclosed by or on behalf of the LP Entities to any equityholder of Purchaser or Holdco that is disclosed to Purchaser or Holdco) ("Confidential Information"), except information which:

- (a) appears in issued patents or publications;
- (b) is known or becomes generally known to the relevant public through disclosure which, to the knowledge and belief of Purchaser and Holdco, does not violate any obligation of confidentiality at law or in contract; or
- (c) Purchaser or Holdco can establish is independently generated by them without use of Confidential Information.

Such Confidential Information is confidential and proprietary to the LP Entities and Purchaser and Holdco shall only disclose such information to those of its employees and representatives of its advisors and the Equity Sponsors and the Lenders (provided such Equity Sponsors and Lenders have entered into confidentiality agreements with the LP Entities) who need to know such information for the purposes of evaluating and implementing the transaction contemplated in this Agreement. If this Agreement is terminated without completion of the transactions contemplated by this Agreement, Purchaser and Holdco shall promptly return or destroy all documents, work papers and other written material (including all copies) obtained from the LP Entities in connection with this Agreement, and not previously made public and shall continue to maintain the confidence of all such information. Notwithstanding the foregoing, electronic information may be retained by Purchaser and Holdco in back up servers if it is not intentionally made available to any person, and is deleted in accordance with Purchaser's and Holdco's normal policies with respect to the retention of electronic records, provided that all Confidential Information that is so retained shall remain subject to the confidentiality provisions of this Agreement for so long as such Confidential Information is retained.

Section 9.7 Administrative Reserve

The Monitor shall establish the Administrative Reserve on the Acquisition Date in accordance with the Administrative Reserve Order, which order shall be in form and substance satisfactory to Purchaser and the LP Entities, acting reasonably. From time to time after the Acquisition Date, the Monitor may (i) pay from the Administrative Reserve the Administrative Reserve Costs, and (ii) reduce the amount of the Administrative Reserve as and to the extent it is no longer required to satisfy the Administrative Reserve Costs by distributing to Purchaser the amount of such reductions, in each case in accordance with the Administrative Reserve Order. Any residual balance in the Administrative Reserve after the payment of all Administrative Reserve Costs shall be an asset of and owned by Purchaser.

Section 9.8 Approval of CCAA Plan and CCAA Court Orders

(1) As promptly as possible after the date hereof, the LP Entities shall, in consultation with Purchaser, prepare, serve, file with the CCAA Court and diligently pursue a motion and a proposed Order, in form and substance acceptable to Purchaser, acting reasonably, seeking, among other things:

- (a) approval and confirmation of the execution, delivery and performance of this Agreement by the LP Entities;
- (b) requiring the LP Entities to promptly call and hold a meeting of the unsecured creditors of the LP Entities affected by the CCAA Plan for the purpose of considering and approving the CCAA Plan;
- (c) confirming that the only Persons to whom notice is to be provided in respect of the meeting to consider the approval of the CCAA Plan are those holding unsecured claims against the LP Entities, as determined pursuant to the Claims Procedure Order, and the manner in which such notice is to be provided;
- (d) confirming that the requisite approval in respect of the CCAA Plan shall be 66% in value, and a majority in number, of those holders of such unsecured claims present in person or properly represented at the meeting; and
- (e) providing for the notice requirements with respect to the presentation of the motion to the CCAA Court for the Sanction and Vesting Orders.

The Purchaser and the LP Entities shall agree to any amendments or variations to the form of such motion or Order as may be required to implement the procedure set forth in the Stikeman Letter. Any other amendment or variation to the form of such motion or Order shall be subject to the prior approval of Purchaser, acting reasonably. The LP Entities shall use their commercially reasonable efforts to cause the CCAA Court to (i) schedule and hear such motion within seven days of filing the motion, and (ii) enter the issued Order forthwith after its issuance.

(2) As promptly as possible after the date hereof, the LP Entities shall prepare a circular, together with any other documents required by the CCAA Court in connection with the calling and holding of the meeting of unsecured creditors of the LP Entities to consider and approve the CCAA Plan, each in form and substance satisfactory to Purchaser and the LP Entities, acting reasonably, and in accordance with Applicable Law and the terms of the Order referred to in Section 9.8(1). During the course of the preparation of such documents, the LP Entities shall provide Purchaser and its counsel a reasonable opportunity to review and comment on such documents, and in the event of a disagreement between Purchaser and the LP Entities regarding the content of such documents, such disagreement shall be resolved by the CCAA Court. As soon as practicable after the issuance of the Order referred to in Section 9.8(1), the LP Entities shall cause such circular, together with all other required documents, to be sent to the unsecured creditors of the LP Entities and any other Persons as may be required by the CCAA Court or under Applicable Law, and the LP Entities shall call and hold the meeting of their unsecured creditors for the purposes of considering and approving the CCAA Plan in accordance with Applicable Law and the terms of the Order referred to in Section 9.8(1). The LP Entities shall not adjourn, postpone or cancel (or propose to adjourn, postpone or cancel) the meeting, except

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with Purchaser's prior written consent or as required by the CCAA Court or for quorum purposes. The LP Entities shall provide reasonable advance notice to Purchaser of the meeting and allow Purchaser and its representatives to attend and be present at the meeting.

(3) As promptly as possible following the approval of the CCAA Plan by the affected creditors of the LP Entities, the LP Entities shall file with the CCAA Court a motion, in form and substance acceptable to Purchaser, seeking issuance of the Sanction and Vesting Orders. Any amendment or variation to such motion or to the form of Sanction and Vesting Orders shall be subject to the prior written approval of Purchaser, acting reasonably.

(4) The LP Entities and Purchaser shall cooperate with filing and prosecuting the motions and Orders contemplated in this Section 9.8, and obtaining entry of such Orders, and the LP Entities shall deliver to Purchaser prior to filing, and as early in advance as is practicable to permit adequate and reasonable time for Purchaser and its counsel to review and comment, copies of all proposed pleadings, motions, notices, statements, schedules, applications, reports and other material papers to be filed by the LP Entities in connection with such motions and Orders.

(5) If the Sanction and Vesting Orders or any other Order of the CCAA Court relating to the transactions contemplated by this Agreement shall be appealed or otherwise challenged by any Person, the LP Entities shall take all commercially reasonable steps, and use their commercially reasonable efforts, to defend against such appeal or challenge, provided however that, subject to Section 10.2, nothing in this Section 9.8(5) shall preclude the LP Entities from consummating, or permit the LP Entities not to consummate, the transactions contemplated by this Agreement.

(6) Prior to the Acquisition Date, the LP Entities shall, at the request of Purchaser, promptly request and diligently pursue such further Order or Orders from the CCAA Court as Purchaser, acting reasonably, determines to be required in order to give full effect to the transactions contemplated by this Agreement and the transactions contemplated hereby, including any further Orders regarding the transfer and vesting of the Acquired Assets to Purchaser free and clear of all Claims and Encumbrances (other than Permitted Encumbrances). The terms of such requested Orders shall be satisfactory to Purchaser and the LP Entities, each acting reasonably. Promptly upon such request by Purchaser, the LP Entities and Purchaser shall cooperate with each other, as necessary or as may be reasonably requested, in order to obtain such further Order or Orders.

(7) The Purchaser and the LP Entities agree to the procedure set forth in the Stikeman Letter that would allow the purchase and sale transaction contemplated hereunder to be approved by the CCAA Court and proceed to closing while at the same time preserving the ability to close the Credit Acquisition, all as more particularly set forth in the Stikeman Letter. The Purchaser and the LP Entities agree to negotiate reasonably and in good faith to reach agreement with Agent for the Senior Lenders on a protocol with respect to the allocation of management and company counsel time dedicated to the purchase and sale transaction contemplated hereunder and the Credit Acquisition, provided that priority will be given to the purchase and sale transaction hereunder where conflicts or time limitations arise.

Section 9.9 Distribution

Purchaser acknowledges and agrees that it will not object to any distribution by the LP Entities pursuant to the CCAA Plan of all or any part of the Purchase Price to such Person as the CCAA Court may determine is lawfully entitled thereto, following closing of the Acquisition. The LP Entities shall distribute the Purchase Price following the closing of the Acquisition or shortly thereafter, in accordance with this Agreement, the CCAA Plan and the Sanction and Vesting Orders, and Purchaser agrees that, unless such distribution is not made in accordance with the terms of this Agreement, the CCAA Plan or the Sanction and Vesting Orders, it shall:

- (1) not have any claim against or in respect of any such distribution (including the Senior Lender Distribution and the DIP Lender Distribution) with respect to this Agreement or the Acquisition, including, without limitation, in respect of any obligation or liability of any of the LP Entities: (i) with respect to any representation, warranty, covenant or condition contained herein; or (ii) with respect to the Acquisition after the closing of the Acquisition;
- (2) have no claims against the Monitor, the LP Entities, the Administrative Agent, the DIP Administrative Agent, the Senior Lenders or the lenders under the DIP Credit Agreement in respect of any such distribution (including the Senior Lender Distribution and the DIP Lender Distribution) and shall have no right to trace or otherwise recover any portion of any such distribution from the LP Entities, the Monitor, the Administrative Agent, the Senior Lenders or the lenders under the DIP Credit Agreement; and
- (3) not, at any hearing held for the purpose of obtaining CCAA Court approval of any distribution of all or part of the Purchase Price (including the Senior Lender Distribution and the DIP Lender Distribution), object to such approval or such distribution.

Section 9.10 Cooperation and Assistance by the LP Entities

(1) During the Interim Period, the LP Entities shall, and shall use their commercially reasonable efforts to cause their representatives, management personnel, other employees, legal counsel, outside accountants and other advisors to, promptly provide such assistance and cooperation as Purchaser and Holdco or their advisors may reasonably request in respect of the transactions contemplated by this Agreement and the consummation of the financings contemplated by Purchaser and Holdco to fund the Purchase Price, and all other ancillary matters relating hereto and thereto, including:

- (a) assisting and cooperating with Purchaser and Holdco and their advisors in requesting and obtaining all Consents, and transferring or renewing Licenses that are subject to transfer or other restrictions on assignment, and such other consents, approvals or authorizations which may be reasonably necessary or desirable;
- (b) assisting and cooperating in the preparation and filing by Holdco of a non-offering prospectus in respect of the Common Shares which Holdco intends to file with the applicable securities regulatory authorities after the Acquisition Date and the listing of such shares on the Toronto Stock Exchange, including assistance with the preparation of all requisite financial information;

- (c) assisting and cooperating in connection with the closing of the transactions contemplated by this Agreement and the implementation and administration of the CCAA Plan;
- (d) assisting and cooperating with Purchaser and its advisors in seeking and obtaining insurance in respect of the Business;
- (e) assisting and cooperating with Purchaser in the preparation and negotiation of definitive documentation in respect of offers of employment for Employees proposed to be retained by Purchaser following the Acquisition Date;
- (f) preparing and furnishing to Purchaser and Holdco and their advisors, lenders and investors such financial and other pertinent information regarding the LP Entities, the Business and National Post as may be required under the financing commitments referred to in Section 8.6 or as otherwise reasonably requested by Purchaser or Holdco, including all financial statements and financial data (x) required to consummate the debt financing contemplated by the Debt Commitment Letter, as if such offering were registered under the *U.S. Securities Act of 1933*, as amended (the "**Securities Act**"), and of the type and form customarily included in private placements under Rule 144A of the Securities Act, the financial data required by Regulation S-X under the Securities Act and as necessary in order to consummate the debt financings pursuant to the Debt Commitment Letter at the time during LP Entities' fiscal year in which such debt financing will be made, (y) required to prepare the bank books and bank syndication materials contemplated by the Debt Commitment Letter and (z) related to the LP Entities and National Post reasonably required by Purchaser for Purchaser to produce the pro forma financial statements required to be delivered pursuant to the Debt Commitment Letter and that would be required to be included in a registration statement filed with the SEC assuming the debt financing was a SEC registered debt offering (all such information in this clause (f), the "**Required Information**");
- (g) assisting Purchaser and Holdco and their lenders and investors in the preparation of offering materials (including offering memoranda, bank books, road show materials and bank syndication materials) and materials for rating agency presentations and meetings for such purposes;
- (h) cooperating with the marketing and syndication efforts of Purchaser and Holdco and their advisors, lenders and investors in connection with such financings (including, if requested by Purchaser or Holdco, participating in "road shows", management presentations, due diligence sessions, drafting sessions and rating agency meetings, and sessions with prospective lenders and investors);
- (i) providing authorization letters to the financing sources authorizing the distribution of information to prospective lenders and containing customary representations;
- (j) using commercially reasonable efforts to obtain customary accountants' comfort letters (including no later than the end of the Marketing Period, drafts of

customary comfort letters which such accountants are prepared to issue upon completion of customary procedures, and consents to use of their reports in any materials related to the debt financing, pursuant to the Debt Commitment Letter), legal opinions, appraisals, surveys, certificates of location and plans, title insurance or title opinions from a firm carrying acceptable insurance coverage and other agreements, documentation and items relating to such financings and any security related thereto as may be reasonably requested by Purchaser or its lenders and investors; and

- (k) using commercially reasonable efforts to take all actions reasonably requested by Purchaser to permit Purchaser's advisors, lenders and investors to complete their evaluation of the Business and National Post.

Section 9.11 Restrictions on Amendments

Except as contemplated by the Omnibus Transition and Reorganization Agreement, during the Interim Period, the LP Entities shall not amend, supplement, modify, terminate or otherwise agree or consent to any changes, amendments or modifications to any of the Material Contracts, Licenses, Personal Property Leases, Real Property Leases, LP Benefit Plans, National Post Benefit Plans or Multi-Employer Plans, or to the CCAA Plan or the SISP Procedures, except with the prior written consent of Purchaser, acting reasonably.

Section 9.12 Disentanglement from CMI Entities

(1) During the Interim Period the LP Entities shall and thereafter, for as long as may be necessary, the Purchaser shall use commercially reasonable efforts to take all such actions as may be necessary or advisable to complete, to the extent possible, the disentanglement of the operations of the LP Entities from the operations of the CMI Entities, by no later than the Acquisition Time, as contemplated in the Shared Services Agreement and the Omnibus Transition and Reorganization Agreement, with a view to the LP Entities being capable of operating on a stand-alone basis from and after such time. In particular but without limiting the generality of the foregoing, the LP Entities shall take all such actions as may be necessary to complete the following by no later than the Acquisition Time or as contemplated in the Shared Services Agreement and the Omnibus Transition and Reorganization Agreement:

- (a) assignments to CMI of assignable "orphan" trademarks owned by the LP Entities but used by the CMI Entities;
- (b) transfer the Misaligned CMI Employees, and all other Employees (other than Employees to whom Purchaser does not make an offer on the Acquisition Date as permitted by Section 5.1) who participate in pension or benefit plans provided by any of the CMI Entities, from their existing CMI Entity pension or benefit plan to an appropriate LP Benefit Plan, provided that the transfers relating to the LP Pension Plans shall not be done without the prior written consent of Purchaser;
- (c) transfer any employees of the CMI Entities (who are not employees or former employees of the LP Entities) who participate in pension or benefit plans provided by any of the LP Entities, from their existing LP Benefit Plan to an appropriate CMI pension or benefit plan, provided that, except as contemplated by the Shared

Services Agreement or the Omnibus Transition and Reorganization Agreement, the transfers relating to the LP Pension Plans shall not be done without prior written consent of Purchaser.

- (d) transfer all Contracts, Real Property Leases and Personal Property Leases that are currently used in the Business or in the business of National Post but entered into on behalf of the LP Entities or National Post by a CMI Entity, into the name of one or more of the LP Entities or National Post, as applicable, but for the avoidance of doubt such Real Property Leases do not include real property leases or licences in respect of premises also used by a CMI Entity where such CMI Entity sublets or licenses space to an LP Entity or National Post;
- (e) with respect to Contracts for the provision by third parties of goods and services to both LP Entities and CMI Entities, referred to as "Master Shared Contracts", continue to use commercially reasonable efforts to amend or otherwise deal with such contracts so as to ensure that the LP entities continue after the Acquisition Date to enjoy the benefit of such Contracts, to the extent desirable, on commercially reasonable terms, whether by way of re-negotiating, transferring, continuing or terminating such contracts, and to obtain all necessary approvals in respect thereof, provided that no amendments, transfers or terminations of any Master Shared Contracts shall be made without the prior written consent of Purchaser to the extent that such Master Shared Contracts are Material Contracts, except as contemplated by the Shared Services Agreement or the Omnibus Transition and Reorganization Agreement;
- (f) ensure that all the Shared Services (as defined in the Shared Services Agreement) scheduled to be terminated pursuant to the Shared Services Agreement and the Omnibus Transition and Reorganization Agreement are terminated within the time frames set out in such agreements; and
- (g) ensure that all other transitional matters contemplated in the Shared Services Agreement and the Omnibus Transition and Reorganization Agreement are completed within the time frames set out in such agreements.

Section 9.13 Common Shares

Prior to the Acquisition Date, Holdco will amend its articles of incorporation to provide that its authorized capital will consist of two classes of common shares: Class C voting common shares and Class NC limited voting shares, with share provisions substantially in the form attached as Schedule 9.13.

Section 9.14 Purchaser and Holdco Financing

(1) Without limiting the generality of Section 9.2, Purchaser and Holdco will use their and will cause the Equity Sponsors to use their commercially reasonable efforts to consummate the financing contemplated by the Debt Commitment Letter and Equity Commitment Letter no later than the Acquisition Date.

(2) Purchaser and Holdco will use commercially reasonable efforts to satisfy, on a timely basis, all covenants, terms, representations and warranties within their control applicable to Purchaser or Holdco in the Debt Commitment Letter and Equity Commitment Letters and accommodate the financing provided for under the Debt Commitment Letter and Equity Commitment Letters.

(3) Purchaser and Holdco will use commercially reasonable efforts to negotiate and enter into definitive credit or loan or other agreements and all other documentation with respect to the financings contemplated in this Section 9.14 as may be necessary for Purchaser and Holdco to obtain such funds, on the basis described in this Section 9.14 and otherwise on terms and conditions no less favourable than those contained in the Debt Commitment Letter and the Equity Commitment Letters, and otherwise on terms and conditions which do not materially impair the ability of Purchaser or Holdco to perform their obligations hereunder or to effect the Acquisition, as soon as reasonably practicable but in any event prior to August 15, 2010. Purchaser and Holdco will deliver to the LP Entities correct and complete copies of such executed definitive agreements and documentation promptly when available and drafts thereof from time to time upon request by the LP Entities.

(4) Purchaser and Holdco will keep the LP Entities informed with respect to all material activity concerning the status of the financings referred to in this Section 9.14 and will give the LP Entities prompt notice of any material change with respect to any such financings. Without limiting the generality of the foregoing, Purchaser and Holdco agree to notify the LP Entities promptly if at any time prior to the Acquisition Date: (a) the Debt Commitment Letter or any Equity Commitment Letter referred to in this Section 9.14 will expire or be terminated for any reason; (b)(i) any event occurs that, with or without notice, lapse of time or both, would individually or in the aggregate, constitute a default or breach on the part of Purchaser or Holdco under any material term or condition of the Debt Commitment Letter or Equity Commitment Letter or definitive agreement or documentation referred to in this Section 9.14; or (ii) if Purchaser or Holdco has any reason to believe that it will be unable to satisfy, on a timely basis, any term or condition of any funding referred to in this Section 9.14 to be satisfied by it, that in case of either (i) or (ii) would reasonably be expected to materially impair, delay or prevent the consummation of the transactions contemplated by this Agreement; or (c) any financing source that is a party to the Debt Commitment Letter or Equity Commitment Letter (i) advises Purchaser or Holdco in writing that such source either no longer intends to provide or underwrite any financing referred to in this Section 9.14 on the terms set forth in the Debt Commitment Letter or Equity Commitment Letter, as applicable; or (ii) requests amendments or waivers to the Equity Commitment Letter or the Debt Commitment Letter, as applicable, as a result of which it would reasonably be expected that the transactions contemplated by this Agreement would be materially impaired, delayed or prevented.

(5) Other than in connection with and as contemplated in this Agreement, none of Purchaser, Holdco or any Equity Sponsor will, without the prior written consent of the LP Entities, take any action or enter into any transaction, including any merger, acquisition, joint venture, disposition, lease, contract or debt or equity financing, that would reasonably be expected to materially impair, delay or prevent Purchaser or Holdco obtaining any of the financings contemplated by this Section 9.14.

(6) Purchaser and Holdco will not amend or alter, or agree to amend or alter, the Debt Commitment Letter or Equity Commitment Letters or any definitive agreement or

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documentation referred to in this Section 9.14 in any manner that would reasonably be expected to materially impair, delay or prevent the consummation of the transactions contemplated by this Agreement, in each case without the prior written consent of the LP Entities.

(7) If the Debt Commitment Letter or Equity Commitment Letter is terminated or modified in a manner materially adverse to Purchaser's or Holdco's ability to complete the transactions contemplated by this Agreement for any reason, Purchaser and Holdco will use commercially reasonable efforts to:

- (a) obtain, as promptly as practicable, and, once obtained, provide the LP Entities with a copy of, a new financing commitment that provides for at least the same amount of financing as contemplated by the Debt Commitment Letter and/or the Equity Commitment Letter, as the case may be, on a basis that is not subject to any condition precedent materially less favourable from the perspective of the LP Entities than the conditions precedent contained in the Debt Commitment Letter, or the Equity Commitment Letter, as the case may be, and otherwise on terms and conditions not materially less favourable from the perspective of the LP Entities;
- (b) negotiate and enter into definitive credit, loan or other agreements and all required documentation with such third parties as may be necessary for the Purchaser to obtain such funds (to the extent reasonably practicable, on terms and conditions not materially less favourable than the Debt Commitment Letter or the Equity Commitment Letter, as the case may be, being replaced) and on the basis described in this Section 9.14 and on terms and conditions consistent with such new financing commitment, as soon as reasonably practicable but in any event prior to August 15, 2010, and deliver to the LP Entities correct and complete copies of such executed definitive agreements and documentation promptly upon request by the LP Entities;
- (c) satisfy, on a timely basis, all covenants, terms, representations and warranties applicable to Purchaser or Holdco in respect of such new financing commitments and all other required agreements and documentation referred to in this Section 9.14(7) and enforce its rights under such new financing commitments and agreements and documentation; and
- (d) obtain funds under such financing commitments to the extent necessary to consummate the transactions contemplated by this Agreement.

For the avoidance of doubt, nothing in this Section 9.14 shall impose any restriction on or require any action by any of the Lenders.

Section 9.15 Insured Litigation

Purchaser agrees to assume the defence and responsibility for the conduct of the Insured Litigation, including the payment of the Insured Litigation Deductibles with respect thereto and responsibility for the day-to-day case management of the Insured Litigation. Such case management responsibilities are to include, without limitation, providing instructions to counsel, making employees available for examinations for discovery, providing documents, and providing witnesses at trial. Purchaser shall pay all Insured Litigation Deductibles in the same manner and

to the same extent that the LP Entities would otherwise have been required to pay such deductibles in respect of the Insured Litigation. For greater certainty, Purchaser does not assume liability of the LP Entities with respect to the Insured Litigation beyond payment of any Insured Litigation Deductibles assumed in accordance with this Section 9.15 and distribution of any insurance proceeds received by Purchaser, and Purchaser is not responsible for any amounts payable by the LP Entities with respect to such litigation, except to the extent insurance proceeds are available.

ARTICLE 10 – CONDITIONS

Section 10.1 Purchaser's Conditions

The obligations of Purchaser under this Agreement are subject to the conditions set out in this Section 10.1, which are for the exclusive benefit of Purchaser and all or any of which may be waived, in whole or in part, by Purchaser in its sole discretion by notice given to the LP Entities. The LP Entities shall take all actions, steps and proceedings as are reasonably within their control to cause each of the conditions to be fulfilled or performed at or before the Acquisition Time.

- (1) **Truth of Representation and Warranties.** All representations and warranties of the LP Entities contained in this Agreement shall have been true in all material respects (except for representations and warranties that contain a materiality qualification which shall be true in all respects) as of the date of this Agreement and shall be true in all material respects (except for representations and warranties that contain a materiality qualification which shall be true in all respects) as of the Acquisition Date with the same effect as though made on and as of that date (except to the extent that any representation or warranty is affected by the transactions expressly contemplated by this Agreement, and consented to in writing by Purchaser) and the LP Entities shall have delivered to Purchaser a certificate addressed to Purchaser to the foregoing effect dated as of the Acquisition Date.
- (2) **The LP Entities' Obligations.** Each of the LP Entities shall have performed each of its respective obligations under this Agreement in all material respects to the extent required to be performed on or before the Acquisition Date, and Purchaser shall have received a certificate from the LP Entities confirming such performance.
- (3) **Receipt of Closing Documentation.** Purchaser shall have received copies of all such documentation or other evidence as it may reasonably request in order to effect the consummation of the transactions contemplated by this Agreement and the taking of all corporate proceedings required in respect of the LP Entities or National Post in connection with such transactions.
- (4) **Adverse Proceedings.** There shall be outstanding no Order or decree restraining or enjoining the Acquisition or the other transactions contemplated by this Agreement.
- (5) **Material Adverse Effect.** No Material Adverse Effect shall have occurred since the date hereof.
- (6) **Regulatory Approvals.** All Regulatory Approvals listed in Schedule 10.1(6) shall have been received and shall be absolute or on terms reasonably acceptable to Purchaser.

(7) **Sanction and Vesting Orders.** (i) The Sanction and Vesting Orders shall have been issued by the CCAA Court and (ii) shall not have been stayed, vacated, reversed or appealed as of the Acquisition Date, and each of the Sanction and Vesting Orders shall have become a Final Order, and no Order in the CCAA Case shall have been issued, stayed, varied, challenged, appealed or reversed in whole or in part on terms which the Purchaser considers unacceptable.

(8) **CCAA Plan.** All of the conditions and requirements for the approval and implementation of the CCAA Plan shall have been met, other than the completion of the transactions contemplated by this Agreement.

(9) **Resignations.** All of the directors of National Post shall have resigned effective as at the Acquisition Time.

(10) **Senior Secured Claims Amount.** The Senior Secured Claims Amount as at the Acquisition Date shall not be in excess of \$928,800,000.

Section 10.2 The LP Entities' Conditions

The obligations of the LP Entities under this Agreement are subject to the conditions set out in this Section 10.2 which are for the exclusive benefit of the LP Entities and all or any of which may be waived by the LP Entities in their sole discretion, by Notice given to Purchaser. Purchaser shall take all actions, steps and proceedings as are reasonably within its control to cause each of such conditions to be performed at or before the Acquisition Time.

(1) **Confirmation of Representation and Warranties.** All representations and warranties of Purchaser and Holdco contained in this Agreement shall be true in all material respects as of the Acquisition Date with the same effect as though made on and as of that date (except to the extent that any representation or warranty is affected by the transactions expressly contemplated by this Agreement, and consented to in writing by the LP Entities), and Purchaser and Holdco shall have delivered to the LP Entities a certificate addressed to the LP Entities to the foregoing effect dated the Acquisition Date.

(2) **Purchaser's and Holdco's Obligations.** Each of Purchaser and Holdco 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 Acquisition Date, and the LP Entities shall have received a certificate from Purchaser and Holdco confirming such performance.

(3) **Receipt of Closing Documentation.** The LP Entities shall have received copies of all such documentation or other evidence as they may reasonably request in order to effect the consummation of the transactions contemplated by this Agreement and the taking of all corporate proceedings in connection with such transactions in compliance with these conditions, including the delivery of releases in favour of the officers, directors and advisors of the LP Entities, the Monitor and its advisors, the LP Entities' Chief Restructuring Advisor and its advisors and the members of the Special Committee and its advisors.

(4) **Conditions under CCAA Plan.** All of the conditions and requirements for the approval and implementation of the CCAA Plan shall have been met, other than the completion of the transactions contemplated by this Agreement.

(5) **Sanction and Vesting Orders.** (i) the Sanction and Vesting Orders shall have been issued by the CCAA Court and (ii) shall not have been stayed, vacated, reversed or appealed as of the Acquisition Date, and each of the Sanction and Vesting Orders shall have become a Final Order.

(6) **Adverse Proceedings.** There shall be outstanding no Order or decree restraining or enjoining the Acquisition or the other transactions contemplated by this Agreement.

(7) **Regulatory Approvals.** All Regulatory Approvals listed in Schedule 10.1(6) shall have been received and shall be absolute or on terms reasonably acceptable to the LP Entities, except where any failure to obtain such Regulatory Approval would not constitute a Material Adverse Effect.

(8) **Prior Claims.** The Prior Ranking Secured Claims, the Government Priority Claims, the Pension Priority Claims and the Employee Priority Claims shall have been provided for in accordance with the CCAA Plan.

(9) **Charges.** To the extent not paid or otherwise satisfied on or before the Acquisition Date (i) provision acceptable to the LP Entities for the payment or satisfaction of all amounts secured by charges created by the Initial Order shall have been made, in accordance with the Initial Order, by way of the Administrative Reserve; (ii) provision acceptable to the CCAA Court therefor shall have been made by way of the Administrative Reserve; or (iii) in the case of the directors' and officers' charge, Purchaser shall have assumed the obligation to pay or satisfy such amounts, on terms acceptable to the LP Entities and in accordance with the Initial Order.

(10) **Administrative Reserve.** (i) the Administrative Reserve Order shall have been issued and (ii) shall not have been stayed, vacated, reversed or appealed as of the Acquisition Date and the Administrative Reserve Order shall have become a Final Order and the Administrative Reserve shall have been established in accordance with Section 9.7.

Section 10.3 Investment Canada Act

If the Heritage Minister makes a determination that Purchaser is not a Canadian controlled-entity within the meaning of the ICA, Purchaser shall have expeditiously completed and filed with the Investment Review Division of Industry Canada an application with respect to the review of the Acquisition and shall have obtained confirmation from the Minister of Industry (or such other minister as may be appointed under the ICA (the "Minister") under Sections 21, 22 or 23 of the ICA indicating that the Minister is, or is deemed to be, satisfied that the acquisition is likely to be of net benefit to Canada. The LP Entities shall provide such relevant information and documentation to assist with such notice or application as Purchaser may consider necessary or desirable to comply with the ICA.

ARTICLE 11 – SURVIVAL

Section 11.1 Survival

All provisions contained in this Agreement (other than under ARTICLE 2, ARTICLE 3, ARTICLE 4, ARTICLE 5, ARTICLE 6, Section 9.3, Section 9.4, Section 9.7, Section 9.9 this Section 11.1, ARTICLE 13 and ARTICLE 14) and in any other agreement, certificate or

instrument executed and delivered hereunder shall merge immediately after the Acquisition and not survive past the Acquisition Time.

ARTICLE 12 – COMPLETION

Section 12.1 Completion

The completion of the Acquisition shall take place at the offices of Davies Ward Phillips & Vineberg LLP, 1 First Canadian Place, Toronto, Ontario M5X 1B1, at the Acquisition Time.

Section 12.2 Designated Purchaser

Prior to the Acquisition Date, Purchaser shall be entitled to designate one or more Affiliates to (i) acquire specified Acquired Assets (including to act as nominee to hold legal title to any Acquired Assets); (ii) assume specified Assumed Liabilities; and/or (iii) employ specified Transferred Employees on or after the Acquisition Date (each a “Designated Purchaser”); provided each such Designated Purchaser agrees in writing to be bound jointly and severally with Purchaser by the terms of this Agreement.

ARTICLE 13 – TERMINATION

Section 13.1 Termination Rights

This Agreement may be terminated on or prior to the Acquisition Date by mutual written agreement of the Parties, and may be terminated on or prior to the Acquisition Date:

- (a) by Notice given by Purchaser to the LP Entities as permitted in Section 10.1 for failure of a condition to be satisfied if Purchaser has not waived such condition at or prior to the Acquisition Time;
- (b) by Notice given by the LP Entities to Purchaser as permitted by Section 10.2 for failure of a condition to be satisfied if the LP Entities have not waived such condition at or prior to the Acquisition Time;
- (c) upon delivery to the Administrative Agent, the LP Entities and Purchaser of the Monitor’s certificate which renders operative the conditional sanction order made in respect of the Credit Acquisition, all as more particularly set forth in the Stikeman Letter; or
- (d) by Notice given by either party if the Acquisition Date has not occurred prior to August 15, 2010.

Section 13.2 Effect of Termination

(1) Subject to Section 13.3, each Party’s right of termination under Section 13.1 is in addition to any other rights it may have under this Agreement or otherwise, and the exercise of a right of termination will not be an election of remedies. If a Party waives compliance with any of the conditions, obligations or covenants contained in this Agreement, the waiver will be without prejudice to any of its rights of termination in the event of non-fulfilment, non-

observance or non-performance of any other condition, obligation or covenant in whole or in part.

(2) If this Agreement is terminated pursuant to Section 13.1, all obligations of the Parties under this Agreement will terminate, except that if this Agreement is terminated by a Party because of a breach of this Agreement by the other Party or because a condition for the benefit of the terminating Party has not been satisfied because the other Party has failed to perform any of its obligations or covenants under this Agreement, the terminating Party's right to pursue all legal remedies will, subject to Section 13.3, survive such termination unimpaired.

(3) Any termination of this Agreement by any party shall be without liability of any of the Lenders under the Debt Commitment Letter.

Section 13.3 Forfeiture of Deposit, Liquidated Damages

If the Acquisition is not completed as a result of a breach by the Purchaser of its obligations under this Agreement, the sole and exclusive remedy of the LP Entities shall be to retain the Deposit as contemplated by Section 2.5(2). Neither the LP Entities nor any other Person (including the Monitor, the Secured Lenders and any other creditors of the LP Entities) shall be entitled to exercise any other rights or remedies against the Purchaser or Holdco or their respective officers, directors, investors or lenders (including the Lenders) in the event of such breach or failure. The Parties agree that the right of the LP Entities to retain the Deposit in such circumstances is not a penalty but represents a genuine and reasonable pre-estimate of the damages that the LP Entities would suffer as a result of such breach or failure, and the forfeiture of the Deposit by the Purchaser shall constitute a full and final satisfaction and release of any and all damages, claims and rights (including any right to seek specific performance of this Agreement) of the LP Entities and any other Person (including the Monitor, the Secured Lenders and any other creditors of the LP Entities) arising in connection with such breach or failure.

ARTICLE 14 - MISCELLANEOUS

Section 14.1 Planning Act

This Agreement shall be effective to create an interest in the Real Property located in Ontario only if the subdivision control provisions of the *Planning Act* (Ontario) are complied with by the LP Entities.

Section 14.2 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 and the procedures set forth in the Stikeman Letter and to complete the Acquisition, including cooperating to obtain such recognition orders of any Order issued in connection with the CCAA Case as may reasonably be required.

Section 14.3 Notice

Unless otherwise specified, each Notice to a Party must be given in writing and delivered personally or by courier, or transmitted by fax or email to the Party as follows:

If to the LP Entities on or before the Acquisition Date:

Name: c/o Canwest Limited Partnership
Address: 1450 Don Mills Road
Don Mills, Ontario
M3B 2X7
Attention: Doug Lamb
Fax No.: 416-442-2135
Email: dlamb@canwest.com

With a required copy (which shall not constitute notice) to:

Name: Osler, Hoskin & Harcourt LLP
Address: 100 King Street West
1 First Canadian Place
Suite 6100
Toronto, Ontario
M5X 1B8
Attention: Edward Sellers
Fax No.: 416-862-6666
Email: esellers@osler.com

And with a required copy (which shall not constitute notice) to:

Name: FTI Consulting Canada Inc.
Address: 79 Wellington Street West
Suite 2010
Toronto, Ontario
M4K 1G8
Attention: Paul Bishop
Fax No.: 416-649-8101
Email: Paul.Bishop@fticonsulting.com

And with a required copy (which shall not constitute notice) to:

Name: Stikeman Elliott LLP
Address: 5300 Commerce Court West
199 Bay Street
Toronto, Ontario
M5L 1B9

Attention: Daphne MacKenzie
Fax No.: 416-947-0866
Email: DMackenzie@stikeman.com

If to Purchaser or Holdco:

Name: CW Acquisition Limited Partnership
Address: c/o Davies Ward Phillips & Vineberg
1 First Canadian Place
Suite 4400
Toronto, Ontario
M5X 1B1

Attention: Jay A. Swartz and Cameron M. Rusaw
Fax No.: 416-863-0871
Email: jswartz@dwpv.com and crusaw@dwpv.com

With a required copy (which shall not constitute notice) to:

Name: Davies Ward Phillips & Vineberg LLP
Address: 1 First Canadian Place
Suite 4400
Toronto, Ontario
M5X 1B1

Attention: Jay A. Swartz and Cameron M. Rusaw
Fax No.: 416-863-0871
Email: jswartz@dwpv.com and crusaw@dwpv.com

or to any other address, fax number or Person that the party designates. Any Notice, if delivered personally or by courier, will be deemed to have been given when actually received, if transmitted by fax before 3:00 p.m. on a Business Day, will be deemed to have been given on that Business Day, and if transmitted by fax after 3:00 p.m. on a Business Day, will be deemed to have been given on the Business Day after the date of the transmission.

Section 14.4 Time

Time shall be of the essence in all respects of this Agreement.

Section 14.5 Governing Law

This Agreement and each document contemplated by or delivered under or in connection with this Agreement shall be governed by and interpreted in accordance with the laws of the Province of Ontario, and each of the Parties irrevocably attorns to the non-exclusive jurisdiction of the courts of Ontario.

Section 14.6 Irrevocable Offer

The execution and delivery by Holdco and Purchaser of this Agreement shall constitute an irrevocable offer that shall be open for acceptance by the LP Entities until May 30, 2010. Upon the CCAA Court directing the LP Entities to execute and deliver this Agreement (the "Approval Order") and the LP Entities executing and delivering this Agreement, this Agreement shall be enforceable against the Parties in accordance with its terms and the LP Entities shall be deemed to have accepted such offer by Holdco and Purchaser. This Agreement shall not be binding upon the LP Entities until the Approval Order is granted by the CCAA Court and the LP Entities accept the offer by Holdco and Purchaser and execute and deliver this Agreement.

Section 14.7 Entire Agreement

This Agreement, the Stikeman Letter and the attached Schedules 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 oral. There are no representations, warranties, covenants, conditions or other agreements, express or implied, collateral, statutory or otherwise, between the Parties in connection with the subject matter of this Agreement, except as specifically set forth herein and in the Stikeman Letter. The Parties are not relying on any other information, discussion or understanding in entering into this Agreement and completing the Acquisition.

Section 14.8 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 14.9 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 14.10 Severability

If any provision of this Agreement is or becomes illegal, invalid or unenforceable in any jurisdiction, the illegality, invalidity or unenforceability of that provision will not affect:

- (a) the legality, validity or enforceability of the remaining provisions of this Agreement; or
- (b) the legality, validity or enforceability of that provision in any other jurisdiction.

Section 14.11 Remedies Cumulative

The rights and remedies under this Agreement are cumulative and are, subject to Section 13.3, 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 14.12 Assignment and Enurement

Other than one or more assignments by Purchaser to one or more Designated Purchaser(s), which shall not require the consent of the LP Entities, no Party may assign this Agreement without the prior written consent of the other Parties, which consent may not be unreasonably withheld or delayed. This Agreement enures to the benefit of and binds the Parties and their respective successors and permitted assigns.

Section 14.13 No Third Party Rights

This Agreement is not intended and shall not be construed to create any rights in any Person other than the Parties and no Person shall any rights as a third party beneficiary hereunder (other than the limitations or liability of the lenders referred to in Article 13).

Section 14.14 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.

[Next page is signature page]

SIGNATURE PAGE 1 TO ASSET PURCHASE AGREEMENT

The Parties have executed this Agreement.

7535538 CANADA INC.

By: T. S. Lodge
Name: T. S. Lodge
Title: President

CW ACQUISITION LIMITED
PARTNERSHIP, by its general partner,
7536321 CANADA INC.

By: T. S. Lodge
Name: T. S. Lodge
Title: President

CANWEST BOOKS INC.

By: _____
Name: _____
Title: _____

CANWEST (CANADA) INC.

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

CANWEST PUBLISHING INC. /
PUBLICATIONS CANWEST INC.

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

SIGNATURE PAGE 1 TO ASSET PURCHASE AGREEMENT

The Parties have executed this Agreement.


7535538 CANADA INC.

By: _____
Name:
Title:

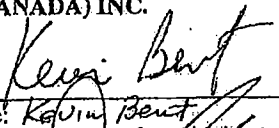
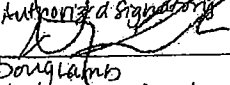
**CW ACQUISITION LIMITED
PARTNERSHIP, by its general partner,
7536321 CANADA INC.**

By: _____
Name:
Title:

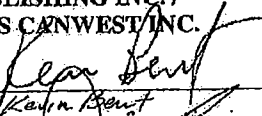
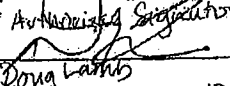
CANWEST BOOKS INC.

By: 
Name: Doug Lamb
Title: Authorized signatory

CANWEST (CANADA) INC.

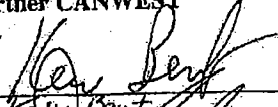
By: 
Name: Kevin Bent
Title: Authorized signatory
By: 
Name: Doug Lamb
Title: Authorized signatory

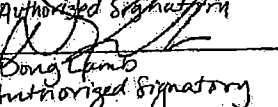
**CANWEST PUBLISHING INC. /
PUBLICATIONS CANWEST INC.**

By: 
Name: Kevin Bent
Title: Authorized signatory
By: 
Name: Doug Lamb
Title: Authorized signatory

SIGNATURE PAGE 2 TO ASSET PURCHASE AGREEMENT

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

By: 
Name: Kevin Beut
Title: Authorized Signatory

By: 
Name: Doug Lamb
Title: Authorized Signatory

SCHEDULE 1.1(29)**CCAA PLAN****PLAN OF ARRANGEMENT FOR CANWEST LIMITED PARTNERSHIP,
CANWEST PUBLISHING INC., CANWEST (CANADA) INC.
AND CANWEST BOOKS INC.**

The following is an outline of the Plan of Arrangement proposed by Holdco and Purchaser and which must be approved as a condition precedent to the acquisition by Purchaser of the assets of the LP Entities:

1. Pursuant to the terms of the Asset Purchase Agreement, Purchaser will acquire substantially all of the assets of the LP Entities, including the shares and intercompany indebtedness of National Post Inc., but excluding the Excluded Assets as described in the Asset Purchase Agreement. Purchaser will also assume the liabilities set out therein.
2. The Senior Lenders to the LP Entities will be unaffected creditors and will, on closing, receive a cash distribution equal to the full amount owing to them, including accrued interest and reimbursement of costs and expenses to the extent not previously paid by the LP Entities.
3. Purchaser will pay to any unsecured creditors with Proven Claims at the time of closing who have elected or are deemed to have elected to receive a cash payment in an amount equal to the lesser of the amount of their proven claim and \$1,000, provided that any creditor that makes or is deemed to have made such election shall be deemed to vote in favour of the Plan. Any unsecured creditor with proven claims equal to or less than \$1,000 shall be deemed to have elected to receive the aforementioned cash payment in an amount equal to the lesser of the amount of their proven claim and \$1,000.
4. The balance of the consideration will be satisfied by an unsecured demand note or notes of Purchaser in the aggregate principal amount of \$150 million minus the cash amount pursuant to paragraph 3 (the "Purchaser Note"). The Purchaser Note will be issued in favour of the LP Entities.
5. Immediately after receipt of the Purchaser Note, the LP Entities will purchase from Holdco common shares of Holdco in exchange for the Purchaser Note. The price per share will be thirteen dollars and thirty-three cents.
6. No fractional shares of Holdco will be issued. Recipients of shares will have their share entitlements to eliminate any share fractions. On the Final Distribution Date any shares which are held by the Monitor that cannot be distributed pro rata to affected creditors without fractioning the shares shall be sold and the proceeds therefrom shall be added to the Reserve Account.
7. The Monitor will comply with the Administrative Reserve Order.
8. Unsecured creditors with proven claims will be required to certify whether they are Canadian or non-Canadian for the purposes of Section 19 of the Income Tax Act. There

ASSET PURCHASE AGREEMENT

will be two classes of Holdco common shares - Voting Common Shares and Limited Voting Common Shares. The Monitor will advise Holdco as to the number of shares distributable to persons with Proven Claims who have certified they are Canadians and Holdco will issue that number of Voting Common Shares of Holdco. The balance of the shares to be issued by Holdco will be Limited Voting Shares, to be distributed to non-Canadian unsecured creditors with proven claims. The Monitor will as soon as reasonably practicable direct Holdco to, and Holdco shall, issue share certificates evidencing Voting Common Shares and Limited Voting Shares, to each of the Canadian and non-Canadian unsecured creditors as applicable, who has a Proven Claim at the time of closing. The aggregate shares to be so distributed will be proportionate to the Proven Claims relative to the sum of Proven and Outstanding Disputed Claims. Any remaining shares will be held by the Monitor on behalf of the LP Entities pending resolution of Disputed Claims. No later than December 31, 2010, the Monitor will direct Holdco to, and Holdco shall, issue any remaining shares held by it to all unsecured creditors who had Proven Claims as at such date other than those who have received payments of a cash amount pursuant to paragraph 3. For greater certainty, no distributions will be made in respect of Claims which are Intercompany Claims (as defined in the Claims Procedures Order).

9. Holdco will purchase additional units of Purchaser using the Purchaser Note and the Purchaser Note will be cancelled.
10. The Plan will provide for releases in favour of the former directors and officers of the LP Entities, the advisors of the LP Entities, the Monitor and its advisors, the Chief Restructuring Advisor and its advisors and the members of the Special Committee and its advisors.
11. Purchaser will reimburse Holdco and its investors for all costs incurred by them in connection with the transaction and the plan including all financial advisory fees and expenses, legal fees and expenses, and fees and expenses paid to rating agencies.
12. Following completion of the acquisition of the assets of the LP Entities, Holdco will take all reasonable steps to apply for the listing of its common shares on the Toronto Stock Exchange. This will occur after the plan implementation date.

SCHEDULE 1.1(63)

EXCLUDED LIABILITIES

- (a) **Excluded Assets.** All Liabilities in any way related to or arising from or out of the Excluded Assets including the Excluded Contracts and Leases;
- (b) **Restructuring Period Claims.** Restructuring Period Claims (as defined in the Claims Procedure Order of the Honourable Justice Pepall dated April 12, 2010);
- (c) **Pre-Filing Liabilities.** All Liabilities incurred by the LP Entities, or arising out of events or circumstances which occurred or existed, prior to the Filing Date, other than Assumed Liabilities expressly assumed under this Agreement provided, for the avoidance of doubt, that all Liabilities in respect of the Real Property Leases, including all Liabilities accrued due on, or accruing due subsequent to, the Acquisition Date, including any such Liabilities that relate to periods prior to the Filing Date, are Assumed Liabilities and are not Excluded Liabilities;
- (d) **Existing Indebtedness.** All Liabilities of the LP Entities in respect of Indebtedness for borrowed money and Guarantees in respect thereof, including:
 - (i) Claims of the Senior Lenders and the Administrative Agent arising under or in connection with the Senior Credit Agreement and the Hedging Agreements;
 - (ii) Claims arising under or in connection with the Senior Subordinated Credit Agreement between CanWest MediaWorks Limited Partnership, the Guarantors, Citigroup Global Markets Inc. and Scotia Capital, The Bank of Nova Scotia, and the Lenders, dated July 10, 2007;
 - (iii) Claims arising under or in connection with the Indenture between CanWest MediaWorks Limited Partnership, the Guarantors, The Bank of New York, and BNY Trust Company of Canada, dated July 13, 2007;
 - (iv) Claims arising under or in connection with the DIP Credit Agreement;
 - (v) Claims arising under the LP Support Agreement between Canwest Limited Partnership, Canwest (Canada) Inc., Canwest Publishing Inc., Canwest Books Inc. and The Bank of Nova Scotia, dated January 8, 2010 in its capacity as administrative agent on behalf of the lenders;
- (e) **Prior Ranking Secured Claims.** Prior Ranking Secured Claims, other than Prior Ranking Secured Claims in respect of lessors under Personal Property Leases or Permitted Encumbrances.
- (f) **Administrative Reserve Costs.**
- (g) **Charges.** Any Charges as defined in the Initial Order.
- (h) **Taxes.** All Liabilities for Taxes payable or remittable by the LP Entities, including all Liabilities for Taxes payable or remittable the LP Entities as a result of the transactions

contemplated in this Agreement, other than transfer Taxes payable by Purchaser pursuant to Article 6;

- (i) **Certain Employee-Related Liabilities.**
- (i) all Liabilities of any kind, howsoever arising, in respect of any Employees or former employees other than the Transferred Employees (other than in connection with: the LP Pension Plans, as required by any collective agreement or the Purchaser Assumed Benefit Plans);
 - (ii) all Liabilities in respect of any Employee or former employee of the LP Entities in respect of any funded or unfunded retirement arrangements supplemental to an LP Pension Plan whether or not registered or unregistered, including the SERA, the RCA and any similar plans;
 - (iii) all Liabilities in respect of stock options and other equity-based plans or similar plans and any option grants or awards or similar entitlements;
 - (iv) all Liabilities in respect of any agreements or arrangements which provide any payments or benefits in connection with a change of control of an LP Entity or the Business or in connection with the transactions contemplated in this Agreement;
- (j) **Material Contracts.** All Liabilities of the LP Entities accruing in respect of or under any Material Contract that is not listed or identified on Schedule 7.5(4), or in respect of or under any Material Contract that is marked with an asterisk on Schedule 7.5(4);
- (k) **Litigation.** All Liabilities in respect of any litigation proceedings, lawsuits, court proceedings or proceedings before any Governmental Authority against any of the LP Entities and their predecessors in respect of any matters, events or facts occurring prior to the Acquisition Time, other than the Insured Litigation Deductibles and the obligation to defend and/or settle all claims in connection therewith pursuant to Section 9.15. For certainty, the following two class action lawsuits involving freelance writers are Excluded Liabilities:
- (i) A class action commenced in 2003 by Heather Robertson et al. against The Gale Group, Inc., Proquest Information and Learning Company, CEDROM - SNI INC., TORSTAR Corporation, Rogers Media Inc. and CanWest Publications Inc.
 - (ii) A class action commenced in 2004 by the Electronic Rights Defence Committee against Southam Inc., Cedrom-SNI Inc., Infomart Dialog Limited, Southam Business Communications Inc., Montreal Gazette Group Inc./Groupe Montreal Gazette Inc., Hollinger Canadian Publishing Holdings Inc. and Canwest Interactive Inc.
- (l) **Encumbrances.** All Encumbrances on any assets or property of any of the LP Entities other than Permitted Encumbrances;
- (m) **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 Acquired Assets, including

workers' compensation claims arising out of the conduct of the Business prior to the Acquisition Time, regardless of when any such Liability is asserted, including any Liability for consequential or punitive damages in connection with the foregoing;

- (n) **LP Entities Liabilities.** All Liabilities owing by an LP Entity to another LP Entity, or by an LP Entity to any of the CMI Entities, except in respect of obligations owing by an LP Entity to the CMI Entities under the Shared Services Agreement, the other agreements described therein or the Omnibus Transition and Reorganization Agreement; and
- (o) **Other.** Such other Liabilities as may be mutually agreed between the Purchaser and the LP Entities prior to the Acquisition Time.

**SCHEDULE 1.1(79)
INSURED LITIGATION
CURRENCY DATE MAY [5], 2010**

Claims

ACTIVE	
Q2 2010	<p>Weaver, Dr. Andrew</p> <p>Foster, Peter; Fisher, Gordon; Corcoran, Terence; Libin, Kevin; National Post Inc. abs The National Post; Doe, John; Doe, Jane; Yoe, Sally; Poe, Richard</p> <p>Plaintiff claims libel and malicious falsehoods stemming from articles published December 10, 2009 and January 27, 2010 in the National Post.</p> <p>General damages, aggregate damages, exemplary damages, special damages, permanent injunction. Order to remove defamatory expression from all electronic databases. Order to withdraw any consent of third-party publication. Order to assign copyright of defamatory materials and expressions to Plaintiff, injunction to publish full and unqualified apology and retraction, injunction for The National Post to publish the outcome of the Court action, interest, costs & other such further relief. No monetary amount stated.</p> <p>YES: Hiscox Ref: 122005399</p>
Q2 2010	<p>Berzins, Ilze</p> <p>Ottawa Citizen, Adams, Hugh</p> <p>Small Claims - Plaintiff is claiming defamation from an article published in the Citizen on August 3, 2009</p> <p>\$5000.00 plus costs and interest</p> <p>YES: Hiscox #122005359</p>
Q2 2010	<p>Anzano Paving & General Construction Ltd.</p> <p>Canwest Global Communications Corp.; CW Media Inc.; Canwest Media Inc.; Canwest Publishing Inc.; Hersh, Bobby; Global Television Network</p> <p>Plaintiff claims defamation arising from a November 17, 2009 broadcast segment of "Consumer SOS" which was also posted to the globaltv.com website.</p> <p>Injunction preventing further broadcast or publishing reports defaming Anzano; \$250,000 general damages; special damages; \$50,000 aggravated damages; \$100,000 Punitive damages; pre-and post-trial costs and interest; other such further relief</p> <p>YES: Hiscox Ref#122005314</p>
Q2 2010	<p>O'Brien, Gail</p> <p>Canwest Publishing Inc., Calgary Rush Hour, Sun Media Corporation, Calgary 24 Hours, Metro International Ltd., Metro Calgary, Doe, John, Doe, Jane.</p> <p>Plaintiff alleges she became entangled in bonding left on the streets in June 2007 that caused her to fall to the ground and cause injury.</p> <p>\$20,350.00 in damages</p> <p>YES:(CGL Claim)</p>
Q1 2010	<p>Graham, Dr. Kenneth</p> <p>Saskatoon-StarPhoenix; Purdy, Chris; Nickel, Rod; Gibb, Steven; Hutchinson, Cameron; Brin, Dale; Canwest Publishing Inc.</p> <p>Plaintiff claims defamation arising from a series of articles first published in the StarPhoenix in November and December 2007. Plaintiff claims articles continue to be defamatory as they are housed on the internet.</p> <p>\$2,000,000 general damages; special damages; \$1,000,000 aggravated damages; \$1,000,000 punitive damages, plus costs, along with a permanent injunction prohibiting republication of the articles, full and complete retraction in the StarPhoenix.</p> <p>Yes: Hiscox Ref: 122005273</p>

Q1 2010	Wanman, Richard	Cowichan Valley Citizen, Skobos, Shirley, Rondeau, Andrea, Global TV Calgary, Global TV Lethbridge, Canwest Interactive, Canwest Digital Media, Canwest Limited Partnership, Canwest Publishing Inc., CanWest MediaWorks Inc., CanWest MediaWorks Publications Inc., Canwest Global Communications Corp., and Morrow, Walker	Plaintiff complains of an article by Walter Morrow published in the Cowichan Valley Citizen on 9 October 2009, republished online at canada.com and globaltvcalgary.com and globaltvlethbridge.com	against each Defendant: immediate removal of article, retraction and removal of copies from website, published apology to be approved by Plaintiff \$75,000 general damages; \$25,000 punitive and aggravated damages; other such further costs and relief (Global TV and Canwest Publishing Defendants are considered as one group)	YES Hiscox Ref# 122005186
Q1 2010	Shrosbree, Derryn	Karen Mazurkewich, Sun Media Corporation, c.o.b. The Financial Post	Plaintiff was employed by CIBC in Toronto, and called by reporter to speak about his employment with CIBC and previous employment as a derivatives trader with BNP Paribas for article entitled "Hard Time Hit Bay Street".	Damages of \$50,000 from each Defendant for negligent misrepresentation; Pre and post judgment interest costs	YES; Hiscox Ref. 122005094
Q1 2010	Khamphouth, Khomphet	Canwest Publishing Inc., Lena Sin	Plaintiff police officer was suspended from the force in February 2007 pending investigation of alleged child pornography offences. The story was confirmed, and also revealed a prior 2004 investigation. Plaintiff claims story and follow up stories were defamatory. First story appeared in the Vancouver Province but also carried by Vancouver Sun and Richmond News.	Unspecified damages, plus pre- and post-judgment interest and costs	YES: ACE/INA #C6010271982 (for June 9, 2007 and February 7, 2009 articles only). Online article coverage TBA
Q3 2009	Chiara, Vincent, Lemay, Louis T., 9167-5207 Quebec Inc., Carina Trust, Placements G&L Levy Inc.	The Gazette, a division of Canwest Publishing Inc., Phillips, Andre, Gyuiai, Linda with 9169-6120 Quebec Inc. as mise-en-cause	Plaintiffs claim libel and defamation regarding an article published in the Gazette on December 20, 2008. Plaintiffs claim the article gave a misleading and defamatory account of a transaction between the Plaintiffs and the City of Montreal.	\$2,300,000 in moral, exemplary and pecuniary damages plus retraction and published apology	YES: Hiscox Ref. 122004712
Q1 2009	McMurchie, Bill	Clement, Eric; La Presse Limitee; Parent, Tim; Schuurmacher, Tommy; Gay, Egbert; Sheriff, Murray; Astral Media Inc.; Kilpatrick, Julia, and Canwest Publishing Inc.	Plaintiff is the Mayor of Pointe-Chaire, QC. On July 17, 2008, the Gazette published an article by Kilpatrick concerning expenses claimed for reimbursement by several local officials, including Plaintiff. Plaintiff alleges that statements and implications are false and defamatory, claiming that Kilpatrick fabricated her story.	\$200,000 moral damages, \$50,000 troubles and inconveniences, \$50,000 punitive and exemplary damages	YES (Hiscox): Reference No. 122004180

Q4 2008	Blagot, Samuel	Calgary Herald, a division of Canwest Publishing Inc.	Plaintiff claims that his face was shown in a photograph published in the Herald on December 21, 2007 in relation to a "wanted" photo of a man accused of sexual assault.	\$5,000,000 in damages, legal costs + interest and other fees	YES: Hiscox Ref. No. 122004090
Q4 2008	Wilson, Charles Blair and Wilson, Kelly Janine	Canwest Publishing Inc., Publications Carwest Inc., O'Comot, Elaine, Wilson, Judeline Tyebji, Tugboat Enterprises Ltd., Manissen, Mark Allan, Janke, Steven.	Plaintiff is a former Liberal MP running as a Green Party Candidate named in a debt claim by Plaintiff's wife's parents. Plaintiff is using a BC procedure whereby a claim may be made over third parties in its Statement of Defense. Plaintiff claims defamation by Carwest for articles published in The Province on October 28, 2007, October 29, 2007, and July 26, 2008 detailing the nature of Plaintiff's failed business dealings and unpaid debts.	General and specific damages, exemplary and punitive damages, costs and interest, other such further relief (amounts not stated)	YES: Hiscox Reference No. 122004170
Q3 2008	Lawson, the Hon. Edward M.	Vancouver Sun, Canwest Publishing Inc., Patricia Graham, David Baines, Hugh Dawson	On March 12, 2008, canada.com and the Vancouver Sun published an article by Baines regarding Arctic Oil & Gas. Plaintiff claims the article alleges him to be "corrupt, dishonest and lacking in integrity". Plaintiff is a director of Arctic Oil and Gas.	No dollar amount specified; Written apology	Yes - Hiscox Ref. 122003693
Q3 2008	Kent, Arthur	CanWest MediaWorks Inc., Canwest Publishing Inc., The National Post Company, National Post Holdings Ltd., Martin, Don	Notice concerns an article written by Don Martin first published in the Calgary Herald on February 13, 2008 and reprinted on canada.com and in the National Post. Plaintiff claims article portrays him as being untrustworthy, arrogant, and high-handed.	Damages - \$100,000 plus Costs.	Yes - Hiscox Ref. #122003825
Q3 2008	Sankoff, Matthew	Canwest Global Communications Corp., Canwest Publishing Inc. o/a canada.com, and CanWest MediaWorks Inc. o/a Global Ontario and Global TV	Sankoff along with 30 other people were named in a statement from OPP Chief Julian Furlong regarding persons arrested for using the internet re: child pornography and child abuse. Plaintiff's counsel alleges that Sankoff's name was inadvertently mentioned as one who was charged. The OPP published a correction stating same; Canwest was unaware of the correction until the Plaintiff brought it to our attention on March 20, 2008, after which date it was immediately removed. Plaintiff is complaining of the length of time it took Canwest to make this correction.	damages against Defendant - \$5,000,000; aggravated, punitive, and exemplary damages - \$5,000,000; special damages of \$100,000; pre- and post-judgment costs and interest, other further relief	YES - Hiscox Ref. 122003782
Q3 2008	Goulet, Alain	The Gazette, Publications Canwest Inc., Alan Huziak and Rene Bruenmer	The claim concerns a photograph of the Plaintiff published on January 25, 2008. The photo shows the Plaintiff, a prison guard,	\$40,000 General Damages	YES - Hiscox Ref. 122003749

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Q2 2008	Grewal, Gurmant	CanWest MediaWorks Publications Inc./Publications CanWest Media Works Inc., and Kurland, Richard	<p>standing at the main entrance of Bordeaux Jail. It accompanies a story entitled "Neighbours blow the whistle on Bordeaux Jail expansion" The Plaintiff complains that his image was used without his consent.</p> <p>Plaintiff was the subject of allegations whereby he used "guarantees" in order to secure visas to bring family members to Canada. The article, published in the Province on March 31, 2005, was written by a local immigration lawyer regarding his point of view on the Grewal matter.</p>	General Damages; Punitive Damages; other further relief (amounts not stated)	YES: ACE/TNA Reference No. C6010258370
Q1 2008	Marois, Pauline and Blanchet, Claude	Publications CanWest Media Works Inc. (Montreal Gazette), William Marsden	<p>Marois, the leader of the Parti Quebecois, and Blanchet, a prominent Quebec businessman, claim to be defamed by a series of articles written by Marsden from September 22 - 28, 2007 regarding a change in zoning obtained by the Plaintiffs which allowed them to build their house on government land. They complain that the articles allege that Blanchet committed a criminal offence in paying a 3rd party for a false affidavit.</p>	Each Plaintiff is claiming \$400,000 each in moral damages and \$600,000 in punitive damages for a total of \$2,000,000	YES: ACE Claim No. C6010254127
Q1 2008	Viator, Jeffrey Philip	National Post, Can West Media Works Publications Inc., Kari, Shaanon, Kelly, Douglas, Maurice, Stephen, Harris, Jonathan, and Racovall, John.	<p>Plaintiff is a 4th year law student who worked on the R. v. Williams case, where it is alleged that he billed over \$40,000 of services to the Attorney General's office. Plaintiff claims that he has never billed the Attorney General, and claims that the report published in the National Post and canada.com defames him with its allegations.</p>	cease and desist of publication of article in print and on websites; General Damages - \$1,400,000; Legal Damages - \$15,000 to the LSUC; Aggravated Damages - \$500,000; Punitive damages - \$1,000,000; pre-and post-judgment costs and interest.	YES: Hiscox Reference No. I22003440

Q3 2007	World Sikh Organization of Canada	CanWest MediaWorks Publications Inc., The Ottawa Citizen, a division of CanWest MediaWorks Publications Inc., The Windsor Star, a division of CanWest MediaWorks Publications Inc.	<p>Plaintiff complains of an article written by Kim Bolar that appeared in the February 20, 2007 front page of the Vancouver Sun, the Calgary Herald, the main section of the Ottawa Citizen, the Victoria Times Colonist, the Canadian section of the Windsor Star, which article was further clarified in the March 3, 2007 edition of each publication, which allegedly infers that the World Sikh Organization has "terrorist links", and is similar in character to the Sikh Youth Federation (a group that has been directly linked to acts of violence and terrorism). Objection is made to the clarification of March 3, 2007 since Plaintiff alleges that the clarification still alludes to the WSO as having terrorist affiliations, albeit different from the Sikh Youth Federation.</p>	<p>\$2,000,000 general damages; \$1,000,000 punitive damages; \$500,000 special damages; \$1,000,000 exemplary and aggravated damages; plus pre-judgment and post-judgment interest; costs; any other relief as the Court deems just</p>	<p>YES: (ACE/NA) Claim No. C6010249887</p>
Q3 2007	1656786 Ontario Inc. and Mirikalani, Jim (aka Heritage Auctioneers)	Publications CanWest MediaWorks Inc., Groupe Montreal Gazette Inc., Ottawa Citizen Group Inc., and Lamey, Mary	<p>Plaintiff complains of an article published on February 27, 2007 in the Ottawa Citizen and the Montreal Gazette. The article alleges that two auction houses - including Plaintiff - employ ad and sales tactics that are designed to entice consumers to bid on items believing them to be of better quality and/or more in demand than is actually the case. There are also allegations that these tactics have put them at odds with regulators and resulted in consumer complaints as well as sanctions and/or fines. The Plaintiff's claim that the article leaves the impression that they engage in misleading and disreputable business practices.</p>	<p>\$500,000 in damages; full retraction and published apology</p>	<p>YES: (ACE/NA) Claim No. C6010249880</p>

Q2 2007	Vinasitharanby, Jeyaudra	The National Post Company and Xtreme Landscaping	<p>Plaintiff filed a complaint letter one month (April 2007) after the alleged incident took place. Any video footage available was erased long after the complaint letter was received. As Plaintiff initially complained of slipping on ice, Defendants contacted our snow removal company, Xtreme Landscaping, to obtain copies of logs for any clearance of the lot that may have taken place on March 5, 2007. Almost two years later, Plaintiff filed a claim in Ontario Superior Court on March 2, 2009, which also added that there was oil on the ground on the dock which may have caused the fall.</p>	<p>General Damages \$300,000.00; Special Damages \$700,000.00; pre- and post-judgement interest, costs, and other such further relief.</p>	<p>YES (on CGL Policy): American Home/AIG Claim No. 100441</p>
Q2 2007	Sofiti Fourhouse and Grill Inc.	CanWest Media Works Publications Inc.	<p>Plaintiff is a pub and restaurant and claims that it was defamed as a result of a list of food safety violators provided by the Calgary Health Region and containing the Plaintiff being republished by the Calgary Herald on October 10, 2006. Plaintiff claims that it was not yet open for business at the time the violations took place and could therefore not have been included on the list.</p>	<p>\$1,082,479 in special damages, \$100,000 in punitive or aggravated damages and costs</p>	<p>YES:(ACE/INA) Claim No. C6010245940</p>
Q2 2007	Hansen, Joey	Clive Jackson, Ian Haysom, Marisa Taylor, Thomas, CanWest Media Works Inc., CanWest Media Works Publications Inc. and Jessica Gojevic	<p>Plaintiff alleges damages caused by a story reported on Global BC's series of news reports and posted to the canada.com website regarding allegations of financial mismanagement at the Douglas College's Student Union. Information in the broadcasts came directly from a forensic audit report. Plaintiff was the individual in charge of the Student Union's finances.</p>	<p>general damages; special damages; aggravated damages; exemplary damages; interlocutory and permanent injunction for any further publication; costs, interest, however no amount specified</p>	<p>YES: (ACE/INA) Claim No. C6010249888</p>
Q1 2007	Rizzuto, Bettina and Rizzuto, Leonardo	CanWest Media Works Inc., National Post, The Gazette, Allison Hanes, John Wiley & Sons Canada Ltd., Lee Lanothe, Adrian Humphreys	<p>Plaintiffs, who are brother and sister and practicing lawyers in Montreal, claim that they were defamed by articles in the National Post on August 3, 2006 and in the Montreal Gazette the following day. The article described a book which apparently linked the Plaintiffs to a family member alleged to be involved in an organized crime syndicate.</p>	<p>\$950,000 damages plus interest and costs</p>	<p>YES (ACE/INA): Claims No. 6010243919</p>

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Q1 2007	Hoggan, James	The National Post Company, Corcoran, Terrence	On November 28, 2006, the newspaper received a complaint from James Hoggan about certain columns by Terrence Corcoran. We were notified of the complaint that same day.	General Damages; Aggravated Damages; Exemplary Damages; Special Damages; accounting for profit for infringement of copyright and moral rights; injunction against Defendants from further publishing the article; an Order requiring the removal of the article	YES (ACE/TNA): Claim No. C6010259652
Q4 2006	Atwal, Jasraj Singh	CanWest MediaWorks Publications Inc. Publications CanWest MediaWorks Inc., Dennis Smulsky, Kim Bolan and Gurnatt Crewel	The Plaintiff is a Sikh extremist with a lengthy criminal record, including a conviction for the attempted murder of a visiting politician from India. The Plaintiff claims defamation as a result of articles published in the Vancouver Sun between July 25, 2006 and August 2, 2006 which describe his attempt to obtain a visa to India through the assistance of Canadian politicians.	unspecified damages, interest and costs	YES: (ACE/TNA) Claim No. 601243380
Q4 2006	Di Bona, José A. Martinez and Anobid Construction Corp.	Lisa, Anne Charrier and Publications CanWest MediaWorks Inc. and Corporation Sun-Media	Plaintiff, on behalf of himself and his construction company, claim defamation and invasion of privacy as a result of an article that was published in The Gazette on May 27, 2006 and which describes a bitter real estate dispute between the Plaintiff and his ex-girlfriend.	\$300,000 in punitive damages; \$100,000 in exemplary damages; plus interest and costs	YES: (ACE/TNA) Claim No. 601249652
Fiscal 2006	Wood, Robert	Michael Barsky, Toronto Police Services Board, Nicholas Kobler, Les Pyette and National Post Company, A CanWest Publication	The plaintiff claims that he was defamed by a June 16, 2005 article published in The National Post. The article reported that Mr. Wood and a cohort were charged with fraud by the Toronto police for administering "psychic healings" to ill patients.	The plaintiff is seeking \$9,000,000 in damages as well as interest and costs.	YES:(ACE/TNA) Claim No. 601238055
Fiscal 2005	Manno, Dina; Manno, Roman; L'Heureux, Germain; Manno, Salvatore; Manno, Marina and Manno, Maria Rosa	Henry, Ken; Collins, Rick; Doe, John; Doe, Jane; Lower Mainland Publishing Group Inc. and CanWest Interactive Inc.	The Plaintiffs are all members of the same family and claim they were libeled by a story with a photo of certain family members published on October 29, 2004 in The Abbotsford Mission Times that implicated them in a story about marijuana grow operations.	No dollar amount specified	YES: (ACE/TNA) Claim No. 601234007

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Fiscal 2002	Vellacott, Maurice	Saskatoon Star Phoenix Group Inc., Daren Bernhardt and James Parker	The Plaintiff, an MP claims he was defamed in newspaper reports published March 4/02 & March 5/02 relating to the no-charge mailing system available to MPs. He used the system for mailing items relating to the race for leadership of his political party, as opposed to government business. People were quoted, giving their opinions critical of the Plaintiff.	\$75,000 and costs plus an apology.	YES (SAFECO) Claim No. 61D022611335
DORMANT					
Fiscal 2006	Ernstley, Doug, Silcox, Earl, Tynning, Ansgar, Bentley, Alf and Agnew, Lyne	CanWest Media Works Publications Inc. and Mandryk, Murray	The complaint concerns articles published in the Regina Leader Post and the Saskatoon StarPhoenix on February 3, 2006. The Plaintiffs, who are trustees of a political party trust, allege that the articles assert that the Plaintiffs were advancing their own political interests over that of the trust and its beneficiaries.	\$250K Damages; Interest & Costs	YES: (ACE/INA) Claim No. 601241762
Fiscal 2005	Vander Zahn, William	Malcolm Parry, Pacific Newspaper Group Inc., and the Vancouver Sun	The Plaintiff, a former Premier of British Columbia, is alleging he was defamed by remarks made by Mr. Parry in his column Town Talk which was published in the Vancouver Sun on December 10, 2002. The article allegedly indicated that the Plaintiff illegally received a personal benefit as Premier of the Province of British Columbia from billionaire Li Ka-shing.		YES: (ACE/INA) Claim No. 601230739
Fiscal 2005	Christian Churches of God, World Conference and Christian Churches of God, Canada	National Post, Robert Attala, Matthew Fraser, Jonathan Kay	The plaintiffs claim they were defamed by a July 12, 2004 editorial in the National Post entitled "Bad Moon on the Rise".	\$100,000.00 General & Specific Damages; Costs & Interest	YES:(ACE/INA)
Fiscal 2005	Berkshire Investment Group Inc.	Victoria Times Colonist Group Inc., Pacific Newspaper Group Inc., CanWest Interactive Inc., Charles Edward Hauman, Andrew A. Duffy, Lucinda Choden, Robert MacKenzie, Patricia Graham, Dennis Skulsky, John Doe, Jane Doe, Richard Roe and Jane Roe	The Plaintiff alleges defamation from a series of reports including an article published in the Victoria Times Colonist on July 27, 2005 and an article in the Vancouver Sun the following day. The reports indicated that Berkshire Investment Group was the subject of a RCMP investigation following complaints of unlawful business practices by one of its employees.		YES: (ACE/INA) Claim No. 601236788

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Fiscal 2005	Dempsey, John R.	Steve Berry, The Province and CanWest Global Communications et al	The Plaintiff claims that he was defamed by an article published in The Province on October 29, 2004 quoting a woman who he represented in a class action lawsuit saying that she had discovered the Plaintiff was "not a lawyer". The Plaintiff was quoted saying that he had a law degree from the Philippines but he was not licensed as a member of the BC law society, and that he accepts money from clients.	YES Claim No. TBA
Fiscal 2004	Commonwealth Marketing Group Ltd. et al.	Saskatoon Star Phoenix group Inc., Lana Haight and Shannon Boklaschuk	Plaintiffs claim to have been defamed in an article published in The StarPhoenix on December 26, 2003. The article reports an investigation, by the Manitoba Securities Commission ("MSC"), of plaintiff Smith. It reports that Smith and the other Plaintiffs are named in an investor alert issued by the MSC. It reports that Smith (a former Judge and more recently a former lawyer) was effectively disbarred for his dealings with the leader of a stolen-goods and drug trafficking ring.	YES (ACE): Claim No. 601228172
Fiscal 2003	Schickedanz, Bruno G.	The Expositor, Brantford Expositor Group Inc. et al	The Expositor published an article on July 18, 2001 which reports on the Ontario Racing Commission's decision to sanction the Plaintiff, as a thoroughbred race horse owner due to his connections with a fraud perpetrated upon CMHC by one of his companies, B.G. Schickedanz Homes Inc., for which it was convicted.	YES - TBA
Fiscal 2003	Smolensky, Arthur and Global Securities Corporation	Derrick Peuser and Southam Inc.	The Plaintiffs filed a Writ of Summons and Statement of Claim arising from an article published in the Vancouver Sun with relation to 5 individuals who allegedly engaged in racketeering and securities fraud. The article referred to a local connection to the proceedings, namely indicating that 2 of the accused traded through the Plaintiff, Global Securities. One edition of the article included a photo of the Plaintiff, Smolensky. Following a complaint by the Plaintiffs stating that the photo implied that the Vancouver brokers, rather than their clients, had engaged in illegal trading the Vancouver Sun published a clarification on May 29, 2002. There were no further communications with the Plaintiffs or their counsel until the Writ of Summons and Statement of Claim were served.	YES: Claim No. Unknown

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Fiscal 2003	Alphonse, Chief Harvey et al	CanWest Publications Inc. dba The Cowichan Valley Citizen Newspaper	The Plaintiff's claim pertains to the alleged defamatory content of articles in The Cowichan Valley Citizen which reported on a number of allegedly unlawful and inappropriate acts of the Chief and the tribal council, particularly with reference to various financial and governing issues. The articles were published from June 13, 2001 to April 9, 2003.	YES
Fiscal 2002	Cooks, Terry and Foxcroft, Ron	Brabant Newspapers, Southam Publications Inc. et al	The Plaintiffs served their Statement of Claim upon the Defendants on September 11, 2002, alleging that a letter to the editor written by Raymond Dartsch and appearing on June 19, 2002 in the Hamilton Mountain News was defamatory.	YES (SAFECCO) Claim No. 61B022411920
Fiscal 2002	Davidson, Bruce	Brabant Newspapers, Richard Leimer and Calvin Bosveld	The Ancester News published an article on August 8, 2001 reporting on statements made by a former Ancester councillor, Murray Ferguson regarding the costs expended in relation to a wrongful dismissal suit that was commenced by the Plaintiff as the former Ancester Chief Administrative Officer.	YES (SAFECCO)
Fiscal 2002	Eiveld, Charles	The Ancester News et al	The Plaintiff commenced an action against The Ancester News, Brabant Newspapers, Stoney Creek News et al arising out two articles printed in the Stoney Creek News on May 22, 2002. The Plaintiff equally complains about an article published in The Hamilton Spectator on April 9, 2002. The Plaintiff is alleging that the above articles, collectively report on the activities of members of the Community Liaison Committee which monitors the Faro Landfill site and alleging that members of the CLC acted without authority and that the CLC has become a "barrier" to communication and is "dysfunctional" and "hostile".	YES (SAFECCO)
Fiscal 2002	Ferguson, Catherine Anne	Vancouver Province et al	On or about August 10, 2001, the Vancouver Province published an article concerning the Plaintiff and her occupation as the President of the BCNU (major labour union in B.C.), business, profession and/or office and in relation to her conduct therein, in such a way that the Plaintiff felt it was defamatory.	YES - TBA

Fiscal 1999	McCormack, William	The National Post Company and Matthias, Philip	Plaintiff, the former Chief of Police of Toronto, complains of an article published in the National Post on January 28, 1999 reporting that Plaintiff had received the benefit of a loan guarantee that was not disclosed under the conflict of interest guidelines.	No financial amount stated	YES: Employers Reinsurance Company Policy No. MM-11662
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Notices

ACTIVE

Q3 2010	Kwok, Dr. Daniel	RW Thompson Bennett Jones LLP 4500 Bankers Hall East, 855 - 2nd Street SW Calgary, AB, T2P 4K7 tel: 403-298-3384 fax: 403-265-7219 email: thompson@bennettjones.com	Canwest Publishing Inc., National Post Inc.	TBA	Plaintiff claims defamation arising from a series of articles published in March 2010 in various Canwest newspapers, including the National Post.	Full retraction of each article, public apology to Dr. Kwok, no monetary amount stated.	TBA
Q3 2010	Glemond, Patrick	Edward A. Pundyk Lang Mitchell LLP 30 O'Connor Street, Suite 300 Ottawa, ON K1P 6L2 tel: 613-232-7171 fax: 613-231-3191 epundyk@langmitchell.ca	Global Edmonton, Canwest Global Communications Corp., Canwest News Services, Akin, David	Global Edmonton, Canwest Global Communications Corp., Canwest News Services, Akin, David	Plaintiff claims defamation arising from an article published April 23, 2010 on the Global Edmonton website	Full and fair retraction of article as provided with letter.	TBA
Q3 2010	Popkum, Indira Band, Chief James Murphy, Jensen, Ken	Roger McConchie McConchie Law Corporation Suite 290 - 889 Fairbourside Drive North Vancouver, BC V7P 3S1 tel: 604-988-1622 fax: 604-988-1610 mcconchie@libelandprivacy.com	Chilliwack Times, Naylor, Cornelia	Robert Anderson, Q.C., Farris, Vaughan, Wills & Murphy LLP, P.O. Box 10026, Pacific Centre South, 25th Floor, 700 W Georgia St., Vancouver BC, V7Y 1B3, 604-661-9313 randerson@farris.com	Plaintiff claims Defamation stemming from an article published March 12, 2010 in the print and online editions.	Full and unequivocal retraction and apology. format to be approved by Plaintiff's counsel. Article to be pulled from internet, written confirmation that article will not be republished.	TBA Hiscox #122005514
Q3 2010	Morrison, Van	Deborah Sykes www.websitesrft.com 2 Queen Caroline Street London W6 9DX United Kingdom Tel 44-(0)208-323 8013 Fax 44-(0)208-323 8080	www.nationalpost.com	Deag Richardson, O'Donnell, Roberson & Sanfilippo, 1 Queen St. E., 8th Floor, P.O. Box 99, Toronto ON, M5C 2W5, 416-216-0256 d Richardson@orslaw.com	Plaintiff claims DEFAMATION (LIBEL & MALICIOUS FALSEHOOD - FALSE ACCUSATIONS OF PATERNITY) resulting from a December 29, 2009 story.	Removal of 'infringing activity' ASAP.	Yes (if claim, and if story was not provided by a wire service); Hiscox #122005376

Q2 2010	Wrzesnewsky, Boris	Brian Gover, Stockwoods LLP Suite 2512, The Sun Life Tower 150 King Street West Toronto, ON, M5H 1J9 brianG@stockwoods.ca tel: (416) 593-2489 fax: (416) 593-9345	National Post Inc., Levant, Ezra	Doug Richardson, O'Donnell, Robertson & Sanfilippo, 1 Queen St. E., 8th Floor, P.O. Box 99, Toronto ON M5C 2W5, 416-216-0256 dtrichardson@orslaw.com	Plaintiff claims defamation arising from an article written by Ezra Levant published on December 15, 2009 in the National Post.	Removal of article from the National Post website, formal apology to be printed in prominence (wording provided). Demanding aggravated and punitive damages for non-removal.	YES (if claim): Hiscox Ref#122005377
Q2 2010	Bruce, Doug	Jay Strath Strath Law Corporation 6438 Bay Street West Vancouver, BC V7W 1G9	Weldon, James; North Shore News	David F. Sutherland & David F. Sutherland & Associates 2000 Ontario Street Vancouver, BC V3T 2W7	Plaintiff has filed a Statement of Claim against Kati, Heed and Elizabeth Goldsmith-Jones (rep. by Dan Burnett) and cites an article published on November 5, 2008 in his Statement of Claim.	TBA	TBA Hiscox Ref# 122005279
Q1 2010	Non-Smokers' Rights Association	Peter A. Downard Fasken Martineau 66 Wellington Street West, Suite 4200 Toronto Dominion Tower Toronto, ON, M5K 1N6 tel: 416-366-8381 fax: 416-364-7813	The National Post Company, Fisher, Gord, Kelly, Doug	Doug Richardson, O'Donnell, Robertson & Sanfilippo, 1 Queen St. E., 8th Floor, P.O. Box 99, Toronto ON M5C 2W5, 416-216-0256 dtrichardson@orslaw.com	Plaintiff complains of an editorial published in the National Post on October 27, 2009.		Yes (if claim): Hiscox Ref#122005223
Q1 2010	Bond, Doug	David S. Mulroney Mulroney & Company 301 - 852 Fort Street Victoria, BC V8W 1H8 tel: (250) 389-6022 Fax: (250) 389-6033 david@mulroneyco.com	Victoria Times Colonist, "Rob D" Doe, "John" Doe, "Cory" Doe	Donald Farquhar Peardman Lindholm 1-250-388-4433 201-19 Dallas Road Victoria, BC, V8V 5A6	Plaintiff complains of defamatory comments posted to a story published Feb. 18, 2009 on the Times-Colonist website.	Removal of comments; retrieval of personally- identifiable information for comment posters.	Yes (if claim): Hiscox Ref#122005200

Q4 2009	Luxemburg, Sheryl	James Katz Brazeau Seller LLP 55 Metcalfe Street, Suite 750 Ottawa, ON Canada K1P 6L5 Tel: (613) 237-4000 Fax: (613) 237-4001 jkatz@brazeseller.com	canada.com	Doug Richardson, O'Donnell, Robertson & Sanfilippo, 1 Queen St. E., 8th Floor, P.O. Box 99, Toronto ON, M5C 2W5, 416-216-0256 dtrichardson@orslaw.com	Defamation (Notice)	Removal of all statements within (7) days of receipt of notice, and no further publication of defamatory statements be posted.	Yes, if claim (Hiscox #TBA)
Q4 2009	National Photo Group, LLC	Jill Jarvis-Tonnis & Agatha Booke Berenski & Parr LLP Scotia Plaza, 40 King St. W., 40th Floor Toronto, ON M5H 3Y2 tel: 416-957-1618	The National Post Company	Doug Richardson, O'Donnell, Robertson & Sanfilippo, 1 Queen St. E., 8th Floor, P.O. Box 99, Toronto ON M5C 2W5, 416-216-0256 dtrichardson@orslaw.com	Copyright Infringement (Notice)	Plaintiff demands \$30,000 CDN plus undertaking in writing to never publish the photo again or any other photo owned by copyright holder.	YES, if claim. (Hiscox #122005167)
Q4 2009	Kinsella, Warren	Brian Shiller	Chris Selley, The National Post Company (McPartland)	Doug Richardson, O'Donnell, Robertson & Sanfilippo, 1 Queen St. E., 8th Floor, P.O. Box 99, Toronto ON M5C 2W5, 416-216-0256 dtrichardson@orslaw.com	Defamation (Notice): Removal of reference to Plaintiff in editorial article.		Yes, if claim (Hiscox #TBD)
Q2 2009	Kinsella, Warren	Shillers LLP Brian Shiller 445 King Street West, Suite 202 Toronto, ON M5V 1K4 t: 416-363-1112 f: 416-363-5557	The National Post Company, Kay, Jonathan	Doug Richardson, O'Donnell, Robertson & Sanfilippo, 1 Queen St. E., 8th Floor, P.O. Box 99, Toronto ON M5C 2W5, 416-216-0256 dtrichardson@orslaw.com	Defamation (Notice): general and special damages, removal of post from website, post apology in its place		YES (if claim) Hiscox No. 122004316
Q2 2009	Brigden, Malcolm	Adair Morse T. Agape Lim 1 Queen Street East, Suite 1800, Toronto, ON M5C 2W5 t: 416-941-3875 alim@adairmorse.com	Regina Leader Post, Adam, Betty Ann, Alleyne,	Russel Hart, Gerrard Rath Johnson, Suite 700, 1914 Hamilton St., Regina SK S4P 3N6, 306-522-3030 rhart@rj.ca	Defamation (Notice): removal of article from website, printed apology		YES (if claim) Hiscox No. 122004683

Q1 2009	Dass, Charles and Micromem Technologies	Macaulay McCoil Kenneth N. Affleck 1575 - 650 West Georgia Street, PO Box 11635 Vancouver, BC V6B 4N9 t: 604-899-5201 e: kaffleck@macaulay.com	Baines, David, The Vancouver Sun, The Alberni Valley Times	Robert Anderson, Q.C., Farris, Vaughan, Wills & Murphy LLP, P.O. Box 10026, Pacific Centre, South, 25th Floor, 700 W Georgia St., Vancouver BC V7Y 1B3, 604-661- 9313 randerson@farris.com	Defamation (Notice): remuneration not stated - simply complaints at this time	YES: If proceeds to claim Hiscox #122003461
Q2 2008	Berend Brandsema	McConchie Law Corporation Roger D. McConchie Suite 290 - 889 Harbourside Drive North Vancouver, BC V7P 3S1 t: 604-988-1622 e: rconchie@libelandprivacy.com	The Abbotsford-Mission Times, CanWest MediaWorks Publications Inc.	Robert Anderson, Q.C., Farris, Vaughan, Wills & Murphy LLP, P.O. Box 10026, Pacific Centre, South, 25th Floor, 700 W Georgia St., Vancouver BC V7Y 1B3, 604-661- 9313 randerson@farris.com	Defamation (Notice): Website apology	YES: If proceeds to claim Hiscox #122003461
Q2 2008	Wakeford, James	Hunter Litigation Chambers Law Corporation Breat B. Oltuis 2100 - 1040 West Georgia Street, Vancouver, BC V6E 4H1 t: 604-647-8540 e: bolthuis@litigationchambers.com	The National Post Company, CanWest MediaWorks Inc., Cosh, Colby	Robert Anderson, Q.C., Farris, Vaughan, Wills & Murphy LLP, P.O. Box 10026, Pacific Centre, South, 25th Floor, 700 W Georgia St., Vancouver BC V7Y 1B3, 604-661- 9313 randerson@farris.com	Defamation (Notice): immediate and visible correction	TBA
Q4 2007	Gordon A. Kapelus, Chief Captain of the Squamish Nation	3118 West 18th Avenue Vancouver, BC V6L 1B9 t: 604-736-4607	North Shore News (letter addressed to CanWest Global Communications Corp.)	Robert Anderson, Q.C., Farris, Vaughan, Wills & Murphy LLP, P.O. Box 10026, Pacific Centre, South, 25th Floor, 700 W Georgia St., Vancouver BC V7Y 1B3, 604-661- 9313 randerson@farris.com	Defamation (Notice): review transcript of hearings, including costs to obtain transcripts, and review with Plaintiff libelous statements from article.	YES: If proceeds to Claim

Note: Matters for which insurance is marked as TBA will be deemed as insured litigation upon receipt of an acceptable coverage letter.

SCHEDULE 1.1(110)**PERMITTED ENCUMBRANCES**

1. Applicable municipal by-laws, zoning restrictions, development agreements, subdivision agreements, restrictive covenants, site plan agreements, reciprocal agreements, other agreements, building and other restrictions, leases, subleases, easements, servitudes, rights of way and licences which do not in the aggregate materially adversely affect the current use of the Real Property affected thereby.
2. The reservations, limitations, provisos and conditions, if any, expressed in any original grant from the Crown of any real property or any interest therein.
3. Defects or irregularities in title to the Real Property which are of a minor nature and do not materially adversely affect the current use of the Real Property affected thereby.
4. Encumbrances for taxes and other obligations or requirements owing to or imposed by governmental authorities or utility providers in respect of amounts not yet due.
5. Rights of equipment lessors under Personal Property Leases forming part of the Acquired Assets.
6. 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, or Real Property Leases, provided that such liens or privileges do not materially adversely affect the current use of the Acquired Assets affected thereby.
7. All Encumbrances affecting a landlord's or sublandlord's interest in any Leased Real Property and all Encumbrances created pursuant to the terms of the LP Leased Property Leases and the Real Property Leases.
8. Encumbrances of landlords, carriers, warehousemen, mechanics, repairmen, workmen and materialmen, and Encumbrances imposed by law, in each case incurred in the Ordinary Course of the Business (i) for amounts not yet overdue or (ii) for amounts that are overdue and that (in the case of any such amounts overdue for a period in excess of five days) are being contested in good faith by appropriate proceedings.
9. Encumbrances incurred in the Ordinary Course of the Business in connection with, or to secure payment of obligations under, workers' compensation, unemployment insurance and other types of social security or similar laws.
10. Encumbrances, pledges and deposits incurred in the Ordinary Course of the Business to secure the performance of tenders, statutory obligations, performance and completion bonds, surety bonds, appeal bonds, bids, leases, licenses, government contracts, trade contracts, performance and return-of-money bonds and other similar obligations.

SCHEDULE 3.1(3)**EXCLUDED ASSETS****Lease Agreements**

1. Lease Agreement between T.E.C. 250 Leaseholds Limited and Canwest Publishing Inc. in respect of 250 Yonge Street, Toronto, Ontario, dated February 18, 2009, as amended.
2. Lease Agreement between Edward Baillargeon and Deborah Baillargeon and CanWest MediaWorks Directories, a division of CanWest MediaWorks Publications Inc. in respect of 546 Sovereign Road, London, Ontario, dated October 4, 2007, as amended.
3. Lease Agreement between Edward Baillargeon and Deborah Baillargeon and CanWest MediaWorks Directories, a division of CanWest MediaWorks Publications Inc. in respect of 546 Sovereign Road, London, Ontario, dated December 15, 2007, as amended.

Financing Agreements and Related Agreements

4. Indenture between CanWest MediaWorks Limited Partnership, the guarantors party thereto, The Bank of New York, and BNY Trust Company of Canada, dated July 13, 2007.
5. Credit Facilities Credit Agreement between CanWest MediaWorks Limited Partnership, the Guarantors, Scotia Capital, and Scotia Capital and Citigroup Global Markets Inc., dated July 10, 2007.
6. Senior Credit Agreement.
7. DIP Credit Agreement.
8. LP support agreement dated January 8, 2010 between Canwest Limited Partnership, Canwest (Canada) Inc., Canwest Publishing Inc., Canwest Books Inc. and The Bank of Nova Scotia, in its capacity as administrative agent on behalf of the lenders party thereto.

Other Agreements

9. All contracts that have been disclaimed or resiliated by Canwest Limited Partnership/Canwest Société en Commandité, Canwest (Canada) Inc., Canwest Publishing Inc./Publications Canwest Inc. and/or Canwest Books Inc. in accordance with section 32 of the CCAA.
10. Material Contracts not listed or identified on Schedule 7.5(4); or in respect of or under any Material Contract that is marked with an asterisk on Schedule 7.5(4).
11. Such other Excluded Assets as may be mutually agreed by the Parties prior to the Acquisition Time.
12. Agreement for Consulting Services between Vanguard Communications Corporation and Canwest Limited Partnership, effective June 3, 2009.

SCHEDULE 7.1(1)**STATUS AND CAPACITY OF LP ENTITIES**

Currently, CPI, CCI and CBI have no directors and officers.

SCHEDULE 7.1(8)**NO OTHER ACQUISITION AGREEMENTS**

1. Senior Credit Agreement and the DIP Credit Agreement (including the pledge of all shares of National Post)
2. Encumbrances created by order of the CCAA Court in connection with the CCAA Case
3. Credit Acquisition

SCHEDULE 7.1(10)

CONSENTS

The following agreements require consent for assignment:

Real Property Lease Agreements

1. Lease between London Life Insurance Company and Southam Inc. dated April 1, 1991 and the lease between London Life Insurance Company and Southam Inc. dated April 1, 1991 as renewed by the renewal letter dated April 28, 2004 and as assumed by The Edmonton Journal Group Inc. on October 30, 2000, in respect of 10006-101 St., Edmonton, AB.
2. Lease between bcIMC Realty Corporation and Calgary Herald Group Inc. dated May 9, 2005, in respect of 1058-72nd Avenue, N.E., Calgary, AB.
3. Lease between The City of Calgary and Southam Inc. dated May 1, 1995, in respect of 800 MacLeod Trail, Calgary, AB.
4. Lease between 808 4th Avenue SW Leaseholds Inc. (successor in title to United Place Inc.) and The National Post Company dated October 2, 2002 as amended September 18, 2007, in respect of 808-4th Ave. SW, Calgary, AB.
5. Lease between Superfly Inc. and The Flyer Force, a Division of The Edmonton Journal Inc. dated July 10, 2003 as amended by (i) the amendment agreement dated January 12, 2004; and (ii) the amendment agreement dated August 17, 2004, in respect of 9303 28th Avenue, Edmonton, AB.
6. Lease between Superfly Inc. and The Flyer Force, a Division of The Edmonton Journal Inc. dated August 17, 2004, in respect of 9307 28th Avenue, Edmonton, AB.
7. Lease between Fuller Watson Holdings Limited and Lower Mainland Publishing Group Ltd. dated August 15, 2006, in respect of Units 1 & 2 – 22345 North Avenue, Maple Ridge, BC.
8. Lease between Sodican (B.C.) Inc. and Lower Mainland Publishing Group Inc. dated March 10, 2005, in respect of 100 – 126 East 15th Street, North Vancouver, BC.
9. Lease between Ligvita Developments Ltd., Strawberry Point Developments Ltd., Kalkadoon Properties Ltd. and Thomson Newspapers Co. Ltd. dated April 15, 1993 as amended by the amendment letter dated May 25, 1994 and renewed by the renewal letter dated January 3, 1997, in respect of 1046 Cedar Street, Campbell River, BC.
10. Lease agreement between Ebco Machining and Fabricating Ltd., as landlord, and Lower Mainland Publishing Group Inc., as tenant, dated July 1, 2001, with respect to certain premises on the ground floor and 2nd floor at 7280 River Road, Richmond, British Columbia; and

11. Lease between EIG River Road Investments Inc., for and on behalf of Ebco Machining and Fabricating Ltd., as landlord, and College Printers, a division of Canwest Publishing Inc., as tenant, dated August 1, 2009, with respect to Unit 150 - 7280 River Road, Richmond, British Columbia.
12. Lease between B.F.C. Projects Partnership, a corporate partnership between Cambridge Properties Ltd. and Benchmark Financial Corporation (successor in title to B-Cam Projects, a corporate partnership between Benchmark Estate Ltd. and Benchmark Holdings Ltd.) and Langley Advance, a Division of CanWest MediaWorks Publications Inc. (successor to Lower Mainland Publishing Group Inc.) dated November 6, 2001 as amended by (i) the extension dated April 16, 2004; (ii) the modification of Lease dated May 10, 2004; (iii) the lease amendment agreement dated July 23, 2004; and (iv) the extension dated September 24, 2007, in respect of Unit 112, 6375 - 202nd Street, Langley, BC.
13. Lease between ONNI Development (1525 Broadway) Corp. and Coquitlam Now and Van Net Newspapers, Divisions of CanWest Publishing Inc. dated December 4, 2008, in respect of 115-1525 Broadway Street, Port Coquitlam, BC.
14. Lease between Brookwest Industrial Inc. and North Shore News, a Division of CanWest MediaWorks Publications Inc. dated March 1, 2006, in respect of 120-400 Brooksbank Ave., Vancouver, BC.
15. Lease between 581486 B.C. Ltd. and CanWest MediaWorks Publications Inc. dated July 10, 2007, in respect of 13163 - 76th Avenue, Surrey, BC.
16. Lease between Victor Properties Ltd. and Vancouver Courier, a division of CanWest Publishing Inc. (successor in title by assignment to Lower Mainland Publishing Group Inc., (successor in interest by assignment to RIM Publishing Inc.)) dated June, 1989 as amended by (i) the renewal letter dated June 28, 1994; (ii) the renewal letter dated March 31, 1999; (iii) the renewal letter dated August 3, 2004; and (iv) the amending agreement dated July 31, 2009, in respect of 1574 West 6th Avenue, Vancouver, BC.
17. Lease between Garlough Developments Ltd. and CanWest MediaWorks Publications Inc. dated September 1, 2007, in respect of 166E Island Highway, Parksville, BC.
18. Lease between Ontrea Inc., by its agent Cadillac Fairview Management Services Inc. (successor in title to Granville Square Leaseholds Ltd.), Pacific Newspaper Group Inc. (successor in interest by assignment to XSTM Holdings (2000) Inc. (formerly Southam Inc.)) and Canwest Global Communications Corp. dated December 22, 1995 as amended by (i) the letter agreement dated January 12, 1996; (ii) the amendment and assumption of lease dated October 11, 2000; (iii) the amending agreement dated May 31, 2002; and (iv) the facilities licence agreement between PNG and Global Communications Limited dated October 13, 2004, in respect of 200 Granville Street, Vancouver, BC.
19. Lease between Newcorp Properties Ltd. and Burnaby Now, A Division of CanWest Publishing Inc. (successor in title to Lower Mainland Publishing Group Inc.) dated December 27, 2001 as amended by (i) the letter agreement dated May 15, 2002; and (ii)

- the letter agreement dated February 19, 2009, in respect of 201A & 202A 3430 Brighton Ave, Burnaby, BC.
20. Lease between Diversified Management Inc. and The Now Newspaper, a Division of CanWest MediaWorks Publications Inc. (successor in interest by assignments dated April 14, 1999, August 3, 2000 and June 2002 to Lower Mainland Publishing Group Inc.) dated June, 1996 as amended by (i) the addendum dated May, 1999; (ii) the addendum dated June, 2002; (iii) the addendum dated March 15, 2006; and (iv) the addendum dated July 3, 2006, in respect of 201 and 203 - 7889 132nd Street, Surrey, BC.
 21. Lease between Hass Holdings Ltd. and Delta Optimist, a division of CanWest MediaWorks Publications Inc. dated December 1, 2005, in respect of Units 207 and 208 in the Whitford Building, 4840 Delta Street, Delta, BC.
 22. Lease between Sixth and Yukon Properties Ltd. and CanWest MediaWorks Publications Inc. dated May 3, 2007, in respect of 2188 Yukon Street, Vancouver, BC.
 23. Lease between H. & B. Holdings (1982) Ltd. and Echo Publications dated December 22, 2001, in respect of 407-D Fifth Street, Courtenay, BC.
 24. Lease between Donald E. Taylor Personal Law Corporation and Thomson Newspapers Canada, division of Thomson Canada Limited, carrying on business as The Citizen Newspaper dated January 1, 1997 as amended by (i) the lease renewal letter dated January 29, 2001; and (ii) the renewal letter dated March 10, 2006, in respect of 469 Whistler Street, Duncan, BC.
 25. Lease between Canadian Pacific Railway Company and The Esquimalt and Nanaimo Railway Company and CanWest Global Communications Corp. (successor in interest by assignment dated October 22, 2000 to Southam Publishing (B.C.) Ltd., successor in title by assignment dated July 7, 1998 to Thomson Canada Limited.) dated November 4, 1996, in respect of Mile 75.56 - 75.59 Nanaimo, BC.
 26. Lease by Canwest Publishing Inc., in respect of 1701 Peninsula Street, Ucluelet, BC. (documentation has not been provided)
 27. Lease by Canwest Publishing Inc., in respect of 3355 Grandview Highway, Vancouver, BC. (documentation has not been provided)
 28. Lease between Carlton Call Centre Inc. and CanWest Limited Partnership, by its General Partner, CanWest (Canada) Inc. (successor in title to CanWest Media Inc. (successor in interest by assignment dated May 23, 2002 to Air Canada)) dated September 30, 1998 as amended by (i) the letter dated May 29, 2001; (ii) the letter dated May 13, 2002; (iii) the letter dated April 29, 2003; and (iv) the lease renewal dated November 13, 2009, in respect of 300 Carlton Street, Winnipeg, MB.
 29. Lease between City of Ottawa and Ottawa Citizen, a division of CanWest MediaWorks Publications Inc. dated September 1, 2003 as amended by (i) the lease renewal agreement dated September 1, 2005; and (ii) the lease renewal agreement dated December 1, 2007, in respect of 110 Laurier Avenue West, Ottawa, ON.

30. Lease between Montyco Investments (Windsor) Inc. and CanWest Publishing Inc. dated February 18, 2009 as amended by the amendment dated August 18, 2009, in respect of 1116-1120 Lesperance Road, Tecumseh, County of Essex, ON.
31. Lease between Sun Life Assurance Company of Canada and CanWest MediaWorks Publications Inc. (successor in interest by assignment dated November 1, 2005 to Ottawa Citizen Group Inc.) dated January 30, 2003 as amended by the amendment dated May 17, 2006, in respect of Units 404, 405, 406, 407, 408 at 1230 Old Innes Road, Ottawa, ON.
32. Lease between 1605 Main Street West (Hamilton) Limited and Canwest MediaWorks Publications Inc. dated May 16, 2006, in respect of 1603 Main Street E., Hamilton, ON.
33. Lease between Fairlane Developments Inc. and Phoenix Media Group Inc. dated June 27, 2001 as amended by the letter agreement dated May 26, 2006, in respect of 1614 Lesperance Rd, Unit 2, Building A, Tecumseh, ON.
34. Lease between 414835 Ontario Limited and Canwest Publishing Inc. dated October 1, 2009, in respect of 40 Queen Street South, Tilbury, ON.
35. Lease between Sun Life Assurance Company of Canada and 156 O'Connor Limited (successor to 1331430 Ontario Inc.) and CanWest MediaWorks Publications Inc. dated May 8th, 2007 as amended by (i) the generator license agreement dated June 27th, 2007; and (ii) the storage lease dated February 25th, 2008, in respect of 50 O'Connor Street, Ottawa, ON.
36. Lease between T.R.L. Investments Limited and CanWest Publishing Inc. dated October 28, 2009, in respect of 911 Golf Links Rd, Ancaster, Hamilton ON.
37. Lease by Canwest Publishing Inc., in respect of Rm 354 Legislative Building, Ottawa, ON. (documentation has not been provided)
38. Lease between WXI/DSG Realty Company and Dominion Square, Limited Partnership and the Montreal Gazette Group Inc.) dated October 30, 2003, as subleased by CanWest Publishing Inc. (successor in title to Montreal Gazette Group Inc.) to Global Quebec, a division of CanWest Television Limited Partnership, acting by its general partner CanWest Television GP Inc. dated September 1, 2009, in respect of 1010 St. Catherine St. West, Montreal, QC.
39. Lease between Centre Terrarium Inc., represented by Arcturus Limited Partnership, by its General Partner, Arcturus Realty Corporation (successor in title to Progressive Holdings Inc.) and Canwest Publications Inc. (successor in title to Montreal Gazette Group Inc.) dated October 30, 2003 as extended by the extension letter dated October 15, 2008, in respect of 205-189 Hymus Blvd., Pont-Claire, QC.
40. Sublease between The Canadian Press and Canwest Publishing Inc. dated January 1, 2010, in respect of 1206 National Press Building, Washington, DC.

41. Lease between Nadiscorp Logistics Inc. and The Star Phoenix, a division of Canwest MediaWorks Publications Inc. dated December 12, 2005, in respect of 1502 Quebec Avenue, Saskatoon, SK.
42. Lease agreement between Ebco Machining and Fabricating Ltd., as landlord, and Lower Mainland Publishing Group Inc., as tenant, dated July 1, 2001, with respect to certain premises on the ground floor and 2nd floor at 7280 River Road, Richmond, British Columbia.
43. Lease between EIG River Road Investments Inc., for and on behalf of Ebco Machining and Fabricating Ltd., as landlord, and College Printers, a division of Canwest Publishing Inc., as tenant, dated August 1, 2009, with respect to Unit 150 - 7280 River Road, Richmond, British Columbia.

3rd - Party Leases

44. Lease between Edmonton Journal Group Inc. A Canwest Company. and 713054 Alberta Ltd. dated February 28, 2001 as amended by (i) the amendment dated January 17, 2003; (ii) the amendment dated November 23, 2004; and (iii) the amendment dated February 10, 2006, in respect of 10006-101 Street, Edmonton, AB.
45. Lease between Sterling Newspapers Company and Tourism Authority dated January 1, 2000, in respect of 1922 Park St., Regina, SK.
46. Lease between CanWest MediaWorks Inc. and UTC Canada Corporation dated September 1, 2006, in respect of 2575 McCullough Road, Nanaimo, BC.
47. Lease between the Times Colonist, a division of Canwest Publishing Inc. and CGI Information Systems and Management Consultants Inc. dated September, 2008, in respect of 2621 Douglas Street, Victoria, BC.
48. Lease between 150275 Canada Inc. and Sprott-Shaw College of Business Ltd. dated May 26, 1999, in respect of 2621 Douglas Street, Victoria, BC.
49. Lease between Times Colonist, a division of Canwest Publishing Inc. and Sprott Shaw Degree College Corporation Ltd. dated July 1, 2007, in respect of 2621 Douglas Street, Victoria, BC.
50. Lease between Canwest Publishing Inc. and Houle Printing, in respect of 3486 Fourth Avenue. (documentation has not been provided)
51. Lease by Canwest Publishing Inc., in respect of Unit B2, 2575 McCullough Road. (documentation has not been provided)
52. Lease between Canwest Mediaworks Publications Inc. and The National Post Company dated October 13, 2005 as assigned to National Post Inc. on October 26, 2009, in respect of 1450 Don Mills Road, Ontario, M3B 2X7.
53. Lease between Canwest Publishing Inc. and Canwest Media Inc. dated October 13, 2005, in respect of 1450 Don Mills Road, Ontario, M3B 2X7.

Software License Agreements and Related Agreements

54. Agreement for the Provision of E-mail Management Services between Canwest Publishing Inc. and SMARTFOCUS Inc., successor to ASTECH InterMedia, Inc. dated signed January 23, 2009 and January 28, 2009.
55. Master Contract between CanWest MediaWorks Publications Inc. and ASTECH InterMedia, Inc. dated January 1, 2008.
56. Software Development, License and Support Agreement between ReachCanada Contact Centre Limited and Media Command Incorporated dated December 11, 2001.
57. Preferred Escrow Agreement among ReachCanada Contact Centre Limited, DSI Technology Escrow Services, Inc. and Media Command Incorporated dated December 11, 2001.
58. Software Licence Agreement between Canwest Publishing Inc. and ppi Media GmbH dated October 23, 2008.
59. Maintenance and Support Agreement between Canwest Publishing Inc. and ppi Media GmbH dated October 23, 2008.
60. Services Agreement between Canwest Publishing Inc. and ppi Media GmbH dated October 23, 2008.
61. Master Software Licence and Services Agreement between Saxotech, Inc. and CanWest MediaWorks Publications Inc. dated December 20, 2007.
62. Master License and Service Agreement between TANSA Systems and Canwest Publishing Inc. effective March 5, 2008.
63. Software License and Services Agreement between Quark Distribution, Inc. and Canwest MediaWorks Publications Inc. dated March 19, 2007.

Other

64. Capital Equipment Loan Agreement between Southern Lithoplate, Inc. and The Edmonton Journal, a division of Canwest Publishing Inc. dated March 15, 2005
65. Capital Equipment Loan Agreement between Southern Lithoplate, Inc. and The StarPhoenix, a division of Canwest Publishing Inc. dated April 1, 2005
66. Capital Equipment Loan Agreement between Southern Lithoplate, Inc. and The Gazette, a division of Canwest Publishing Inc. dated September 28, 2006.
67. Master Services Agreement and Statement of Work between Canwest Publishing Inc. and Affinity Express, Inc. dated March 24, 2009.
68. Intercompany Loan agreement between 4513401 Canada Inc. and Canwest Publishing Inc. dated October 30, 2009 (and related promissory note).

69. Agreement for Trucking and Logistic Services dated April 9, 2007 between Toronto Star Newspapers Limited and The National Post Company.
70. Printing Agreement between National Post Inc. (name to be amended to the correct entity name. The National Post Company) and Glacier Media Inc. dated August 24, 2009 and as amended by Amendment No. 1 dated as of August 24, 2009.
71. Printing Agreement with Torstar Corporation and The National Post Company dated January 4, 2002, as amended March 10, 2009.
72. Executive Advisory Services Agreement between Canwest Mediaworks Inc. and Canwest Mediaworks Limited Partnership by its general partner Canwest Mediaworks (Canada) Inc. dated October 13, 2005.
73. Executive Advisory Services Agreement between Canwest Mediaworks Inc. and Canwest Mediaworks Limited Partnership by its general partner Canwest Mediaworks (Canada) Inc. dated October 13, 2005.
74. Canwest Services Agreement between Canwest Mediaworks Inc. and Canwest Mediaworks Limited Partnership by its general partner Canwest Mediaworks (Canada) Inc. dated October 13, 2005.
75. Sales Representation and Agency Services between Canwest Mediaworks Inc. and Canwest Mediaworks Limited Partnership by its general partner Canwest Mediaworks (Canada) Inc. dated October 13, 2005.
76. Trademarks License Agreement among Canwest Global Communications Corp., Canwest Mediaworks (Canada) Inc., Canwest Mediaworks Limited Partnership by its general partner Canwest Mediaworks (Canada) Inc., and Canwest Mediaworks Income Fund dated October 13, 2005.
77. Agreement on Shared Services and Employees between the Canwest Global Communications Corp., Canwest Limited Partnership, Canwest Media Inc., Canwest Publishing Inc., Canwest Television Limited Partnership, and The National Post Company dated October 26, 2009.
78. National Post Transition Agreement between The National Post Company and Canwest Publishing Inc. dated October 26, 2009.
79. Broadcast Services Agreement between Canwest Limited Partnership and Canwest Television Limited Partnership dated January 1, 2009.
80. Canwest Services Agreement between Canwest Mediaworks Inc. and Canwest Mediaworks Limited Partnership by its general partner Canwest Mediaworks (Canada) Inc. dated October 13, 2005.
81. Trademarks License Agreement among Canwest Global Communications Corp., Canwest Mediaworks (Canada) Inc., Canwest Mediaworks Limited Partnership by its general partner Canwest Mediaworks (Canada) Inc., and Canwest Mediaworks Income Fund dated October 13, 2005.

- 82. Agreements between the LP Entities and The Bank of Nova Scotia with respect to cash management obligations.

SCHEDULE 7.2(3)

SPECIFIED CHANGES OR EVENTS

Nil

SCHEDULE 7.4(2)**REAL PROPERTY**

1. 2575 McCullough Road (Units A1, A2, B1) Nanaimo, BC held by Canwest Media Inc. as nominee for Canwest Publishing Inc.
2. 4918 Napier Street and 3999 Forth Avenue, Port Alberni, BC held by Canwest Media Inc. as nominee for Canwest Publishing Inc.
3. 5731 No. 3 Road, Richmond, BC owned by Canwest Publishing Inc.
4. 12091-88th Avenue, Surrey, BC owned by Canwest Publishing Inc.
5. 2615 Douglas Street, Victoria, BC owned by Canwest Publishing Inc.
6. 30887 Peardonville Road, Abbotsford, BC owned by Canwest Publishing Inc.
7. 45951 Tretheway Avenue, Chilliwack, BC owned by Canwest Publishing Inc.
8. 215 16 Street, SE, 315-16th Street SE and 1790-3rd Avenue SE, Calgary, AB owned by Canwest Publishing Inc.
9. 9301 49 Street, Edmonton, AB owned by Canwest Publishing Inc.
10. 10006 101 Street, NW, Edmonton, AB owned by Canwest Publishing Inc.
11. 1964 Park Street, Regina, SASK owned by Canwest Publishing Inc.
12. 535 East 12th Avenue, Regina, SASK owned by Canwest Publishing Inc.
13. 204 5th Avenue, North, Saskatoon, SASK owned by Canwest Publishing Inc.
14. 219 5th Avenue, North, Saskatoon, SASK owned by Canwest Publishing Inc.
15. 1101 Baxter Road, Ottawa, ON owned by Canwest Publishing Inc.
16. 1450 Don Mills Road, Toronto, ON owned by Canwest Publishing Inc.
17. 167 Ferry Street, Windsor, ON owned by Canwest Publishing Inc.
18. 3000 Starway Avenue, Windsor, ON owned by Canwest Publishing Inc.
19. 2605 Temple, Windsor, ON owned by Canwest Publishing Inc.
20. 7001 rue St. Jacques, Montreal, QC owned by Canwest Publishing Inc.

SCHEDULE 7.4(3)**REAL PROPERTY LEASES AND LEASED PREMISES**

1. Lease between London Life Insurance Company and Southam Inc. dated April 1, 1991 and the lease between London Life Insurance Company and Southam Inc. dated April 1, 1991 as renewed by the renewal letter dated April 28, 2004 and as assumed by The Edmonton Journal Group Inc. on October 30, 2000, in respect of 10006-101 St., Edmonton, AB.
2. Lease between bcIMC Realty Corporation and Calgary Herald Group Inc. dated May 9, 2005, in respect of 1058-72nd Avenue, N.E., Calgary, AB.
3. Lease between The City of Calgary and Southam Inc. dated May 1, 1995, in respect of 800 MacLeod Trail, Calgary, AB.
4. Lease between 808 4th Avenue SW Leaseholds Inc. (successor in title to United Place Inc.) and The National Post Company dated October 2, 2002 as amended September 18, 2007, in respect of 808-4th Ave. SW, Calgary, AB.
5. Lease between Superfly Inc. and The Flyer Force, a Division of The Edmonton Journal Inc. dated July 10, 2003 as amended by (i) the amendment agreement dated January 12, 2004; and (ii) the amendment agreement dated August 17, 2004, in respect of 9303 28th Avenue, Edmonton, AB.
6. Lease between Superfly Inc. and The Flyer Force, a Division of The Edmonton Journal Inc. dated August 17, 2004, in respect of 9307 28th Avenue, Edmonton, AB.
7. Lease between Fuller Watson Holdings Limited and Lower Mainland Publishing Group Ltd. dated August 15, 2006, in respect of Units 1 & 2 – 22345 North Avenue, Maple Ridge, BC.
8. Lease between Sodican (B.C.) Inc. and Lower Mainland Publishing Group Inc. dated March 10, 2005, in respect of 100 – 126 East 15th Street, North Vancouver, BC.
9. Lease between Ligvita Developments Ltd., Strawberry Point Developments Ltd., Kalkadoon Properties Ltd. and Thomson Newspapers Co. Ltd. dated April 15, 1993 as amended by the amendment letter dated May 25, 1994 and renewed by the renewal letter dated January 3, 1997, in respect of 1046 Cedar Street, Campbell River, BC.
10. Lease between B.F.C. Projects Partnership, a corporate partnership between Cambridge Properties Ltd. and Benchmark Financial Corporation (successor in title to B-Cam Projects, a corporate partnership between Benchmark Estate Ltd. and Benchmark Holdings Ltd.) and Langley Advance, a Division of CanWest MediaWorks Publications Inc. (successor to Lower Mainland Publishing Group Inc.) dated November 6, 2001 as amended by (i) the extension dated April 16, 2004; (ii) the modification of Lease dated May 10, 2004; (iii) the lease amendment agreement dated July 23, 2004; and (iv) the extension dated September 24, 2007, in respect of Unit 112, 6375 – 202nd Street, Langley, BC.

11. Lease between ONNI Development (1525 Broadway) Corp. and Coquitlam Now and Van Net Newspapers, Divisions of CanWest Publishing Inc. dated December 4, 2008, in respect of 115-1525 Broadway Street, Port Coquitlam, BC.
12. Lease between Brookwest Industrial Inc. and North Shore News, a Division of CanWest MediaWorks Publications Inc. dated March 1, 2006, in respect of 120-400 Brooksbank Ave., Vancouver, BC.
13. Lease between 581486 B.C. Ltd. and CanWest MediaWorks Publications Inc. dated July 10, 2007, in respect of 13163 – 76th Avenue, Surrey, BC.
14. Lease between Victor Properties Ltd. and Vancouver Courier, a division of CanWest Publishing Inc. (successor in title by assignment to Lower Mainland Publishing Group Inc., (successor in interest by assignment to RIM Publishing Inc.)) dated June, 1989 as amended by (i) the renewal letter dated June 28, 1994; (ii) the renewal letter dated March 31, 1999; (iii) the renewal letter dated August 3, 2004; and (iv) the amending agreement dated July 31, 2009, in respect of 1574 West 6th Avenue, Vancouver, BC.
15. Lease between Garlough Developments Ltd. and CanWest MediaWorks Publications Inc. dated September 1, 2007, in respect of 166E Island Highway, Parksville, BC.
16. Lease between Ontrea Inc., by its agent Cadillac Fairview Management Services Inc. (successor in title to Granville Square Leaseholds Ltd.), Pacific Newspaper Group Inc. (successor in interest by assignment to XSTM Holdings (2000) Inc. (formerly Southam Inc.)) and Canwest Global Communications Corp. dated December 22, 1995 as amended by (i) the letter agreement dated January 12, 1996; (ii) the amendment and assumption of lease dated October 11, 2000; (iii) the amending agreement dated May 31, 2002; and (iv) the facilities licence agreement between PNG and Global Communications Limited dated October 13, 2004, in respect of 200 Granville Street, Vancouver, BC.
17. Lease between Newcorp Properties Ltd. and Burnaby Now, A Division of CanWest Publishing Inc. (successor in title to Lower Mainland Publishing Group Inc.) dated December 27, 2001 as amended by (i) the letter agreement dated May 15, 2002; and (ii) the letter agreement dated February 19, 2009, in respect of 201A & 202A 3430 Brighton Ave, Burnaby, BC.
18. Lease between Diversified Management Inc. and The Now Newspaper, a Division of CanWest MediaWorks Publications Inc. (successor in interest by assignments dated April 14, 1999, August 3, 2000 and June 2002 to Lower Mainland Publishing Group Inc.) dated June, 1996 as amended by (i) the addendum dated May, 1999; (ii) the addendum dated June, 2002; (iii) the addendum dated March 15, 2006; and (iv) the addendum dated July 3, 2006, in respect of 201 and 203 – 7889 132nd Street, Surrey, BC.
19. Lease between Hass Holdings Ltd. and Delta Optimist, a division of CanWest MediaWorks Publications Inc. dated December 1, 2005, in respect of Units 207 and 208 in the Whitford Building, 4840 Delta Street, Delta, BC.
20. Lease between Sixth and Yukon Properties Ltd. and CanWest MediaWorks Publications Inc. dated May 3, 2007, in respect of 2188 Yukon Street, Vancouver, BC.

21. Lease between H. & B. Holdings (1982) Ltd. and Echo Publications dated December 22, 2001, in respect of 407-D Fifth Street, Courtenay, BC.
22. Lease between Donald E. Taylor Personal Law Corporation and Thomson Newspapers Canada, division of Thomson Canada Limited, carrying on business as The Citizen Newspaper dated January 1, 1997 as amended by (i) the lease renewal letter dated January 29, 2001; and (ii) the renewal letter dated March 10, 2006, in respect of 469 Whistler Street, Duncan, BC.
23. Lease between Canadian Pacific Railway Company and The Esquimalt and Nanaimo Railway Company and CanWest Global Communications Corp. (successor in interest by assignment dated October 22, 2000 to Southam Publishing (B.C.) Ltd., successor in title by assignment dated July 7, 1998 to Thomson Canada Limited.) dated November 4, 1996, in respect of Mile 75.56 – 75.59 Nanaimo, BC.
24. Lease by Canwest Publishing Inc., in respect of 1701 Peninsula Street, Ucluelet, BC. (documentation has not been provided)
25. Lease by Canwest Publishing Inc., in respect of 3355 Grandview Highway, Vancouver, BC. (documentation has not been provided)
26. Lease between Carlton Call Centre Inc. and CanWest Limited Partnership, by its General Partner, CanWest (Canada) Inc. (successor in title to CanWest Media Inc. (successor in interest by assignment dated May 23, 2002 to Air Canada)) dated September 30, 1998 as amended by (i) the letter dated May 29, 2001; (ii) the letter dated May 13, 2002; (iii) the letter dated April 29, 2003; and (iv) the lease renewal dated November 13, 2009, in respect of 300 Carlton Street, Winnipeg, MB.
27. Lease between City of Ottawa and Ottawa Citizen, a division of CanWest MediaWorks Publications Inc. dated September 1, 2003 as amended by (i) the lease renewal agreement dated September 1, 2005; and (ii) the lease renewal agreement dated December 1, 2007, in respect of 110 Laurier Avenue West, Ottawa, ON.
28. Lease between Montyco Investments (Windsor) Inc. and CanWest Publishing Inc. dated February 18, 2009 as amended by the amendment dated August 18, 2009, in respect of 1116-1120 Lesperance Road, Tecumseh, County of Essex, ON.
29. Lease between Sun Life Assurance Company of Canada and CanWest MediaWorks Publications Inc. (successor in interest by assignment dated November 1, 2005 to Ottawa Citizen Group Inc.) dated January 30, 2003 as amended by the amendment dated May 17, 2006, in respect of Units 404, 405, 406, 407, 408 at 1230 Old Innes Road, Ottawa, ON.
30. Lease between 1605 Main Street West (Hamilton) Limited and Canwest MediaWorks Publications Inc. dated May 16, 2006, in respect of 1603 Main Street E., Hamilton, ON.
31. Lease between Fairlane Developments Inc. and Phoenix Media Group Inc. dated June 27, 2001 as amended by the letter agreement dated May 26, 2006, in respect of 1614 Lesperance Rd, Unit 2, Building A, Tecumseh, ON.

32. Lease between 414835 Ontario Limited and Canwest Publishing Inc. dated October 1, 2009, in respect of 40 Queen Street South, Tilbury, ON.
33. Lease between Sun Life Assurance Company of Canada and 156 O'Connor Limited (successor to 1331430 Ontario Inc.) and CanWest MediaWorks Publications Inc. dated May 8th, 2007 as amended by (i) the generator license agreement dated June 27th, 2007; and (ii) the storage lease dated February 25th, 2008, in respect of 50 O'Connor Street, Ottawa, ON.
34. Lease between T.R.L. Investments Limited and CanWest Publishing Inc. dated October 28, 2009, in respect of 911 Golf Links Rd, Ancaster, Hamilton ON.
35. Lease by Canwest Publishing Inc., in respect of Rm 354 Legislative Building, Ottawa, ON. (documentation has not been provided).
36. Lease between WXL/DSG Realty Company and Dominion Square, Limited Partnership and the Montreal Gazette Group Inc.) dated October 30, 2003, as subleased by CanWest Publishing Inc. (successor in title to Montreal Gazette Group Inc.) to Global Quebec, a division of CanWest Television Limited Partnership, acting by its general partner CanWest Television GP Inc. dated September 1, 2009, in respect of 1010 St. Catherine St. West, Montreal, QC.
37. Lease between Centre Terrarium Inc., represented by Arcturus Limited Partnership, by its General Partner, Arcturus Realty Corporation (successor in title to Progressive Holdings Inc.) and Canwest Publications Inc. (successor in title to Montreal Gazette Group Inc.) dated October 30, 2003 as extended by the extension letter dated October 15, 2008, in respect of 205-189 Hymus Blvd., Pont-Claire, QC.
38. Sublease between The Canadian Press and Canwest Publishing Inc. dated January 1, 2010, in respect of 1206 National Press Building, Washington, DC.
39. Lease between Nadiscorp Logistics Inc. and The Star Phoenix, a division of Canwest MediaWorks Publications Inc. dated December 12, 2005, in respect of 1502 Quebec Avenue, Saskatoon, SK.
40. Lease agreement between Ebco Machining and Fabricating Ltd., as landlord, and Lower Mainland Publishing Group Inc., as tenant, dated July 1, 2001, with respect to certain premises on the ground floor and 2nd floor at 7280 River Road, Richmond, British Columbia.
41. Lease between EIG River Road Investments Inc., for and on behalf of Ebco Machining and Fabricating Ltd., as landlord, and College Printers, a division of Canwest Publishing Inc., as tenant, dated August 1, 2009, with respect to Unit 150 - 7280 River Road, Richmond, British Columbia.
42. Lease in respect of 17 Chesnutt Street, Kingsville, Ontario.
43. Sublease in respect of 100 Queen Street West, Toronto, ON (as contemplated in the Omnibus Transition and Reorganization Agreement).

Leased Premises – Sublets, Assignments, Licenses

44. The subleases in respect of 1010 Ste. Catherines Street West, Montreal, QC and 50 O'Connor Street, Ottawa, ON (as contemplated in the Omnibus Transition and Reorganization Agreement).
45. See item 36 above.
46. Lease between Edmonton Journal Group Inc. and Canwest Company and 713054 Alberta Ltd. dated February 28, 2001, as amended by (i) the amendment dated January 17, 2003; (ii) the amendment dated November 23, 2004; and (iii) the amendment dated February 10, 2006, in respect of 10006 – 101 Street, Edmonton, Alberta.

SCHEDULE 7.4(6)

PERSONAL PROPERTY LEASES

Nil

SCHEDULE 7.4(8)

INTELLECTUAL PROPERTY

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| <p>1. BURNABY SUN (application no. 1134875), owned by CanWest MediaWorks Publications Inc., application submitted March 20, 2002.</p> <p>2. BURNABY SUN (application no. 1388315), owned by Canwest Publishing Inc., application submitted March 20, 2008.</p> <p>3. CALGARY HERALD (application no. 1107134; registration no. 592075), owned by Canwest Publishing Inc., registered October 9, 2003.</p> <p>4. CALGARY RUSHHOUR DESIGN (application no. 1337245; registration no. 762027), owned by Canwest Limited Partnership by its general partner Canwest (Canada) Inc., registered March 19, 2010.</p> <p>5. CNS CANWEST NEWS SERVICE (application no. 78332548), owned by CanWest Media Inc., application submitted November 24, 2003.</p> <p>6. CNS CANWEST NEWS SERVICE & DESIGN (application no. 1178757; registration no. 689711), owned by Canwest Global Communications Corp., registered June 13, 2007.</p> <p>7. D & DESIGN (application no. 78654486), owned by 3848671 Canada Limited, application submitted June 20, 2004.</p> <p>8. D & DESIGN (application no. 78654866), owned by 3848671 Canada Limited, application submitted June 21, 2005.</p> <p>9. D & DESIGN (application no. 731465), owned by 3848671 Canada</p> | <p>Inc., application submitted June 21, 2005.</p> <p>10. D & DESIGN (application no. 1241380; registration no. 736039), owned by Canwest (Canada) Inc. as general partner for and on behalf of Canwest Limited Partnership, registered March 10, 2009.</p> <p>11. DOSE (application no. 1241384; registration no. 736040), owned by Canwest (Canada) Inc. as general partner for and on behalf of Canwest Limited Partnership, registered March 10, 2009.</p> <p>12. DOSE (application no. 78654412; registration no. 3669420), owned by Canwest Limited Partnership by its general partner Canwest (Canada) Inc., registered August 18, 2009.</p> <p>13. DOSE (application no. 731464; registration no. 731464), owned by CanWest MediaWorks (Canada) Inc., as general partner for and on behalf of CanWest MediaWorks Limited Partnership, registered December 21, 2004.</p> <p>14. DOSE & DESIGN (application no. 1241379; registration no. 736038), owned by Canwest (Canada) Inc. as general partner for and on behalf of Canwest Limited Partnership, registered March 10, 2009.</p> <p>15. DOSE & DESIGN (application no. 5304803; registration no. 5304803), owned by CanWest MediaWorks (Canada) Inc., as general partner for and on behalf of CanWest MediaWorks Limited Partnership, registered November 12, 2007.</p> |
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16. DOSE & DESIGN (application no. 731466; registration no. 731466), owned by CanWest MediaWorks (Canada) Inc., as general partner for and on behalf of CanWest MediaWorks Limited Partnership, registered December 21, 2004.
17. DOSE & DESIGN (application no. 1134975; registration no. 1134975), owned by CanWest MediaWorks Inc., registered January 8, 2008.
18. DOSE & DESIGN (application no. 78655368), owned by CanWest MediaWorks Limited Partnership by its general partners CanWest MediaWorks (Canada) Inc., application submitted June 21, 2005.
19. DRIVING (application no. 1142930; registration no. 677148), owned by Canwest Publishing Inc., registered November 16, 2006.
20. DRIVING (application no. 1154138; registration no. 675053), owned by Canwest Publishing Inc., registered October 17, 2006.
21. DRIVING.CA (application no. 1290374; registration no. 752522), owned by Canwest Publishing Inc., registered November 9, 2009.
22. DRIVING.CA & CAR DESIGN (application no. 1290372), owned by Canwest Publishing Inc., application submitted February 17, 2006.
23. EDMONTON JOURNAL (application no. 1059218; registration no. 584829), owned by Canwest Publishing Inc., registered July 9, 2003.
24. EDMONTON RUSHHOUR & DESIGN (application no. 1337246; registration no. 762135), owned by Canwest Limited Partnership by its general partner Canwest (Canada) Inc., registered March 19, 2010.
25. FINANCIAL POST & DESIGN (application no. 1103315), owned by CanWest Global Communications Corp., application submitted May 22, 2001.
26. FP & DESIGN (application no. 1103314), owned by CanWest Global Communications Corp., application submitted May 22, 2001.
27. FP ONLINE (application no. 0576576; registration no. 343353), owned by 4513401 Canada In.c, registered August 5, 1988.
28. FRASER VALLEY SUN (application no. 1134874), owned by CanWest MediaWorks Publications Inc., application submitted March 20, 2002.
29. FRASER VALLEY SUN (application no. 1388321), owned by Canwest Publishing Inc., application submitted March 20, 2008.
30. HARBOUR CITY STAR (application no. 0828725; registration no. 485684), owned by Canwest Media Inc., registered November 18, 1997.
31. HOUSEHUNTING. CA & DESIGN (application no. 1361838; registration no. 735941), owned by Canwest (Canada) Inc. as general partner for and on behalf of Canwest Limited Partnership, registered March 9, 2009.
32. INFOMART (application no. 0395445; registration no. 224484), owned by Canwest Publishing Inc., registered December 2, 1977.
33. INFOMART ONLINE (application no. 0637548; registration no. 380026),

- owned by Canwest Publishing Inc., registered February 15, 1991.
34. INFOMART ONLINE & DESIGN (application no. 0634064; registration no. 379991), owned by Canwest Publishing Inc., registered February 15, 1991.
 35. MONTREAL RUSHHOUR (application no. 1337264; registration no. 762135), owned by Canwest Limited Partnership by its general partner Canwest (Canada) Inc., registered March 22, 2010.
 36. NATIONAL POST (application no. 0876463; registration no. 528677), owned by 4513401 Canada Inc., registered May 31, 2000.
 37. NATIONAL POST. A BETTER READ. (application no. 1257028; registration no. 727619), owned by 4513401 Canada Inc., registered November 3, 2008.
 38. NORTH SHORE SUN (application no. 1134876), owned by CanWest MediaWorks Publications Inc., application submitted March 20, 2002.
 39. NORTH SHORE SUN (application no. 1388316), owned by Canwest Publishing Inc., application submitted March 20, 2008.
 40. OTTAWA CITIZEN & DESIGN (application no. 0852493; registration no. 558482), owned by Canwest Publishing Inc., registered February 26, 2002.
 41. OTTAWACITIZEN & DESIGN (1) (application no. 0852492; registration no. 558481), owned by Canwest Publishing Inc., registered February 26, 2002.
 42. OTTAWA CITIZEN (ON SCREEN DESIGN) & DESIGN (application no. 0852491; registration no. 523809), owned by Canwest Publishing Inc., registered February 24, 2000.
 43. OTTAWA CITIZEN ONLINE & DESIGN (application no. 0895609; registration no. 536871), owned by Canwest Publishing Inc., registered November 7, 2000.
 44. OTTAWA CITIZEN ONLINE & DESIGN (application no. 852490; registration no. 518073), owned by Canwest Publishing Inc., registered October 18, 1999.
 45. OTTAWA CITIZEN ONLINE & MAPLE LEAF DESIGN (application no. 0895610; registration no. 534098), owned by Canwest Publishing Inc., registered October 5, 2000.
 46. OTTAWA RUSHHOUR & DESIGN (application no. 1324620), owned by Canwest Limited Partnership by its general partner Canwest (Canada) Inc., application submitted November 17, 2006.
 47. RAISE A READER & DESIGN (application no. 1173213; registration no. 613992), owned by Canwest Media Inc., registered July 2, 2004.
 48. RAISE-A-READER (application no. 78135853), owned by Pacific Newspaper Group Inc., application submitted June 14, 2002.
 49. RAISE-A-READER (application no. 1129819; registration no. 594491), owned by Canwest Media Inc., registered November 12, 2003.
 50. RAISE-A-READER DAY (application no. 1129820; registration no. 597055),

- owned by Canwest Media Inc., registered December 10, 2003.
51. RAISE-A-READER DAY (application no. 78135862), owned by Pacific Newspaper Group Inc., application submitted June 14, 2002.
 52. REACHCANADA (application no. 1008866; registration no. 540673), owned by Canwest (Canada) Inc. as general partner for and on behalf of Canwest Limited Partnership, registered February 1, 2001.
 53. REACHCANADA & DESIGN (application no. 1312082; registration no. 709896), owned by Canwest (Canada) Inc. as general partner for and on behalf of Canwest Limited Partnership, registered March 19, 2008.
 54. REGINA RUSHHOUR (application no. 1337257; registration no. 762160), owned by Canwest Limited Partnership by its general partner Canwest (Canada) Inc., registered March 22, 2010.
 55. RICHMOND SUN (application no. 1134873), owned by CanWest MediaWorks Publications Inc., application submitted March 20, 2002.
 56. RICHMOND SUN (application no. 1388314), owned by Canwest Publishing Inc., application submitted March 20, 2008.
 57. RUSH HOUR (application no. 1247997; registration no. 737455), owned by Canwest Limited Partnership by its general partner Canwest (Canada) Inc., registered April 2, 2009.
 58. SASKATOON RUSHHOUR (application no. 1337262; registration no. 761678), owned by Canwest Limited Partnership by its general partner Canwest (Canada) Inc., registered March 15, 2002.
 59. SURREY SUN (application no. 1134877), owned by CanWest MediaWorks Publications Inc., application submitted March 20, 2002.
 60. SURREY SUN (application no. 1388322), owned by Canwest Publishing Inc., registered March 20, 2008.
 61. THE DAILY COLONIST (application no. 442918; registration no. 249881), owned by Canwest Publishing Inc., registered August 29, 1980.
 62. THE FINANCIAL POST (application no. 0353737; registration no. 191246), owned by 4513401 Canada Inc., registered May 25, 1973.
 63. THE FINANCIAL POST MONEYWISE MAGAZINE (application no. 522851; registration no. 316196), owned by The National Post Company, registered July 11, 1986.
 64. THE FLYER FORCE (application no. 0522228; registration no. 310010), owned by Canwest Publishing Inc., registered January 3, 1986.
 65. THE NORTH ISLANDER (application no. 1232214; registration no. 664934), owned by Canwest (Canada) Inc. as general partner for and on behalf of Canwest Limited Partnership, registered May 24, 2006.
 66. THE OTTAWA CITIZEN (application no. 6788978; registration no. 399443), owned by Canwest Publishing Inc., registered June 19, 1992.

67. THE PROVINCE (application no. 0700427; registration no. 408219), owned by Canwest Publishing Inc., registered February 12, 1993.
68. THE PROVINCE DESIGN (application no. 0862788; registration no. 501236), owned by Canwest Publishing Inc., registered September 25, 1998.
69. THE VANCOUVER SUN (application no. 700430; registration no. 454949), owned by Canwest Publishing Inc., registered March 8, 1996.
70. THE VANCOUVER SUN & DESIGN (application no. 854297; registration no. 503006), owned by Canwest Publishing Inc., registered October 27, 1998.
71. THE WINDSOR STAR & DESIGN (application no. 779381; registration no. 466196), owned by Canwest Publishing Inc., registered November 22, 1996.
72. TIMES COLONIST (application no. 872040; registration no. 557462), owned by Canwest Publishing Inc., registered February 5, 2002.
73. VANCOUVER SUN (application no. 0700431; registration no. 454950), owned by Canwest Publishing Inc., registered March 8, 1996.
74. VICTORIA TIMES (application no. 0442919; registration no. 252486), owned by Canwest Publishing Inc., registered November 14, 1980.
75. WINDSOR RUSHHOUR (application no. 1337263; registration no. 761974) owned by Canwest Limited Partnership by its general partner Canwest (Canada) Inc., registered March 18, 2010.
76. WORKING (application no. 1427244), owned by Canwest Publishing Inc., application submitted February 9, 2009.
77. WORKING (application no. 1285187; registration no. 748293), owned by Canwest Publishing Inc., registered September 22, 2009.
78. WORKING.COM (application no. 1427245), owned by Canwest Publishing Inc., application submitted February 9, 2009.
79. WORKING.COM (application no. 1285192; registration no. 751166), owned by Canwest Publishing Inc., registered October 26, 2009.

Common Law Trademarks

80. canada.com
81. Abbotsford Times.
82. Alberni Valley Times.
83. Bell River, Lakeshore News
84. Burnaby Now.
85. Calgary Flyer Force.
86. Calgary Herald.
87. Campbell River Courier-Island.
88. Chilliwack Times.
89. Comox Valley Echo.
90. Delta Optimist.
91. Edmonton Flyer Force.
92. Edmonton Journal.
93. Harbour City Star.
94. Kingsville Reporter Langley Advance.

95.	LaSalle Post	calgaryherald.com calgaryherald.mobi
96.	Leader-Post.	canada.com canspell.ca
97.	Maple Ridge Times.	canwestcommunitypublishing.com chilliwacktimes.com
98.	Nanaimo Daily News.	comoxvalleyecho.com cowichanvalleycitizen.com
99.	National Post.	delta-optimist.com dose.ca dose.com
100.	North Shore News.	dosemobile.ca dosemobile.com
101.	Oceanside Star.	driving.ca
102.	Ottawa Citizen.	edmontonjournal.com edmontonjournal.mobi
103.	Ottawa Flyer Force.	financialpost.com financialpost.mobi
104.	Richmond News	financialpostmagazine.ca financialpostmagazine.com
105.	Surrey Now	fpinfomart.ca fpinfomart.com
106.	Tecumseh Shoreline Week	fpmagazine.ca fullcomment.ca fullcomment.com
107.	The Gazette.	househunting.ca Infomart.ca Infomart.com
108.	The North Islander.	leaderpost.com leader-post.com
109.	The Province.	montrealgazette.com montrealgazette.mobi
110.	The Record.	montrealgazette.net nanaimodailynews.ca nanaimodailynews.com
111.	The StarPhoenix.	nationalpost.ca nationalpost.com nationalpost.mobi
112.	The Vancouver Sun.	nationalpostbusiness.com nationalpostonline.ca nationalpostonline.com
113.	The Windsor Star.	ottawacitizen.ca ottawacitizen.com ottawacitizen.mobi
114.	Tilbury Times	ottawacitizen.net ottawacitizen.org
115.	Times Colonist.	pacificnewspapergroup.com pacificnewspapers.com
116.	Vancouver Courier.	
117.	Westerly News.	

Domain Names

raiseareader.com
raise-a-reader.com
reginasun.com
richmond-news.com
surreynow.com
thecalgaryherald.ca
thecalgaryherald.com
theedmontonjournal.com
theleaderpost.com
thenationalpost.ca
theottawacitizen.ca
theottawacitizen.com
theprovince.com
theprovince.mobi
thestarphoenix.com
thevancouverisun.com
timescolonist.com
times-colonist.com
vancouverprovince.com
vancouverisun.com
vancouverisun.mobi
windsorsexnews.com
windsorstar.com
working.ca
working.com

SCHEDULE 7.5(1)
MATERIAL ADVERSE CHANGES

Nil

SCHEDULE 7.5(4)**MATERIAL CONTRACTS***Shared Service Agreements*

1. Agreement on Shared Services and Employees between the Canwest Global Communications Corp., Canwest Limited Partnership, Canwest Media Inc., Canwest Publishing Inc., Canwest Television Limited Partnership, and The National Post Company dated October 26, 2009.
2. National Post Transition Agreement between The National Post Company and Canwest Publishing Inc. dated October 26, 2009.
3. Executive Advisory Services Agreement between Canwest Mediaworks Inc. and Canwest Mediaworks Limited Partnership by its general partner Canwest Mediaworks (Canada) Inc. dated October 13, 2005.
4. Partnership Services Agreement between Canwest Mediaworks Inc. and Canwest Mediaworks Limited Partnership by its general partner Canwest Mediaworks (Canada) Inc. dated October 13, 2005.
5. Broadcast Services Agreement between Canwest Limited Partnership and Canwest Television Limited Partnership dated January 1, 2009.
6. Canwest Services Agreement between Canwest Mediaworks Inc. and Canwest Mediaworks Limited Partnership by its general partner Canwest Mediaworks (Canada) Inc. dated October 13, 2005.
7. Sales Representation and Agency Services between Canwest Mediaworks Inc. and Canwest Mediaworks Limited Partnership by its general partner Canwest Mediaworks (Canada) Inc. dated October 13, 2005.
8. Affiliation Services Agreement between Canwest Mediaworks Inc. and Canwest Mediaworks Limited Partnership by its general partner Canwest Mediaworks (Canada) Inc. dated October 13, 2005.
9. Trademarks License Agreement among Canwest Global Communications Corp., Canwest Mediaworks (Canada) Inc., Canwest Mediaworks Limited Partnership by its general partner Canwest Mediaworks (Canada) Inc., and Canwest Mediaworks Income Fund dated October 13, 2005.
10. Cooperation and Confidentiality Services among Canwest Global Communications Corp., Canwest Mediaworks Limited Partnership by its general partner Canwest Mediaworks (Canada) Inc., and Canwest Mediaworks (Canada) Inc. dated October 13, 2005.
11. Insurance Premium Sharing Agreement between Canwest Mediaworks Limited Partnership by its general partner Canwest Mediaworks (Canada) Inc. and Canwest Mediaworks Inc. dated October 13, 2005.

ASSET PURCHASE AGREEMENT

12. Pension Plan Participation Agreement between CanWest Mediaworks Limited Partnership and CanWest MediaWorks Publications Inc. dated January 1, 2006.
13. Employee Secondment and Cost Reimbursement Arrangements, undated, between Canwest Limited Partnership, Canwest Media Inc., Canwest Television Limited Partnership, Canwest Publishing Inc. and National Post.

Distribution Agreements

The Following agreements for the distribution of the newspapers operated as part of the Business, including:

1. Distribution Agreement between Pacific Newspaper Group, a division of CanWest MediaWorks Publications Inc. and Viking Logistics Ltd. dated March 1, 2004, as amended and restated as of March 1, 2007.
2. Metro Dealer Distribution Agreement between Edmonton Journal, a division of Canwest Publishing Inc. and Dynamex Canada Inc. signed February 3, 2009 and effective as of September 1, 2008.
3. Metro Home Delivered Distribution Agreement between Edmonton Journal, a division of Canwest Publishing Inc. and Dynamex Canada Inc. signed February 3, 2009 and effective as of September 1, 2008.
4. Metro Home Delivered Topload Pallet Pick-up and Return Agreement between Edmonton Journal, a division of Canwest Publishing Inc. and Dynamex Canada Inc. signed February 3, 2009 and effective as of September 1, 2008.
5. Agreement for Trucking and Logistic Services dated April 9, 2007 between Toronto Star Newspapers Limited and The National Post Company. Printing Agreement between National Post Inc. (name to be amended to the correct entity name, The National Post Company) and Glacier Media Inc. dated August 24, 2009 and as amended by Amendment No. 1 dated as of August 24, 2009.

Software Agreements, Licence Agreements and Technology Agreements

1. Agreement for the Provision of E-mail Management Services between Canwest Publishing Inc. and SMARTFOCUS Inc., successor to ASTECH InterMedia, Inc. dated signed January 23, 2009 and January 28, 2009.
2. Master Contract between CanWest MediaWorks Publications Inc. and ASTECH InterMedia, Inc. dated January 1, 2008.
3. Software Development, License and Support Agreement between ReachCanada Contact Centre Limited and Media Command Incorporated dated December 11, 2001.
4. Preferred Escrow Agreement among ReachCanada Contact Centre Limited, DSI Technology Escrow Services, Inc. and Media Command Incorporated dated December 11, 2001.

5. Software Licence Agreement between Canwest Publishing Inc. and ppi Media GmbH dated October 23, 2008.
6. Maintenance and Support Agreement between Canwest Publishing Inc. and ppi Media GmbH dated October 23, 2008.
7. Services Agreement between Canwest Publishing Inc. and ppi Media GmbH dated October 23, 2008.
8. Master Software Licence and Services Agreement between Saxotech, Inc. and CanWest MediaWorks Publications Inc. dated December 20, 2007.
9. Master License and Service Agreement between TANSA Systems and Canwest Publishing Inc. effective March 5, 2008.
10. Software License and Services Agreement between Quark Distribution, Inc. and Canwest MediaWorks Publications Inc. dated March 19, 2007.

3rd - Party Leases

1. Lease between Edmonton Journal Group Inc. A Canwest Company. and 713054 Alberta Ltd. dated February 28, 2001 as amended by (i) the amendment dated January 17, 2003; (ii) the amendment dated November 23, 2004; and (iii) the amendment dated February 10, 2006, in respect of 10006-101 Street, Edmonton, AB.
2. Lease between Sterling Newspapers Company and Tourism Authority dated January 1, 2000, in respect of 1922 Park St., Regina, SK.
3. Lease between CanWest MediaWorks Inc. and UTC Canada Corporation dated September 1, 2006, in respect of 2575 McCullough Road, Nanaimo, BC.
4. Lease between the Times Colonist, a division of Canwest Publishing Inc. and CGI Information Systems and Management Consultants Inc. dated September, 2008, in respect of 2621 Douglas Street, Victoria, BC.
5. Lease between 150275 Canada Inc. and Sprott-Shaw College of Business Ltd. dated May 26, 1999, in respect of 2621 Douglas Street, Victoria, BC.
6. Lease between Times Colonist, a division of Canwest Publishing Inc. and Sprott Shaw Degree College Corporation Ltd. dated July 1, 2007, in respect of 2621 Douglas Street, Victoria, BC.
7. Lease between Canwest Publishing Inc. and Houle Printing, in respect of 3486 Fourth Avenue. (documentation has not been provided)
8. Lease by Canwest Publishing Inc., in respect of Unit B2, 2575 McCullough Road. (documentation has not been provided)

9. Lease between Canwest Mediaworks Publications Inc. and The National Post Company dated October 13, 2005 as assigned to National Post Inc. on October 26, 2009, in respect of 1450 Don Mills Road, Ontario, M3B 2X7.
10. Lease between Canwest Publishing Inc. and Canwest Media Inc. dated October 13, 2005, in respect of 1450 Don Mills Road, Ontario, M3B 2X7.

Other Material Agreements

1. Capital Equipment Loan Agreement between Southern Lithoplate, Inc. and The Edmonton Journal, a division of Canwest Publishing Inc. dated March 15, 2005
2. Capital Equipment Loan Agreement between Southern Lithoplate, Inc. and The StarPhoenix, a division of Canwest Publishing Inc. dated April 1, 2005
3. Capital Equipment Loan Agreement between Southern Lithoplate, Inc. and The Gazette, a division of Canwest Publishing Inc. dated September 28, 2006.
4. Printing Agreement with Torstar Corporation and The National Post Company dated January 4, 2002, as amended March 10, 2009.
5. Master Services Agreement and Statement of Work between Canwest Publishing Inc. and Affinity Express, Inc. dated March 24, 2009.
6. Intercompany Loan agreement between 4513401 Canada Inc. and Canwest Publishing Inc. dated October 30, 2009.
7. Promissory Note between 4513401 Canada Inc. (now National Post Inc.) and Canwest Publishing Inc./Publications Canwest Inc. in the amount of Cdn. \$13,000,000.00, dated October 30, 2009.
8. Amended and Restated LP Management Incentive Plan *
9. Senior Credit Agreement *
10. DIP Credit Agreement *
11. Agreements between the LP Entities and The Bank of Nova Scotia with respect to cash management obligations
12. LP Support Agreement dated January 8, 2010 between the LP Entities and the Administrative Agent *
13. Engagement letter dated as of November 1, 2009 among Canwest LP, CRS Inc. and Gary Colter *
14. Engagement letter dated as of October 1, 2009 among Canwest LP, CPI and RBCCM *

SCHEDULE 7.6(2)

LABOUR MATTERS AND EMPLOYEE CONTRACTS

1. **Collective Agreements**British Columbia, Lower Mainland

1. Collective Agreement between Abbotsford Times, a division of CanWest MediaWorks Publications Inc. and Communications, Energy and Paperworkers Union of Canada, Local 2000, dated August 22, 2005.
2. Collective Agreement at the Burnaby NOW, Coquitlam NOW, and Royal City Record between Communications, Energy and Paperworkers Union of Canada, Local 2000 and NOW Newspapers, a division of CanWest MediaWorks Publications Inc., dated January 1, 2007.
3. Collective Agreement at the Surrey/North Delta NOW between Communications, Energy and Paperworkers Union of Canada, Local 2000 and Surrey NOW, a division of CanWest MediaWorks Publications Inc., dated January 1, 2007.

British Columbia, Vancouver

4. Collective Agreement between Communications, Energy and Paperworkers Union of Canada, Local 2000 and the Nanaimo Daily News, a division of Canwest Publishing Inc., dated June 6, 2008.
5. Collective Agreement between Communications, Energy and Paperworkers Union of Canada, Local 2000 and the Nanaimo Daily News, a division of Canwest Publishing Inc., effective June 6, 2008.
6. Collective Agreement between Communications, Energy and Paperworkers Union, Local 525G and the Nanaimo Daily News, a division of Canwest Publishing Inc., effective June 6, 2008.
7. Collective Agreement between the Cowichan Valley Citizen and Victoria-Vancouver Island Newspaper Guild, Local 30223 of the Newspaper Guild, Sector of the Communications Workers of America, effective March 1, 2007.
8. Collective Agreement between The Campbell River Courier-Islander, a division of Canwest Publishing Inc. and Communications, Energy and Paperworkers Union of Canada, Local 2000, dated April 1, 2008.
9. Collective Agreement between Communications, Energy and Paperworkers Union, Local 525G and Alberni Valley Times, Port Alberni Group Inc., a Canwest Company, dated May 1, 2008.
10. Collective agreement between College Printers Ltd. and CEP Local 2000, Pre-Press Unit (June 1, 2006 – May 31, 2009).

11. Collective agreement between College Printers Ltd. and CEP Local 25G, Pressroom Unit (June 1, 2006 – May 31, 2009).
12. Collective agreement between College Printers Ltd. and CEP Local 525G, Bindery Unit (May 1, 2006 – April 30, 2009).

British Columbia, Victoria

13. Collective Agreement between the Victoria Times Colonist, a division of CanWest MediaWorks Publications Inc. and the Victoria-Vancouver Island Newspaper Guild, chartered as Local 30223 of the Newspaper Guild, sector of the Communications Workers of America, effective January 2, 2007.
14. Memorandum of Agreement between Victoria Times Colonist, a division of CanWest MediaWorks Publications Inc. and the National Guild of Canadian Media Manufacturing, Professional and Service Workers/Communications Workers of America (CWA 30403 British Columbia), effective January 2, 2007.
15. Newspaper Agreement between Victoria Times Colonist Group Inc., a division of CanWest MediaWorks Publications Inc. and Communications, Energy and Paperworkers Union of Canada, Local 2000, dated January 2, 2007.
16. Agreement between Victoria Times Colonist, a division of CanWest MediaWorks Publications Inc. and Communications, Energy and Paperworkers Union of Canada, Local 2000 (Platemaking Department), effective January 2, 2007.
17. Agreement between Victoria Times Colonist, a division of CanWest MediaWorks Publications Inc. and Communications, Energy and Paperworkers Union of Canada, Local 2000 (Pressroom Department), effective January 2, 2007.

British Columbia, Pacific Newspaper Group

18. Collective Agreement between Pacific Newspaper Group, a division of CanWest MediaWorks Publications Inc. and Communications, Energy and Paperworkers Union of Canada, Local 2000 (all units: Granville Square; Composing Room; Electrical; Mechanical; Mailroom; Platemaking; Pressroom), dated April 11, 2007.

Alberta

19. Collective Agreement between the Calgary Herald, a division of CanWest MediaWorks Publications Inc. and Communications, Energy and Paperworkers Union of Canada, Local 34G (Distribution Centre Workers, Dispatch/Loading Dock, Press Janitors, Machine Shop), dated April 1, 2007.
20. Collective Agreement between the Calgary Herald, a division of CanWest MediaWorks Publications Inc. and Communications, Energy and Paperworkers Union of Canada, Local 34G (Press Room, Platemaking Department, Distribution Centre – Mailers/Mailer Assistants, Newsprint Warehouse), dated April 1, 2007.

21. CPTU Collective Agreement between the Calgary Herald, a division of CanWest MediaWorks Publications Inc. and Calgary Printing Trades Union, Local No. 1, dated July 1, 2007.
22. Agreement between the Edmonton Journal and Communications, Energy and Paperworkers Union of Canada, Local 255G, dated August 9, 2007 and effective January 1, 2007.
23. Agreement between the Edmonton Journal and Communications, Energy and Paperworkers Union of Canada, Local 255G, dated April 6, 2008 and effective January 1, 2008.

Saskatchewan

24. Collective Agreement between Leader-Post, a division of CanWest MediaWorks Publications Inc. and Saskatchewan Media Guild, Local 30199 (CWA), effective November 2, 2005.
25. Collective Agreement between Leader-Post, a division of CanWest MediaWorks Publications Inc. and Communications, Energy and Paperworkers Union of Canada, Local 75G, dated December 10, 2008 and effective September 2, 2008.

Ottawa Citizen, Ontario

26. Memorandum Agreement between the Ottawa Citizen, a division of CanWest MediaWorks Publications Inc. and the Teamsters/Graphic Communications Conference, Local 41M, effective January 1, 2007.
27. Agreement between the Ottawa Citizen Group Inc. and Communications, Energy and Paperworkers Union of Canada, Local 87M, effective January 1, 2008.
28. Agreement between the Ottawa Citizen Group Inc. and the Ottawa Newspaper Guild, Local 30205 of CWA, dated September 17, 2008.

Windsor Star, Ontario

29. Collective Agreement between the Windsor Star, a division of Canwest Publications Inc. and National Automobiles, Aerospace, Transportation and General Workers Union of Canada, CAW and its Local 240 (Advertising Unit), effective January 1, 2008.
30. Collective Agreement between the Windsor Star, a division of Canwest Publications Inc. and National Automobiles, Aerospace, Transportation and General Workers Union of Canada, CAW and its Local 240 (Business Office Unit), effective January 1, 2008.
31. Memorandum of Agreement between the Windsor Star, a division of Canwest Publications Inc. and National Automobiles, Aerospace, Transportation and General Workers Union of Canada, CAW and its Local 240 (Editorial and Reader Sales and Service Units), effective January 1, 2008.

- 32. Collective Agreement between the Windsor Star, a division of Canwest Publications Inc. and Communications, Energy and Paperworkers Union of Canada, Local 517G (Electronic Pre-Press), effective January 1, 2008.
- 33. Collective Agreement between Communications, Energy and Paperworkers Union of Canada, Local 517G (Engravers) and the Windsor Star, a division of Canwest Publications Inc., effective January 1, 2008.
- 34. Contract between Communications, Energy and Paperworkers Union of Canada, Local 517G (Press, Maintenance and Dock Workers) and the Windsor Star, a division of Canwest Publications Inc., effective January 1, 2008.
- 35. Mailer and Inserter Contract between TNG Canada/CWA Union No. 30553 and the Windsor Star, a division of Canwest Publications Inc., effective January 1, 2008.

Quebec

- 36. Memorandum Agreement between Montreal Gazette Group Inc., a Canwest Company and Montreal Newspaper Guild, T.N.G. - C.W.A. Local 30111 (Editorial and Inside Newspaper Sales Unit), dated August 18, 2005 and effective April 1, 2005.
- 37. Agreement between Montreal Gazette and Communications Workers of America (RSS), expiring June 1, 2008 [this Agreement is identical to item 36 above].
- 38. Memorandum Agreement between the Gazette, a division of CanWest MediaWorks Publications Inc. and the Montreal Newspaper Guild, Local 30111, effective March 4, 2007.
- 39. Memorandum Agreement between the Gazette, a division of CanWest MediaWorks Publications Inc. and the Montreal Newspaper Guild, Local 30111, the Newspaper Guild/CWA (Business Office Unit), dated December 20, 2006 and effective July 25, 2006.
- 40. Memorandum Agreement between the Gazette, a division of Canwest Publishing Inc. and Montreal Newspaper Guild, CWA/SCA Canada, Local 30111, effective June 2, 2008.
- 41. Memorandum Agreement between the Gazette, a division of Canwest Publishing Inc. and Montreal Newspaper Guild, CWA/SCA Canada (Local 30111) (Classified Advertisement Unit), dated December 15, 2008 and effective January 1, 2008.
- 42. Memorandum Agreement between the Gazette, a division of CanWest MediaWorks Publications Inc. and Teamsters/Graphic Communications Conference, Local 41M, dated October 3, 2006 and effective August 6, 2006.
- 43. Collective Agreement between the Gazette, a division of CanWest MediaWorks Publications Inc. (Composing Room) and Local 145 of the Communications, Energy and Paperworkers Union of Canada, dated April 29, 2008 and effective July 19, 2006.

SCHEDULE 7.6(3)

EMPLOYEE LAWS

See attached.

Grievance Litigation Schedule 7.6(3).xls

Grievance Ujjain Schedule 7 6(3)-ds

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Grievance Litigation Schedule 7 (3).xls

Grievance Litigation Schedule 7 5(3).xls

Grievance Litigation Schedule 7.5(3).xls

Grievance Litigation Schedule 7 6(3)alt

Montreal Gazette	1996	CEP	The Gazette	Multiple	It limited to wages, benefits and interest alone: \$4.36 million. However, claims filed by two (2) of those eleven (11) composers amount to \$1.36 million each covering damages, bonuses, wages and losses related to RRSPs and Pension Plan had been accrued by The Gazette on this matter. In September of 2004, the account was transferred from Gazette to Carwest "books".	31 composers were locked out from June 1996 to May 2002. An arbitrator decided that the Company had been wrong in refusing to exchange "Last Final Best Offer" when the Union requested it. The process was deemed to be mandatory. The claim is for wages and damages for the three (3) periods covered by the lock-out.	The arbitration award has been rendered. It is such that what is owed to the 31 composers is slightly less than what they owe the Company. The "eleven" have applied to higher courts to contest the decision. Should they fail, the parties will then have to return to arbitration for the original decision to be confirmed. Status: Ongoing.	Ron McRobbie (Festlen Martineau) 514-367-7511 Me Ronald J. McRobbie Festlen Martineau Tour de la Bourse Bureau 3700, C.P. 242 800, Place Victoria Montreal, Quebec, H4Z 1E9	CEP is represented by Me Pierre Gauthier, 1717, Rene Levesque Blvd. E., Montreal, Quebec, H2L 4T3, 514-525-3414
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Grievance Litigation Schedule 7 6(3).xls

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Grievance Litigation Schedule 7 6(3).x25

SCHEDULE 7.7(1)**LP BENEFIT PLANS**Pension Plans

1. Canwest Publications Inc. Retirement Plan, FSCO Registration No. 1077049 (DB, and DC Component to be effective May 1, 2010).
2. Canwest Pension Plan for Vancouver Island Employees, B.C. Registration No. P086435 (DB and DC).
3. Canwest Windsor Star Group Inc. Pension Plan, FSCO Registration No. 1077064 (DB).
4. Pension Plan for the Employees of the Saskatoon Star Phoenix and the Regina Leader-Post, Saskatchewan Registration No. P.91280 (DC). Canada Revenue Agency Registration No. 1075670.
5. Pension Plan for Employees of Canwest Interactive Inc., FSCO Registration No. 1019660 (DC). Closed to New Members.
6. Lower Mainland RRSP. Policy No. GA10027, Administrative Contract No. 66323-G.
7. National Post Retirement Plan – FSCO Registration No. 1075928 (DB).

Benefit Plans

8. Canwest Publishing Inc. Hospital and Major Medical Plan, Manulife Financial Contract Number ASO 84335, 84335-A, 84335-B.
9. Canwest Publishing Inc. Dental Plan, Manulife Financial Contract Number ASO 84336, 84336-A, 84336-B.
10. Canwest Publishing Inc. Retiree Life Insurance, Manulife Financial Contract Number ASO 84343, 84343-A, 84343-B.
11. Canwest Publishing Inc. Retiree Medical Plan, Manulife Financial Contract Number ASO 84344, 84344-A, 84344-B.
12. Canwest Publishing Inc. Hospital, Major Medical and Dental, Manulife Financial Contract Number ASO 84344.
13. Canwest Publishing Inc. Weekly Indemnity, Hospital and Major Medical, Manulife Financial Contract Number ASO 84337.
14. Canwest Publishing Inc. Dental, Manulife Financial Contract Number ASO 84338.
15. Canwest Publishing Inc. Group Benefits Policy for Life, Accidental Death & Dismemberment, Dependent Life, Manulife Financial Policy Number GL & GH 39093, 39093-A, 39093-B.

16. Canwest Publishing Inc. Group Benefits Policy for Employee Optional Life, Spousal Optional Life and Dependent Optional Life, Manulife Financial Policy Number GL 39094, 39094-A, 39094-B.
17. Canwest Publishing Inc. Group Benefits Policy for Voluntary Accidental Death & Dismemberment, Manulife Financial Policy Number GH 39095, 39095-A, 39095-B.
18. Canwest Publishing Inc. Group Benefits Policy for Travel Accident (Accidental Death & Dismemberment), Manulife Financial Policy Number GH 39096, 39096-A, 39096-B.
19. Canwest Publishing Inc. Group Benefits Policy for Long Term Disability, Manulife Financial Policy Number GH 39097, 39097-A, 39097-B.
20. Canwest Publishing Inc. Group Benefits Policy for Optional Long Term Disability, Manulife Financial Policy Number GH 39098, 39098-A, 39098-B.
21. Sun Life Financial Long Term Disability, Policy Number 083448.
22. PNG Self Insured LTD Plan.
23. Lower Mainland Publishing, Group Benefits Policy for Basic Life, Optional Employee Life, Optional Dependant Life, AD&D, Weekly Indemnity, Health and Dental, Sun Life Financial Contract Policy Number 83448.
24. Pacific Newspaper Group, a division of Canwest Publishing Inc., Group Benefits Policy for Extended Healthcare , Pacific Blue Cross Contract Index 00197.
25. Times Colonist, a division of Canwest Publishing Inc. Group Benefits Policy for Extended Healthcare and Dental, Pacific Blue Cross Contract Index 06884.
26. Southam Publishing (B.C.) Ltd. and subsidiary or affiliated companies. Group Benefits Policy for Extended Healthcare, Pacific Blue Cross Contract Index 05400.
27. Campbell River Courier, a division of Canwest Mediaworks Publications Inc., Group Benefits Policy for Extended Healthcare, Pacific Blue Cross Contract Index 00936.
28. Canwest Publishing Inc. Chartis Policy for War Risk coverage SRG 9029962.

Multi-Employer Plans

29. All Multi-Employer Plans that the LP Entities are required to contribute are pursuant to collective agreements including but not limited to the following Pacific Blue Cross plans: (a) Nanaimo – Dental and Extended Health – Division 033315; (b) Campbell River – Dental and Extended Health – Division 033303; (c) College Printers - Dental and Extended Health – Division 033305; (d) College Printers – Dental and Extended Health – Division 041192; (e) Victoria Times – Dental and Extended Health – Division 033324; and (h) Victoria Times – Dental – Division 000402.

SCHEDULE 7.7(9)**POST-RETIREMENT BENEFITS**

1. Canwest Publishing Inc. Retiree Life Insurance, Manulife Financial Contract Number ASO 84343, 84343-A, 84343-B.
2. Canwest Publishing Inc. Retiree Medical Plan, Manulife Financial Contract Number ASO 84344, 84344-A, 84344-B.
3. The pension plans and RRSP plan listed on Schedule 7.7(1) under "Pension Plans".
4. Retiree Life for the first 4 years of Retirement fall under Policy 39093, 39093-A, 39093-B with a reducing life schedule.

SCHEDULE 9.13

HOLDCO SHARE PROVISIONS

SCHEDULE A TO ARTICLES OF AMENDMENT

The Corporation is authorized to issue an unlimited number of voting common shares to be designated as Class C voting common shares and an unlimited number of limited voting common shares to be designated as Class NC limited voting common shares. The rights, privileges, restrictions and conditions attaching to the Class C voting common shares and the Class NC limited voting common shares are as follows:

1. INTERPRETATION

1.1 Definitions

For purposes of the Articles, the following terms have the following meanings:

- (a) "Affiliate" of a person means any person that directly or indirectly controls, is controlled by, or is under common control with, that person;
- (b) "Aggregate Votes" means the aggregate of the votes attached to all issued and outstanding Voting Shares of the Corporation that may ordinarily be cast to elect directors of the Corporation;
- (c) "CBCA" means the Canada Business Corporations Act, R.S.C., 1985, c.C-44, as the same may be amended, supplemented or replaced, from time to time;
- (d) "CBCA Regulations" means any regulations promulgated from time to time under the CBCA;
- (e) "control" of a person by another person means the second person directly or indirectly possesses the power to direct or cause the direction of the management and policies of the first person, whether through the ownership of securities, by contract or by any other means and "controlled by" and "under common control with" have corresponding meanings;
- (f) "Conversion Period" means the period of time commencing on the Offer Date and terminating on the Expiry Date;
- (g) "Converted Shares" means Voting Common Shares resulting from the conversion of Limited Voting Common Shares into Voting Common Shares pursuant to paragraph 3.5(b)(i);
- (h) "Board of Directors" means the board of directors of the Corporation;
- (i) "Exclusionary Offer" means a Voting Common Share Offer, made by an Offeror that:
 - (i) must, by reason of requirements of applicable securities legislation or of a stock exchange on which the Voting Common Shares are listed, be made to all or

substantially all of the holders of Voting Common Shares who are in a province or territory of Canada to which such requirements apply; and

- (ii) is not made concurrently with an offer to purchase the Limited Voting Common Shares at a price equal to the Offer Price and that is identical to the Voting Common Share Offer in terms of the percentage of outstanding shares of each class to be taken up (exclusive of shares of each class owned immediately before the offer by the Offeror) and the form or forms of consideration offered and in all other material respects (except with respect to the conditions to the Offeror's obligation to take up and pay for Voting Common Shares that may be attached to the Voting Common Share Offer), and that has no condition attached other than the right not to take up and pay for Limited Voting Common Shares tendered if no Voting Common Shares are purchased under the Voting Common Share Offer.
- (j) "**Expiry Date**" means the last date on which holders of Voting Common Shares may accept an Exclusionary Offer in accordance with its terms;
- (k) "**ITA**" means the Income Tax Act, R.S.C., 1985, c. 1 (5th Supp.), as the same may be amended, supplemented or replaced, from time to time;
- (l) "**Limited Voting Common Shares**" means the Class NC limited voting common shares in the share capital of the Corporation;
- (m) "**Non-Canadian**" means a person who is, or is controlled by, a citizen or subject of a country other than Canada;
- (n) "**Offer Date**" means the date on which an Exclusionary Offer is made;
- (o) "**Offeror**" means a person that makes an offer to purchase Voting Common Shares, and includes any Affiliate or "associate" (as defined in the CBCA) of such person or any other person that is disclosed in the offering document relating to such offer to be acting jointly or in concert with such first mentioned person, but excludes the Corporation;
- (p) "**Offer Price**" means the price per share offered for Voting Common Shares under a Voting Common Share Offer;
- (q) "**person**" includes an individual, corporation, partnership, unincorporated organization, association, entity, government or agency thereof, trustee, executor, administrator and other legal representative;
- (r) "**Re-Conversion**" has the meaning given to it in paragraph 3.5(b)(iii)(C);
- (s) "**Transfer Agent**" means the transfer agent and the registrar of the Voting Shares of the Corporation and, in the absence of a transfer agent, means the Corporation;
- (t) "**Voting Common Share Offer**" means an offer to purchase Voting Common Shares and includes any amendment or variation to a previous offer to purchase Voting Common Shares except an amendment or variation comprised solely of a change to the conditions to the Offeror's obligations to take up and pay for Voting Common Shares attached to the Voting Common Share Offer;

- (u) **"Voting Common Shares"** means the Class C voting common shares in the share capital of the Corporation; and
- (v) **"Voting Shares"** means the Voting Common Shares and the Limited Voting Common Shares in the share capital of the Corporation and includes any security currently convertible into any such share and currently exercisable options and rights to acquire any such share or any such convertible security.

1.2 Undefined Terms

All terms used herein that are not defined herein shall have the meanings ascribed to them in the CBCA. Any provision herein shall be read so as to be consistent with the CBCA.

2. VOTING COMMON SHARES

Subject to the rights, privileges, restrictions and conditions which attach to the shares of any other class, the Voting Common Shares, as a class, shall have attached thereto the following rights, privileges, restrictions and conditions.

2.1 Voting

The holders of the Voting Common Shares shall be entitled to receive notice of and to attend all meetings of shareholders of the Corporation; except class meetings of other classes of shareholders, and at all such meetings shall be entitled to one vote in respect of each share held by such holder.

2.2 Dividends and Distributions

Subject to applicable law, the Board of Directors may at any time or from time to time declare non-cumulative dividends to the holders of Voting Common Shares in such amounts as the directors at such time or times determine, out of moneys of the Corporation properly applicable to the payment of dividends. The Voting Common Shares and Limited Voting Common Shares shall rank equally as to dividends on a share for share basis and all dividends declared in any fiscal year of the Corporation shall be declared in equal amounts per share on all Voting Common Shares and Limited Voting Common Shares then outstanding, without preference or distinction.

2.3 Subdivision or Consolidation

No subdivision or consolidation of the Voting Common Shares shall occur unless, simultaneously, the Voting Common Shares and the Limited Voting Common Shares are subdivided or consolidated in the same manner, so as to maintain and preserve the respective rights of the holders of the shares of each of the said classes.

2.4 Liquidation, Dissolution or Winding-up

In the event of the liquidation, dissolution or winding-up of the Corporation or other distribution of property or assets of the Corporation among its shareholders for the purpose of winding-up its affairs, the holders of the Voting Common Shares and the holders of the Limited Voting

Common Shares shall participate ratably, share and share alike, without any further preference or distinction.

2.5 Conversion

(a) Automatic

Any issued and outstanding Voting Common Share shall be converted into one Limited Voting Common Share, automatically and without any further act of the Corporation or the holder, if such Voting Common Share is or becomes beneficially owned or controlled, directly or indirectly, by a Non-Canadian.

(b) Optional Conversion

A holder of Voting Common Shares shall have the option at any time to convert some or all of such shares into Limited Voting Shares on a one-for-one basis. This conversion right may be exercised by notice in writing given to the Transfer Agent, accompanied by the certificate or certificates representing the Voting Common Shares in respect of which the holder thereof desires to exercise such right of conversion. Such notice must be signed by the holder or its duly authorized attorney and must specify the number of Voting Common Shares which the holder desires to have converted. If less than all the Voting Common Shares represented by any certificate or certificates accompanying any such notice are to be converted, the holder will be entitled to receive, at the expense of the Corporation, a new certificate representing the Voting Common Shares comprised in the certificate or certificates surrendered as aforesaid which are not to be converted. On any conversion of Voting Common Shares, the share certificates representing the Limited Voting Common Shares resulting therefrom will be issued in the name of the holder of the Voting Common Shares converted or, subject to payment by the holder of any stock transfer or other applicable taxes, in the name of such person as the holder may direct in writing. The right of a holder of Voting Common Shares to convert the same into Limited Voting Common Shares will be deemed to have been exercised, and the holder of Voting Common Shares to be converted (or any person in whose name such holder of Voting Common Shares will have directed certificates representing Limited Voting Common Shares to be issued) will be deemed to have become a holder of Limited Voting Common Shares of record for all purposes on the date of surrender of the certificate representing the Voting Common Shares to be converted accompanied by notice in writing as referred to above, notwithstanding any delay in the delivery of the certificate representing the Limited Voting Common Shares into which such Voting Common Shares have been converted.

3. LIMITED VOTING COMMON SHARES

Subject to the rights, privileges, restrictions and conditions which attach to any other class of shares, the Limited Voting Common Shares shall, as a class, have the following rights, privileges, restrictions and conditions:

3.1 Voting

The holders of the Limited Voting Common Shares shall be entitled to receive notice of and to attend all meetings of shareholders of the Corporation, except class meetings of other classes of shareholders.

The Limited Voting Common Shares shall carry one vote per Limited Voting Common Share, unless:

- (a) the number of issued and outstanding Limited Voting Common Shares exceeds 49.9% of the total number of all issued and outstanding Voting Shares; or
- (b) the total number of votes that may be cast by or on behalf of holders of Limited Voting Common Shares present at any meeting of holders of Voting Shares exceeds 49.9% of the total number of votes that may be cast by all holders of Voting Shares present and entitled to vote at such meeting.

If either of the above-noted thresholds is surpassed at any time, the vote attached to each Limited Voting Common Share will decrease automatically and without further act or formality, to equal the maximum permitted vote per Limited Voting Common Share as indicated below. Under the circumstance described in subparagraph (a) above, the Limited Voting Common Shares as a class cannot carry more than 49.9% of the Aggregate Votes. Under the circumstance described in subparagraph (b) above, the Limited Voting Common Shares as a class cannot, for the applicable shareholders' meeting, carry more than 49.9% of the total number of votes that can be cast at the meeting.

3.2 Dividends

Subject to applicable law, the Board of Directors may at any time or from time to time declare non-cumulative dividends to the holders of Limited Voting Common Shares in such amounts as the directors at such time or times determine, out of moneys of the Corporation properly applicable to the payment of dividends. The Voting Common Shares and Limited Voting Common Shares shall rank equally as to dividends on a share for share basis and all dividends declared in any fiscal year of the Corporation shall be declared in equal amounts per share on all Voting Common Shares and Limited Voting Common Shares then outstanding, without preference or distinction.

3.3 Subdivision or Consolidation

No subdivision or consolidation of the Limited Voting Common Shares shall occur unless, simultaneously, the Limited Voting Common Shares and the Voting Common Shares are subdivided or consolidated in the same manner, so as to maintain and preserve the relative rights of the holders of the shares of each of the said classes.

3.4 Liquidation, Dissolution or Winding-up

In the event of the liquidation, dissolution or winding-up of the Corporation or other distribution of property or assets of the Corporation among its shareholders for the purpose of winding-up its affairs, the holders of the Voting Common Shares and the holders of the Limited Voting Common Shares shall participate ratably, share and share alike, without any further preference or distinction.

3.5 Conversion

(c) Automatic

Each issued and outstanding Limited Voting Common Share shall be automatically converted into one Voting Common Share without any further act on the part of the Corporation or of the holder, if:

- (i) such Limited Voting Common Share is or becomes beneficially owned and controlled, directly or indirectly, by a person that is not a Non-Canadian unless such Limited Voting common share resulted from the exercise of a right described in section 2.5(a); or
- (ii) (A) the provisions contained in section 19 of the ITA are repealed and not replaced with other similar provisions in the ITA or other applicable legislation; and (B) there is no Canadian federal or provincial law applicable to the Corporation prescribed for the purposes of subsection 46(1) or paragraph 174(1)(c) of the CBCA or any other similar provision in the CBCA or the CBCA Regulations.

(d) Upon the Making of an Exclusionary Offer

(i) Conversion Right

Upon the making of an Exclusionary Offer, a holder of Limited Voting Common Shares has the right, at the holder's option, at any time during the Conversion Period to convert all or a part of such Limited Voting Common Shares on the terms and conditions set forth herein into fully paid and non-assessable Voting Common Shares on the basis of one Voting Common Share for each Limited Voting Common Share so converted.

(ii) Conversion Procedure

The conversion right provided for in paragraph 3.5(b)(i) may be exercised by notice in writing given to the Transfer Agent, accompanied by the certificate or certificates representing the Limited Voting Common Shares in respect of which the holder thereof desires to exercise such right of conversion. Such notice must be signed by the holder or its duly authorized attorney and must specify the number of Limited Voting Common Shares which the holder desires to have converted. If less than all the Limited Voting Common Shares represented by any certificate or certificates accompanying any such notice are to be converted, the holder will be entitled to receive, at the expense of the Corporation, a new certificate representing the Limited Voting Common Shares comprised in the certificate or certificates surrendered as aforesaid which are not to be converted. On any conversion of Limited Voting Common Shares pursuant to the right in paragraph 3.5(b)(i), the share certificates representing the Converted Shares will be issued in the name of the holder of the Limited Voting Common Shares converted. The right of a holder of Limited Voting Common Shares to convert the same into Voting Common Shares will be deemed to have been exercised, and

the holder of Limited Voting Common Shares to be converted will be deemed to have become a holder of Voting Common Shares of record for all purposes on the date of surrender of the certificate representing the Limited Voting Common Shares to be converted accompanied by notice in writing as referred to above, notwithstanding any delay in the delivery of the certificate representing the Voting Common Shares into which such Limited Voting Common Shares have been converted.

(iii) Further Elections

An election by a holder of Limited Voting Common Shares to exercise the conversion right provided for in paragraph 3.5(b)(i) shall also constitute irrevocable elections by such holder:

- (A) to deposit the Converted Shares under the Exclusionary Offer (subject to such holder's right subsequently to withdraw such Converted Shares from the Exclusionary Offer in accordance with the terms thereof and applicable law);
- (B) to appoint a Canadian trustee (as designated by the Corporation) as the agent, attorney and attorney-in-fact of the holder in respect of the Converted Shares, with full power of substitution, (such power of attorney being coupled with an interest, being irrevocable) to, in the name of, and on behalf of, the holder during the Conversion Period, vote such Converted Shares at any meeting or meetings (whether annual, special or otherwise) of holders of Voting Common Shares, and to revoke any and all other authority, whether as agent, attorney, attorney-in-fact, proxy or otherwise, conferred or agreed to be conferred by the holder at any time with respect to the Converted Shares or any of them and to covenant that no subsequent authority, whether as agent, attorney, attorney-in-fact, proxy or otherwise, will be granted with respect thereto by or on behalf of the holder; and
- (C) to exercise the right (which right is hereby granted) to convert (the result of such exercise, a "Re-Conversion") into Limited Voting Common Shares all Converted Shares in respect of which such holder exercises the holder's right of withdrawal from the Exclusionary Offer or which are not otherwise ultimately taken up and paid for under the Exclusionary Offer, and any Re-Conversion shall be on the basis of one Limited Voting Common Share for each Converted Share in respect of which the Re-Conversion occurs.

(iv) Re-Conversion

Any Re-Conversion in respect of Converted Shares which have been withdrawn from the Exclusionary Offer shall be effective at the time the right of withdrawal

is exercised. Any Re-Conversion in respect of Converted Shares which have not been taken up and paid for under the Exclusionary Offer shall be effective:

- (A) in respect of an Exclusionary Offer for less than all the Voting Common Shares which is completed, immediately following the time by which the Offeror is required under applicable securities legislation to take up and pay for all shares to be acquired by the Offeror under the Exclusionary Offer; and
- (B) in respect of an Exclusionary Offer which is abandoned or withdrawn, at the time at which the Exclusionary Offer is abandoned or withdrawn.

(v) Deliveries

No share certificates representing Converted Shares shall be delivered to or to the order of the holders thereof before such shares have been deposited under the Exclusionary Offer, and the Transfer Agent, on behalf of the holders of the Converted Shares, shall deposit, and the holders of such shares shall be deemed to have irrevocably authorized and directed the Transfer Agent to deposit, under the Exclusionary Offer, the certificate or certificates representing the Converted Shares. Upon completion of the Exclusionary Offer, the Transfer Agent shall deliver or cause to be delivered to the holders entitled thereto all consideration paid by the Offeror under the Exclusionary Offer in respect of Converted Shares. On any Re-Conversion, the Transfer Agent shall deliver to each holder entitled thereto a share certificate representing the Limited Voting Common Shares resulting from the Re-Conversion. The Corporation shall make all arrangements with the Transfer Agent necessary or desirable to give effect to this paragraph 3.5(b)(v).

(vi) Notice

As soon as reasonably practicable after the Offer Date, the Corporation shall mail, by prepaid first class mail, to each holder of Limited Voting Common Shares a notice advising such holders that they are entitled to convert their Limited Voting Common Shares into Voting Common Shares under paragraph 3.5(b)(i) and the reasons therefor. Such notice shall:

- (A) include a description of the procedure to be followed to effect the conversion and to have the Converted Shares tendered under the Exclusionary Offer;
- (B) include the information set out in paragraph 3.5(b)(iii) (A)-(C); and
- (C) be accompanied by a copy of the Exclusionary Offer and all other material sent to holders of Voting Common Shares in respect of the offer, and as soon as is reasonably practicable after any additional material, including a notice of variation, is sent to the holders of Voting Common Shares in respect of the offer, the

Corporation shall send a copy of such additional material to each holder of Limited Voting Common Shares.

(vii) Press Release

Before or forthwith after sending any notice referred to in paragraph 3.5(b)(vi), the Corporation shall cause a press release to be issued to a Canadian national news wire service describing the contents of the notice.

4. CONSTRAINTS ON OWNERSHIP OF SHARES

The provisions set out in Appendix 1 to these share provisions shall be applicable to the Voting Common Shares and the Limited Voting Common Shares and shall form part of these share provisions.

APPENDIX 1 – RESTRICTIONS ON SHARE OWNERSHIP AND SHARE TRANSFERS**1. CONSTRAINTS ON OWNERSHIP OF SHARES****1.1 Voting Common Shares**

The Voting Common Shares may only be beneficially owned and controlled, directly or indirectly, by persons that are not Non-Canadians.

1.2 ITA Constraints

The Board of Directors may refuse to permit registration of a transfer of any share in the capital of the Corporation that would, in the opinion of the Board of Directors, jeopardize the status of the newspapers and periodicals published by the Corporation as Canadian newspapers or periodicals within the meaning of section 19 of the ITA.

1.3 CBCA Constraints

In the event that any Canadian federal or provincial legislation applicable to the Corporation should become prescribed for the purposes of subsection 46(1) or paragraph 174(1)(c) of the CBCA or any other similar provision in the CBCA or the CBCA Regulations, these provisions shall be read as if they included additional constraints that assist the Corporation or any of its Affiliates or associates (within the meaning of the CBCA) to qualify under such prescribed law to receive licenses, permits, grants, payments or other benefits by reason of attaining or maintaining a specified level of Canadian ownership or control. Such specified level of Canadian ownership or control shall be the level of Canadian ownership or control designated by such prescribed law of Canada or a province.

1.4 Joint Ownership

Where Voting Shares are beneficially owned or controlled jointly by a person who is Non-Canadian and another person or persons that is not a Non-Canadian, the Voting Shares shall be deemed to be owned or controlled by the Non-Canadian.

1.5 Exceptions

- (a) Nothing in these provisions shall be construed to apply in respect of Voting Shares of the Corporation that:
- (i) are held by one or more underwriters solely for the purpose of distributing the shares to the public; or
 - (ii) are held by any person that is acting in relation to the shares solely in its capacity as an intermediary in the payment of funds or the delivery of securities, or both, in connection with trades in securities and that provides centralized facilities for the clearing of trades in securities.
- (b) The constraints imposed herein do not apply to the extent that a person who is a Non-Canadian holds Voting Shares by way of security only and such holding by way of security only is evidenced in such form as may be prescribed by the by-laws or

resolutions adopted by the shareholders or directors of the Corporation and filed by such holder with the Corporation.

1.6 Powers of Directors

- (c) In the administration of these provisions, the Board of Directors shall enjoy, in addition to the powers set forth herein, all of the powers necessary or desirable, in their opinion, to carry out the intent and purpose hereof, including but not limited to all powers contemplated by the provisions relating to constrained share corporations in the CBCA and the CBCA Regulations.
- (d) The Board of Directors may, prior to the issuance of any Voting Shares or the registration or transfer of any Voting Shares, require that there be submitted to the Corporation and/or to the Transfer Agent a declaration setting forth the name of the person who will own or control such Voting Share and whether or not such person is a Non-Canadian, as well as any such other information as the Board of Directors consider relevant for the purposes of determining whether that person is in compliance with the restrictions on issue or transfer of the Voting Shares.
- (e) Neither any shareholder of the Corporation nor any other interested person shall have any claim or action against the Corporation or against any director or officer of the Corporation nor shall the Corporation have any claim or action against any director or officer of the Corporation arising out of any act (including any omission to act) performed pursuant to or in intended pursuance of these provisions or any breach or alleged breach of such provisions.

SCHEDULE 10.1(6)
REGULATORY APPROVALS

Competition Act Approval.

B

This is Exhibit "B" referred to in the
affidavit of Eileen Flood
sworn before me, this 5th
day of December, 2010.

Celie Klee

A Commissioner for Taking Affidavits

ASSIGNMENT AND AMENDING AGREEMENT

THIS ASSIGNMENT AND AMENDING AGREEMENT is made as of this 10th day of June, 2010 (this "Assignment and Amending Agreement").

BETWEEN:

7535538 CANADA INC.

(“Holdco”)

- and -

CW ACQUISITION LIMITED PARTNERSHIP

(the “Assignor”)

- and -

7536321 CANADA INC.

(the “Assignee”)

- and -

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

(“Canwest LP”)

- and -

CANWEST (CANADA) INC.

(“Canwest GP”)

- and -

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

(“CPI”)

- and -

CANWEST BOOKS INC.

(“Canwest Books”, and collectively with Holdco, the Assignor, the Assignee, Canwest LP, Canwest GP and CPI, the “Parties”)

WHEREAS Holdco, the Assignor, Canwest LP, Canwest GP, CPI and Canwest Books have entered into an Asset Purchase Agreement (the "**Asset Purchase Agreement**") dated as of May 10, 2010 (the "**Effective Date**");

AND WHEREAS the Assignor wishes to assign the Asset Purchase Agreement to the Assignee;

AND WHEREAS the Parties wish to amend the Asset Purchase Agreement on the terms and conditions set out in this Assignment and Amending Agreement,

THEREFORE in consideration of the agreements herein contained and for other good and valuable consideration (the receipt and adequacy whereof is hereby acknowledged) the Parties agree as follows:

ARTICLE 1 INTERPRETATION

1.1 Defined Terms

Unless otherwise defined in this Assignment and Amending Agreement, capitalized terms used in this Assignment and Amending Agreement shall have the definitions attributed to them in the Asset Purchase Agreement.

1.2 No Strict Construction

The language used in this Assignment and Amending 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.

ARTICLE 2 ASSIGNMENT AND ASSUMPTION

2.1 Assignment and Assumption of Asset Purchase Agreement

- (a) The Assignor hereby transfers, sells, conveys, assigns and delivers unto the Assignee, its successors and assigns, and the Assignee hereby acquires and accepts, effective as of the Effective Date, all of the Assignor's right, title and interest in and to the Asset Purchase Agreement.
- (b) the Assignee hereby assumes the obligations of the Assignor under the Asset Purchase Agreement, effective as of the Effective Date, and shall pay, keep, observe, perform and discharge all of the terms, covenants, conditions, obligations and liabilities of the Assignor thereunder.
- (c) From and after the Effective Date (i) the Assignee shall be the "Purchaser" under the Asset Purchase Agreement and have all of the rights, benefits, obligations and liabilities of the "Purchaser" thereunder and under any other agreements or documents required to be delivered pursuant to the Asset Purchase Agreement

and shall be bound by the provisions thereof; and (ii) the Assignor relinquishes all of its rights and benefits and is released from its obligations and liabilities under the Asset Purchase Agreement and under any other agreements or documents required to be delivered pursuant to the Asset Purchase Agreement.

2.2 Consent and Release

Each of the Parties consents to the assignment and assumption of the Asset Purchase Agreement by the Assignor to the Assignee as set forth in Section 2.1 above and fully releases the Assignor of any and all obligations and liabilities in respect of the Asset Purchase Agreement.

ARTICLE 3 AMENDMENTS

3.1 Amendments to Article 1

- (a) The definition of "Equity Sponsors" contained in Section 1.1 of the Asset Purchase Agreement is deleted and replaced with the following:

"Equity Sponsors" has the meaning given to it in Section 8.6(2)."

- (b) The definition of "Government Priority Claims" contained in Section 1.1 of the Asset Purchase Agreement is deleted and replaced with the following:

"Government Priority Claims" means all Claims of Governmental Authorities in respect of amounts that are outstanding and that are of a kind that could be subject to a demand on or before the Final Distribution Date (as defined in the CCAA Plan) under:

- (a) subsections 224(1.2) and 224(1.3) of the ITA;
- (b) any provision of the Canada Pension Plan or the Employment Insurance Act (Canada) that refers to subsection 224(1.2) of the ITA and provides for the collection of a contribution, as defined in the Canada Pension Plan, or employee's premium or employer's premium as defined in the Employment Insurance Act (Canada), or a premium under Part VII.1 of that Act, and of any related interest, penalties or other amounts; or
- (c) any provision of provincial legislation that has a similar purpose to subsection 224(1.2) of the ITA, or that refers to that subsection, to the extent that it provides for the collection of a sum, and of any related interest, penalties or other amounts, where the sum:
 - (i) has been withheld or deducted by a person from a payment to another person and is in respect of a tax similar in nature to the income tax imposed on individuals under the ITA; or
 - (ii) is of the same nature as a contribution under the Canada Pension Plan if the province is a "province providing a comprehensive pension plan" as defined

in subsection 3(1) of the Canada Pension Plan and the provincial legislation establishes a "provincial pension plan" as defined in that subsection."

- (c) The definition of "**Purchaser Established Benefit Plans**" contained in Section 1.1 of the Asset Purchase Agreement is deleted and replaced with the following:

"**Purchaser Established Benefit Plans**" has the meaning given to it in Section 5.2(5)."

- (d) The following definition is added to Section 1.1 of the Asset Purchase Agreement:

"**Original Equity Sponsors**" has the meaning given to it in Section 8.6(1)."

- (e) The following definition is added to Section 1.1 of the Asset Purchase Agreement:

"**Second Amended and Restated Equity Commitment Letter**" has the meaning given to it in Section 8.6(2)."

- (f) The following definition is added to Section 1.1 of the Asset Purchase Agreement:

"**Share Consideration**" means that number of Common Shares of Holdco, rounded down to the nearest whole number, which is equal to the difference between:

- (a) 13,000,000; and
- (b) the aggregate of the Cash Elected Amounts in respect of all Proven Claims of unsecured creditors of the LP Entities who have made, or who have been deemed to have made, a valid Cash Election in accordance with the CCAA Plan divided by \$11.54."

3.2 Amendments to Article 2

- (a) Section 2.2(1)(c) of the Asset Purchase Agreement is deleted in its entirety and replaced with the following:

"the value of the Share Consideration as at the Acquisition Date; and"

- (b) Section 2.3(1)(d) of the Asset Purchase Agreement is deleted in its entirety and replaced with the following:

"the amount referred to in Section 2.2(1)(c) shall be satisfied by the issuance by Holdco, at the direction of the Purchaser, to CPI of the Share Consideration; and"

- (c) Section 2.4(1)(d) of the Asset Purchase Agreement is deleted in its entirety and replaced with the following:

"the Share Consideration to be issued to CPI pursuant to Section 2.3(1)(d) shall be distributed by the Monitor to unsecured creditors of the LP Entities (other than any unsecured creditors who have made or who have been deemed to have made a valid Cash Election) in accordance with the CCAA Plan."

3.3 Amendments to Article 8

- (a) Section 8.6(1) of the Asset Purchase Agreement is deleted in its entirety and replaced with the following:

"(1) Purchaser has firm commitments from lenders and/or other financing parties to provide an aggregate of US\$700 million and \$250 million of debt and equity financing to fund the cash portion of the Purchase Price. Prior to the execution and delivery of this Agreement, Purchaser or its Affiliates delivered to the LP Entities and the Monitor true and complete copies of the following commitment letters evidencing such commitments: (i) the availability of committed credit facilities pursuant to an executed commitment letter (the "Debt Commitment Letter") dated April 30, 2010 made by J.P. Morgan Securities Inc., Morgan Stanley Senior Funding, Inc. and JPMorgan Chase Bank, N.A. (collectively, the "Lenders") in favour of CW Acquisition Limited Partnership and Holdco, and (ii) equity commitments pursuant to an executed equity commitment letter (the "Equity Commitment Letter") dated April 30, 2010 made by each of GoldenTree Asset Management LP, TD Asset Management Inc., Invesco Trimark Ltd., Halbis Distressed Opportunities Master Fund Ltd, Alden Global Distressed Opportunities Fund, L.P., First Eagle Investment Management, LLC, 1798 Relative Value Master Fund, Ltd., Seneca Capital Investments, LP and OZ CW Investments LLC (collectively, the "Original Equity Sponsors") in favour of CW Acquisition Limited Partnership and Holdco. The commitments described in the Debt Commitment Letter and the Equity Commitment Letter are not subject to any condition precedent other than the conditions expressly set forth therein. As of the date hereof, each of the Debt Commitment Letter and the Equity Commitment Letter are in full force and effect, unamended and is a legal, valid and binding obligation of CW Acquisition Limited Partnership and Holdco, the Original Equity Sponsors and the Lenders. As of the date hereof: (i) no amendment or modification to the Debt Commitment Letter or the Equity Commitment Letter are contemplated (except to add additional Equity Sponsors), and (ii) as of the date hereof no event has occurred which, with or without notice, lapse of time or both, would constitute a default or breach on the part of the CW Acquisition Limited Partnership or Holdco under the Debt Commitment Letter or the Equity Commitment Letter, respectively that would, in either (i) or (ii), reasonably be expected to materially impair, delay or prevent the consummation of the transactions contemplated by this Agreement. As of the date hereof Purchaser and Holdco have no reason to believe that they will be unable to satisfy on a timely basis any term or condition of closing of the financing to be satisfied by either of them contained in the Debt Commitment Letter or the Equity Commitment Letter and neither Purchaser nor Holdco is aware of any fact, occurrence or condition that would reasonably be expected to cause either of such financing commitments to terminate or be ineffective or any of the terms or conditions of closing of such financings not to be met or of any impediment to the funding of the cash payment obligations of Purchaser in connection with the Acquisition."

- (b) The following provision is added as Section 8.6(2) of the Asset Purchase Agreement:

"(2) On June 10, 2010, Purchaser delivered to the LP Entities and the Monitor a true and complete copy of the following commitment letter amending and restating the commitments provided under the Equity Commitment Letter: (i) equity commitments pursuant to an executed, second amended and restated equity commitment letter (the "Second Amended and Restated Equity Commitment Letter") dated June 9, 2010 made by each of the Original Equity Sponsors and each of 8AN Capital Partners Master Fund, LP, Longacre Opportunity Fund, L.P., TIG Advisors, LLC, Troob Capital Management LLC, The Catalyst Credit Opportunity Master Fund, Ltd., Archview Investment Group LP, Marblegate Asset Management, LLC, Stark Master Fund Ltd., Stark Criterion Master Fund Ltd. and Citigroup Global Markets Inc. (collectively with the Original Equity Sponsors, the "Equity Sponsors") in favour of Purchaser and Holdco. The commitments described in the Second Amended and Restated Equity Commitment Letter are not subject to any condition precedent other than the conditions expressly set forth therein. As of June 10, 2010, the Second Amended and Restated Equity Commitment Letter is in full force and effect, unamended and is a legal, valid and binding obligation of Purchaser and Holdco and the Equity Sponsors. As of June 10, 2010: (i) no amendment or modification to the Second Amended and Restated Equity Commitment Letter is contemplated (except to add additional Equity Sponsors), and (ii) as of June 10, 2010 no event has occurred which, with or without notice, lapse of time or both, would constitute a default or breach on the part of the Purchaser or Holdco under the Second Amended and Restated Equity Commitment Letter that would, in either (i) or (ii), reasonably be expected to materially impair, delay or prevent the consummation of the transactions contemplated by this Agreement. As of June 10, 2010, Purchaser and Holdco have no reason to believe that they will be unable to satisfy on a timely basis any term or condition of closing of the financing to be satisfied by either of them contained in the Second Amended and Restated Equity Commitment Letter and neither Purchaser nor Holdco is aware of any fact, occurrence or condition that would reasonably be expected to cause such financing commitment to terminate or be ineffective or any of the terms or conditions of closing of such financing not to be met or of any impediment to the funding of the cash payment obligations of Purchaser in connection with the Acquisition."

3.4 Amendments to Article 9

(a) Section 9.14 of the Asset Purchase Agreement is deleted in its entirety and replaced with the following:

- "(1) Without limiting the generality of Section 9.2, Purchaser and Holdco will use their and will cause the Equity Sponsors to use their commercially reasonable efforts to consummate the financing contemplated by the Debt Commitment Letter and the Second Amended and Restated Equity Commitment Letter no later than the Acquisition Date.
- (2) Purchaser and Holdco will use commercially reasonable efforts to satisfy, on a timely basis, all covenants, terms, representations and warranties within their control applicable to Purchaser or Holdco in the Debt Commitment Letter and the Second Amended and Restated Equity Commitment Letter and accommodate the financing provided for under the Debt Commitment Letter and the Second Amended and Restated Equity Commitment Letter.

- (3) Purchaser and Holdco will use commercially reasonable efforts to negotiate and enter into definitive credit or loan or other agreements and all other documentation with respect to the financings contemplated in this Section 9.14 as may be necessary for Purchaser and Holdco to obtain such funds, on the basis described in this Section 9.14 and otherwise on terms and conditions no less favourable than those contained in the Debt Commitment Letter and the Second Amended and Restated Equity Commitment Letter, and otherwise on terms and conditions which do not materially impair the ability of Purchaser or Holdco to perform their obligations hereunder or to effect the Acquisition, as soon as reasonably practicable but in any event prior to August 15, 2010. Purchaser and Holdco will deliver to the LP Entities correct and complete copies of such executed definitive agreements and documentation promptly when available and drafts thereof from time to time upon request by the LP Entities.
- (4) Purchaser and Holdco will keep the LP Entities informed with respect to all material activity concerning the status of the financings referred to in this Section 9.14 and will give the LP Entities prompt notice of any material change with respect to any such financings. Without limiting the generality of the foregoing, Purchaser and Holdco agree to notify the LP Entities promptly if at any time prior to the Acquisition Date: (a) the Debt Commitment Letter or the Second Amended and Restated Equity Commitment Letter will expire or be terminated for any reason; (b)(i) any event occurs that, with or without notice, lapse of time or both, would individually or in the aggregate, constitute a default or breach on the part of Purchaser or Holdco under any material term or condition of the Debt Commitment Letter or the Second Amended and Restated Equity Commitment Letter or definitive agreement or documentation referred to in this Section 9.14; or (ii) if Purchaser or Holdco has any reason to believe that it will be unable to satisfy, on a timely basis, any term or condition of any funding referred to in this Section 9.14 to be satisfied by it, that in case of either (i) or (ii) would reasonably be expected to materially impair, delay or prevent the consummation of the transactions contemplated by this Agreement; or (c) any financing source that is a party to the Debt Commitment Letter or the Second Amended and Restated Equity Commitment Letter (i) advises Purchaser or Holdco in writing that such source either no longer intends to provide or underwrite any financing referred to in this Section 9.14 on the terms set forth in the Debt Commitment Letter or the Second Amended and Restated Equity Commitment Letter, as applicable; or (ii) requests amendments or waivers to the Second Amended and Restated Equity Commitment Letter or the Debt Commitment Letter, as applicable, as a result of which it would reasonably be expected that the transactions contemplated by this Agreement would be materially impaired, delayed or prevented.
- (5) Other than in connection with and as contemplated in this Agreement, none of Purchaser, Holdco or any Equity Sponsor will, without the prior written consent of the LP Entities, take any action or enter into any transaction, including any merger, acquisition, joint venture, disposition, lease, contract or debt or equity financing, that would reasonably be expected to materially impair, delay or prevent Purchaser or Holdco obtaining any of the financings contemplated by this Section 9.14.

- (6) Purchaser and Holdco will not amend or alter, or agree to amend or alter, the Debt Commitment Letter or the Second Amended and Restated Equity Commitment Letter or any definitive agreement or documentation referred to in this Section 9.14 in any manner that would reasonably be expected to materially impair, delay or prevent the consummation of the transactions contemplated by this Agreement, in each case without the prior written consent of the LP Entities.
- (7) If the Debt Commitment Letter or Second Amended and Restated Equity Commitment Letter is terminated or modified in a manner materially adverse to Purchaser's or Holdco's ability to complete the transactions contemplated by this Agreement for any reason, Purchaser and Holdco will use commercially reasonable efforts to:
- (a) obtain, as promptly as practicable, and, once obtained, provide the LP Entities with a copy of, a new financing commitment that provides for at least the same amount of financing as contemplated by the Debt Commitment Letter and/or the Second Amended and Restated Equity Commitment Letter, as the case may be, on a basis that is not subject to any condition precedent materially less favourable from the perspective of the LP Entities than the conditions precedent contained in the Debt Commitment Letter, or the Second Amended and Restated Equity Commitment Letter, as the case may be, and otherwise on terms and conditions not materially less favourable from the perspective of the LP Entities;
 - (b) negotiate and enter into definitive credit, loan or other agreements and all required documentation with such third parties as may be necessary for the Purchaser to obtain such funds (to the extent reasonably practicable, on terms and conditions not materially less favourable than the Debt Commitment Letter or the Second Amended and Restated Equity Commitment Letter, as the case may be, being replaced) and on the basis described in this Section 9.14 and on terms and conditions consistent with such new financing commitment, as soon as reasonably practicable but in any event prior to August 15, 2010, and deliver to the LP Entities correct and complete copies of such executed definitive agreements and documentation promptly upon request by the LP Entities;
 - (c) satisfy, on a timely basis, all covenants, terms, representations and warranties applicable to Purchaser or Holdco in respect of such new financing commitments and all other required agreements and documentation referred to in this Section 9.14(7) and enforce its rights under such new financing commitments and agreements and documentation; and
 - (d) obtain funds under such financing commitments to the extent necessary to consummate the transactions contemplated by this Agreement.

For the avoidance of doubt, nothing in this Section 9.14 shall impose any restriction on or require any action by any of the Lenders."

3.5 Amendments to Schedule 9.13

- (a) Section 3.5(c)(i) of Schedule 9.13 to the Asset Purchase Agreement is deleted in its entirety and replaced with the following:

“such Limited Voting Common Share is or becomes beneficially owned and controlled, directly or indirectly, by a person that is not a Non-Canadian unless such Limited Voting common share resulted from the exercise of a right described in section 2.5(b); or”

ARTICLE 4 EFFECT ON THE ASSET PURCHASE AGREEMENT

4.1 Asset Purchase Agreement to Remain in Full Effect

Except as specifically amended by this Assignment and Amending Agreement, the Asset Purchase Agreement shall continue to be in full force and effect, without amendment, and is hereby in all respects ratified and confirmed. The Asset Purchase Agreement shall henceforth be read and construed in conjunction with this Assignment and Amending Agreement and references to the “Agreement” in the Asset Purchase Agreement or in any other document delivered in connection with, or pursuant to, the Asset Purchase Agreement, shall mean the Asset Purchase Agreement, as amended hereby. If any of the terms or provisions of this Assignment and Amending Agreement or any portion of a term or provision hereof or the application of any term or provision hereof conflicts to any extent with any term or provision of the Asset Purchase Agreement or any portion of a term or provision thereof or the application of any term or provision thereof, the terms and provisions of this Assignment and Amending Agreement shall prevail.

ARTICLE 5 MISCELLANEOUS

5.1 Headings

The inclusion in this Assignment and Amending Agreement of headings of Articles and Sections are for convenience of reference only and are not intended to be full or precise descriptions of the text to which they refer.

5.2 Governing Law

This Assignment and Amending Agreement shall be governed by and interpreted in accordance with the laws of the Province of Ontario, and each of the Parties irrevocably attorns to the non-exclusive jurisdiction of the courts of Ontario.

5.3 Severability

If any provision of this Assignment and Amending Agreement is or becomes illegal, invalid or unenforceable in any jurisdiction, the illegality, invalidity or unenforceability of that provision will not affect:

- (a) the legality, validity or enforceability of the remaining provisions of this Assignment and Amending Agreement; or
- (b) the legality, validity or enforceability of that provision in any other jurisdiction.

5.4 Assignment

Other than one or more assignments by Purchaser to one or more Designated Purchaser(s), which shall not require the consent of the LP Entities, no Party may assign this Assignment and Amending Agreement without the prior written consent of the other Parties, which consent may not be unreasonably withheld or delayed. This Assignment and Amending Agreement enures to the benefit of and binds the Parties and their respective successors and permitted assigns.

5.5 Further Assurances

The Parties shall do, make, execute or deliver or cause to be done, all such further acts and such further documents, instruments, agreements and things as may be necessary from time to time in order to give effect to this Assignment and Amending Agreement and to carry out the intent hereof.

5.6 Execution

This Assignment and Amending 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 Assignment and Amending 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 Assignment and Amending Agreement to the receiving Party.

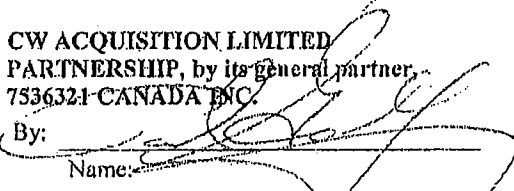
[Signature page follows.]

IN WITNESS WHEREOF the Parties have caused this Assignment and Amending Agreement to be executed by their duly authorized representatives as of the date first specified above.

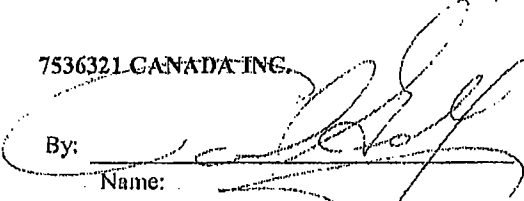
7535538 CANADA INC.

By: 
Name: _____
Title: _____

CW ACQUISITION LIMITED
PARTNERSHIP, by its general partner,
7536321 CANADA INC.

By: 
Name: _____
Title: _____

7536321 CANADA INC.

By: 
Name: _____
Title: _____

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

By: _____
Name:
Title:

By: _____
Name:
Title:

CANWEST (CANADA) INC.

By: _____
Name:
Title:

By: _____
Name:
Title:

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

By: _____
Name:
Title:

By: _____
Name:
Title:

CANWEST BOOKS INC.

By: _____

Name:

Title:

By: _____

Name:

Title: