

**CANWEST GLOBAL  
COMMUNICATIONS CORP.  
AND THE OTHER APPLICANTS  
LISTED ON SCHEDULE "A"**

**FOURTEENTH REPORT  
OF FTI CONSULTING CANADA INC.,  
IN ITS CAPACITY AS MONITOR OF THE APPLICANTS**

**June 3, 2010**

**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 GLOBAL  
COMMUNICATIONS CORP. AND THE OTHER APPLICANTS  
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**June 3, 2010**

**INTRODUCTION**

1. By Order of this Court dated October 6, 2009 (the "**Initial Order**"), Canwest Global Communications Corp. ("**Canwest Global**") and certain of its subsidiaries listed in **Schedule "A"** hereto (collectively the "**Applicants**") obtained protection from their creditors under the *Companies' Creditors Arrangement Act*, R.S.C. 1985 c. C-36, as amended (the "**CCAA**"). The Initial Order also granted relief in respect of certain affiliated partnerships of the Applicants listed in **Schedule "B"** hereto (collectively, the "**Partnerships**", and together with the Applicants, the "**CMI Entities**") and appointed FTI Consulting Canada Inc. ("**FTI**") as monitor (the "**Monitor**") of the CMI Entities. The proceedings commenced by the CMI Entities under the CCAA will be referred to herein as the "**CCAA Proceedings**".

## GENERAL BACKGROUND

2. Canwest carries on business through a number of subsidiaries and is Canada's largest publisher of English language daily and non-daily newspapers, and directly or indirectly owns, operates and/or holds substantial interests in free-to-air television stations, subscription-based specialty television channels, and websites in Canada.
3. Relief in the CCAA Proceedings was obtained by: Canwest Global, its principal operating subsidiary Canwest Media Inc. ("CMI"), certain subsidiary corporations and partnerships of CMI that own and operate Canwest's free-to-air television broadcast business and certain Canadian subscription-based specialty television channels, and, at the time, The National Post Company/La Publication National Post.
4. Canwest Global's other television broadcasting divisions and/or subsidiaries are not Applicants in the CCAA Proceedings. On January 8, 2010, the entities in Canwest's newspaper publishing and digital media business in Canada (other than National Post Inc.) (the "**LP Entities**") separately applied for and obtained protection under the CCAA.
5. The Initial Order (a copy of which is attached hereto as **Appendix "A"**) provided for a stay of proceedings until November 5, 2009 (the "**Stay Period**"). By Orders dated October 30, 2009, January 21, 2010, and March 29, 2010, the Stay Period was extended until January 22, 2010, March 31, 2010, and June 15, 2010, respectively.
6. On November 3, 2009, the Monitor obtained an Order under Chapter 15 of the Code from the United States Bankruptcy Court (Southern District of New York) granting formal

recognition of the CCAA Proceedings as “foreign main proceedings” and a permanent injunction for the duration thereof.

7. The original basis of a plan of arrangement for the CMI Entities under the CCAA (the “**Original Recapitalization Transaction**”) was a going concern recapitalization transaction, the terms and conditions of which were agreed upon following intensive and extended negotiations between the CMI Entities and the *ad hoc* committee (the “**Ad Hoc Committee**”) of the holders of over 70% (as at October 6, 2009) of the 8% senior subordinated notes issued by CMI due 2012 (the “**8% Noteholders**”). The terms of the Original Recapitalization Transaction were set out in a CCAA Support Agreement (the “**Recapitalization Support Agreement**”) and the term sheet attached thereto (the “**Original Recapitalization Term Sheet**”).
8. By Order dated February 19, 2010 (the “**Shaw Approval Order**”), this Court approved various agreements (the “**Shaw Transaction Agreements**”) relating to the proposed equity investment in restructured Canwest Global (the “**Shaw Transaction**”) by Shaw Communications Inc. (“**Shaw**”), including, *inter alia*, a Subscription Agreement between Canwest Global and Shaw dated February 11, 2010 (the “**Shaw Subscription Agreement**”), an amendment to the Recapitalization Support Agreement attaching an amended and restated recapitalization term sheet containing the terms of the revised Original Recapitalization Transaction (the “**Recapitalization Transaction**”).
9. As described in greater detail in the Thirteenth Report of the Monitor dated May 3, 2010, following a mediation before Chief Justice of Ontario, Warren Winkler, Shaw and the Ad Hoc Committee agreed, *inter alia*, to amend the Shaw Transaction and the

Recapitalization Transaction whereby Shaw (or a direct or indirect, wholly owned subsidiary of Shaw that is a Canadian (as defined in the CRTC Direction<sup>1</sup>)) will subscribe for or agree to purchase all of the common shares of restructured Canwest Global representing a 100% equity and 100% voting interest in restructured Canwest Global. The Shaw Transaction, as amended, (the “**Amended Shaw Recapitalization Transaction**”) is proposed to be implemented pursuant to a plan of compromise or arrangement (the “**Plan**”) to be filed in due course pursuant to the CCAA and it is anticipated that the CMI Entities will be bringing a motion for an Order approving the various amendments to the Shaw Transaction Agreements in conjunction with a motion to call a meeting of affected creditors to vote on the Plan.

10. Further background information regarding the CMI Entities and the CCAA Proceedings is provided in, *inter alia*, the affidavit of John E. Maguire sworn October 5, 2009, FTI’s pre-filing report dated October 5, 2009 (the “**Pre-filing Report**”) and subsequent reports of the Monitor, copies of which have been posted on the Monitor’s website for the CCAA Proceedings at <http://cfcanada.fticonsulting.com/cmi>.

## TERMS OF REFERENCE

11. In preparing this report, FTI has relied upon unaudited financial information of the CMI Entities, the CMI Entities’ books and records, certain financial information prepared by, and discussions with, the CMI Entities’ management. FTI has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the information and

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<sup>1</sup> *Direction to the CRTC (Ineligibility of Non-Canadians)*

accordingly expresses no opinion or other form of assurance on the information contained in this report.

12. Capitalized terms not defined in this report are used as defined in the Pre-filing Report. Unless otherwise stated, all monetary amounts contained in this report are expressed in Canadian dollars.

### **PURPOSE OF THIS REPORT**

13. The purpose of this Fourteenth Report of the Monitor is to inform and/or provide an update to this Honourable Court on the following:
- (a) status of the CMI Entities' Claims Procedure (as defined below);
  - (b) the CMI Entities motion to approve the Omnibus Transition and Reorganization Agreement (as defined below);
  - (c) payments by the CMI Entities of pre-filing amounts owed to certain suppliers since March 15, 2010;
  - (d) the CMI Entities' financial performance since March 15, 2010 and a comparison of the actual to forecast results;
  - (e) the weekly cashflow forecast to September 5, 2010;
  - (f) status of the CMI Entities' restructuring efforts;
  - (g) the CMI Entities' request for an extension of the Stay Period until August 31, 2010;

- (h) summary of the Monitor's activities since January 18, 2010;
- (i) the Monitor's and its legal counsel's professional fees; and
- (j) the Monitor's conclusions and recommendations.

## CLAIMS PROCEDURE

### *General*

14. On October 14, 2009, the CMI Entities obtained an Order (the "**Claims Procedure Order**") establishing a claims procedure for the identification and quantification of certain claims against the CMI Entities and the directors and officers of the Applicants (the "**Claims Procedure**"). For reasons described in the Monitor's Sixth Report, the Claims Procedure Order was amended by Order of Justice Pepall dated November 30, 2009. Copies of the Claims Procedure Order (without Schedules) and the Order dated November 30, 2009 are attached hereto collectively as **Appendix "B"**.
15. In accordance with the Claims Procedure Order, and as described in greater detail in the Monitor's Fifth and Ninth Reports, on October 22, 2009, the Monitor sent out 1,416 CMI Claims Packages<sup>2</sup> to the CMI Known Creditors who are not CMI Employees and 1,989 CMI Claims Packages to the CMI Employees. Further, between October 23, 2009 and November 19, 2009, the Monitor sent CMI Claims Packages to 313 additional CMI

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<sup>2</sup> All terms used but not defined in this section of the Report shall have the meaning ascribed to them in the Claims Procedure Order.



Known Creditors. The Monitor also received approximately 475 CMI Proofs of Claim from CMI Unknown Creditors.

16. Since the commencement of the CCAA Proceedings, the Monitor also sent out 22 CMI Claims Packages in connection with Restructuring Period Claims. As at the date of this report, 16 of these claims have been accepted or resolved, 3 have been disputed by the creditors by delivering CMI Notices of Dispute of Claim, and 3 remain under review by the creditors. The CMI Entities are not aware of any additional Restructuring Period Claims at this time.
17. As detailed in the Twelfth Report of the Monitor dated March 24, 2010, since the commencement of the CCAA Proceedings, the CMI Entities have obtained the Monitor's consent for disclaimer of and delivered notices of disclaimer in connection with five agreements. All of the claims related to these disclaimers have since been accepted, resolved or withdrawn. The CMI Entities have not requested consent for or delivered notices of any additional disclaimers since the date of the Twelfth Report.

*Preliminary Review of Status of Claims Procedure*

18. The CMI Entities, with the assistance of the Monitor, have reviewed the claims of the CMI Creditors and have been diligently resolving these claims. As at May 28, 2010, approximately 1,590<sup>3</sup> claims asserted in the CMI Entities' Claims Procedure have been

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<sup>3</sup> Including claims advanced under the CMI Noteholder Trust Indenture pursuant to paragraph 15 of the Claims Procedure Order where the number of the claiming CMI Noteholders is currently not disclosed and excluding CMI Intercompany Claims (as defined in the Claims Procedure Order).

accepted, withdrawn or otherwise resolved. In addition, the CMI Entities are in the process of finalizing settlement documents with respect to 7 additional claims. 8 other claims have been referred to a Claims Officer or the Court for adjudication. The CMI Entities are in active discussions with substantially all of the remaining holders of the outstanding claims.

19. A table summarizing the number and value of claims asserted, accepted and disputed as at May 28, 2010 against (i) CMI, (ii) Canwest Global, (iii) Canwest Television Limited Partnership, (iv) Canwest Television GP Inc., and (v) all other CMI Entities, is attached hereto as **Appendix “C”**.
  
20. The table attached at Appendix “C” hereto is intended to reflect only the claims as called for and asserted under the terms of the Claims Procedure Order and is not intended to provide a commentary on the voting and/or distribution rights of any such claims, which rights may be affected by, *inter alia*, the provisions of the CCAA and the Recapitalization Support Agreement, as amended. In addition and for greater certainty, the table attached at Appendix “C” hereto does not include claims expressly excluded from the scope of the Claims Procedure Order, including the Excluded Claims and the Canwest Intercompany Claims (as defined in the Claims Procedure Order). The nature and quantum of the Canwest Intercompany Claims is described in greater detail in the Seventh Report of the Monitor dated November 27, 2009.

## **THE OMNIBUS TRANSITION AND REORGANIZATION AGREEMENT**

21. As described in greater detail in the Affidavit of John E. Maguire sworn June 3, 2010 (the “Maguire Affidavit”), the CMI Entities and the LP Entities have determined that it is

necessary to take additional steps in furtherance of disentangling the Shared Services (as defined in the Maguire Affidavit) commenced in an internal corporate reorganization that was agreed to by the CMI Entities and the LP Entities and carried out pursuant to the terms of the Transition and Reorganization Agreement dated as of October 26, 2010, which was approved by Order of this Honourable Court dated October 30, 2009. The terms of such further steps towards disentanglement of the Shared Services, the transfer or realignment of certain matters described in the Maguire Affidavit and the entering into of certain new arrangements between the CMI Entities and the LP Entities are contained in the Omnibus Transition and Reorganization Agreement (as defined in the Maguire Affidavit).

22. The CMI Entities have consulted with the Monitor with respect to the Omnibus Transition and Reorganization Agreement. The Monitor supports the transfers and assignments set out therein and the entering into of the agreement by the CMI Entities party thereto.
23. The Monitor also supports the CMI Entities' request for an order that the Confidential Supplement (containing the Disclosure Letter (as defined in the Maguire Affidavit)) be sealed and kept out of the public record.

#### **PRE-FILING PAYMENTS TO CERTAIN SUPPLIERS**

24. Pursuant to paragraph 26(b) of the Initial Order, the Monitor is directed to report to this Court with respect to, *inter alia*, any payments made in connection with pre-filing amounts owing for goods and services actually supplied to the CMI Entities "by other suppliers, with the prior consent of the Monitor, if, in the opinion of the CMI Entities, the

supplier is critical to the CMI Business and ongoing operations of any of the CMI Entities”.

25. The Monitor reported on the payments made to such “other” critical suppliers since the commencement of the CCAA Proceedings until January 11, 2010 in its Ninth Report and from January 12, 2010 until March 14, 2010 in its Twelfth Report. From March 15, 2010 to May 23, 2010 the CMI Entities paid an additional amount of \$15,384 to two “other suppliers”. Both of these suppliers are considered critical in the CMI Entities' opinion and all payments were made with the prior consent of and following discussions with the Monitor.

#### **RECEIPTS AND DISBURSEMENTS TO MAY 23, 2010**

26. The Monitor reported on the CMI Entities' actual consolidated net cash flow for the period from October 6, 2009 to October 18, 2009 in its Fifth Report, for the period from October 19, 2009 to January 10, 2010 in its Ninth Report and from January 11, 2010 to March 14, 2010 in its Twelfth Report. The CMI Entities' actual consolidated net cash outflow for the period from March 15, 2010 to May 23, 2010, was approximately \$14.5 million. Below is a summary of the actual receipts and disbursements as compared to the forecast filed with the Monitor's Twelfth Report (the “**March Forecast**”).

For the Period from March 15, 2010 to May 23, 2010			
\$000s	Forecast	Actual	Variance
<b>Operating Cashflow</b>			
<b>Receipts</b>			
Receipts	\$75,760	\$102,922	\$27,162
Intercompany Receipts	\$9,710	\$9,113	(\$597)
<b>Total Receipts</b>	<b>\$85,469</b>	<b>\$112,035</b>	<b>\$26,565</b>
<b>Disbursements</b>			
Operating Disbursements	(\$111,267)	(\$105,274)	\$5,993
Capital Expenditures	(\$5,354)	(\$1,210)	\$4,144
Intercompany Disbursements	(\$4,548)	(\$11,923)	(\$7,375)
<b>Total Disbursements</b>	<b>(\$121,169)</b>	<b>(\$118,407)</b>	<b>\$2,762</b>
<b>Net Operating Cashflows</b>	<b>(\$35,700)</b>	<b>(\$6,372)</b>	<b>\$29,327</b>
<b>Restructuring Costs</b>			
Restructuring Costs	(\$9,895)	(\$7,851)	\$2,044
DIP Interest/Fees	(\$256)	(\$310)	(\$54)
<b>Total Restructuring Costs</b>	<b>(\$10,151)</b>	<b>(\$8,161)</b>	<b>\$1,990</b>
<b>Total Net Cashflow</b>	<b>(\$45,851)</b>	<b>(\$14,534)</b>	<b>\$31,317</b>
<b>Opening Cash</b>	<b>\$96,868</b>	<b>\$96,868</b>	<b>\$0</b>
DIP Advances/(Repayments)			
Other Advances (Repayments)			
<b>Ending Cash</b>	<b>\$51,017</b>	<b>\$82,335</b>	<b>\$31,317</b>

27. Actual net cash flow was approximately \$31.3 million favourable to the forecast. This variance is composed of a permanent negative variance of \$2.5 million offset by a positive timing variance of \$33.8 million which is expected to reverse in the future. The significant items contributing to the positive variance were as follows:

- (a) a positive variance of approximately \$26.6 million in operating receipts primarily as a result of:
  - (i) a positive timing variance of \$21.4 million relating to higher operating receipts received as a result of faster than forecasted collections of accounts receivable;
  - (ii) a permanent positive variance of \$5.8 million resulting from higher than

forecasted sales and the sale of certain non-critical assets which had not been included in the forecast; and

- (iii) a permanent negative variance of \$0.6 million as a result of lower than forecast receipts from intercompany payments and distributions from affiliates;
- (b) a positive variance of \$2.8 million in operating disbursements primarily as a result of:
- (i) a positive timing variance of \$10.2 million resulting from later than expected payments of broadcast rights for programming purchases;
  - (ii) a negative difference of \$4.2 million resulting from higher than forecast payroll and general operating expenses. This variance is composed of a negative timing variance of approximately \$1.7 million resulting from the timing of general operating expenses that are expected to reverse in future periods and \$2.5 million of permanent negative differences, mainly as a result of higher than forecast payroll costs;
  - (iii) a positive timing variance of \$4.1 million resulting from lower capital expenditures; and
  - (iv) a permanent negative variance of \$7.4 million resulting from higher than forecast volume of programming purchases from certain related entities; and

- (c) a positive permanent variance of \$2.0 million related to lower than expected restructuring costs.
28. Ending cash on hand at March 14, 2010 was approximately \$82.3 million representing a positive variance of approximately \$31.3 million compared to the March Forecast. As stated above, the CMI Entities expect that approximately \$33.8 million of the variance is timing and will reverse in the future.

### **CASH FLOW FORECAST**

29. The CMI Entities, with the assistance of the Monitor, have updated the consolidated forecast of their receipts, disbursements and financing requirements (the “**Cashflow Forecast**”) for the period ending September 5, 2010. A copy of the Cashflow Forecast is attached hereto as **Appendix “D”**.
30. As shown in the Cashflow Forecast, it is estimated that for the period of May 24, 2010 to September 5, 2010 (the “**Cashflow Forecast Period**”), the CMI Entities will have total receipts of \$162.5 million, total operating disbursements of \$187.9 million, and total disbursements relating to the restructuring of \$16.0 million for net cash flow outflow of \$41.3 million.
31. It is anticipated that the CMI Entities’ forecast liquidity requirements during the Cashflow Forecast Period will continue to be met by the funds advanced by Irish Holdco pursuant to the Irish Holdco Secured Note and no drawdown on the CIT Credit Facility is forecast during the Cashflow Forecast Period. As stated above, the CMI Entities’ cash balance as at May 23, 2010 was approximately \$82.3 million.

## **RESTRUCTURING EFFORTS**

32. As described in greater detail in the Thirteenth Report of the Monitor, the parties agreed to and negotiated the terms of the Amended Shaw Recapitalization Transaction which, if completed pursuant to the Plan, will allow the CMI Entities to continue operating on a going concern basis, thereby preserving, *inter alia*, their enterprise value for their numerous stakeholders.
33. Under the terms of the Amended Shaw Recapitalization Transaction, the milestone dates previously contained in the Original Recapitalization Support Agreement and/or Original Recapitalization Term Sheet have either been amended or eliminated. In particular, pursuant to the Amended Shaw Recapitalization Transaction, the CMI Entities have agreed to use their commercially reasonable efforts to obtain an order from this Honourable Court sanctioning the Plan on or before August 27, 2010. Further, it is contemplated that the Plan will be implemented no later than September 30, 2010, subject to extension by Shaw for an additional three months in the event that the implementation of the Plan has not occurred by that date as a result of the requisite regulatory approvals not having been obtained by September 30, 2010.
34. The CMI Entities are continuing to work diligently towards the development of the Plan with the assistance of the Monitor.

## **DIP FACILITY MILESTONE DATES**

35. As described in greater detail in the Maguire Affidavit, the DIP Facility sets out certain conditions and milestones which have recently been amended in light of the entering into



and recent amendments to the Shaw Recapitalization Transaction.

### **REQUEST FOR AN EXTENSION OF THE STAY OF PROCEEDINGS**

36. As stated above, by Order dated March 29, 2010, the Stay Period was extended until June 15, 2010.
37. The CMI Entities are continuing to work towards satisfying the various milestones under the Amended Shaw Recapitalization Transaction and working with their various stakeholders towards preparation and filing of the Plan.
38. Additional time is required for the CMI Entities to implement the Amended Shaw Recapitalization Transaction (including filing, voting on and sanctioning the Plan), carry out the Claims Procedure and to continue to deal with their stakeholders. The continuation of the stay of proceedings is necessary to provide the stability needed during that time.
39. Accordingly, the CMI Entities are seeking an extension of the Stay Period until, and including, August 31, 2010.

### **MONITOR'S ACTIVITIES**

40. Since its appointment, the Monitor has been involved with numerous aspects of the CCAA Proceedings with a view to fulfilling its statutory and court-ordered duties and obligations, as well as assisting the CMI Entities and their stakeholders in addressing restructuring issues. The Monitor described some of the more significant matters it was involved in since commencement of the CCAA Proceedings until January 18, 2010 in its

Ninth Report. Since then, the more significant matters the Monitor has been involved and assisted with included, but are not limited to, the following:

- (a) continuing to respond to enquiries of creditors and other interested parties;
- (b) assisting the CMI Entities with the resolution of various claims asserted in the Claims Procedure;
- (c) providing information updates on the status of the Claims Procedure to the CMI Entities, the Ad Hoc Committee, their respective financial and legal advisors, other interested parties and the Court;
- (d) responding to enquiries from creditors regarding the Claims Procedure;
- (e) discussions with the CMI Entities and providing assistance in dealing with critical suppliers for the continued supply of necessary goods and services;
- (f) assisting with the negotiation and completion of the sale of certain non-critical assets of the CMI Entities;
- (g) extensive dealing with issues relating to the motions brought by the GS Parties, including preparation for and negotiations at the mediation before Chief Justice Winkler;
- (h) assisting the CMI Entities with the development of the amendments to the Shaw Transaction Agreements following the mediation;
- (i) assisting the CMI Entities with the development of the Plan;

- (j) engaging with counsel for the Ad Hoc Committee, Shaw, the GS Parties and various other interested parties;
- (k) assisting in negotiations with certain key suppliers; and
- (l) assisting with preparation of cashflow projections.

## **PROFESSIONAL FEES**

41. The Monitor and its counsel have maintained detailed records of their professional costs and time during the course of the CCAA Proceedings (as detailed in the Affidavit of Greg Watson sworn June 3, 2010 and the Affidavit of Daphne MacKenzie sworn June 3, 2010 (collectively, the “**Fee Affidavits**”). Copies of the Fee Affidavits are attached to this report as **Appendix “E”** and **“F”**).

## **RECOMMENDATION AND CONCLUSIONS**

42. The Monitor supports the transfers and assignments set out in the Omnibus Transition and Reorganization Agreement and the entering into of the agreement by the CMI Entities party thereto. The Monitor also supports the CMI Entities’ request for an order that the Confidential Supplement be sealed and kept out of the public record.
43. It is the Monitor’s view based on the CMI Entities’ Cashflow Forecast that the CMI Entities have sufficient available cash resources during the requested Stay Period and that an extension of the Stay Period will permit the CMI Entities to make further progress toward the ultimate goal of filing and obtaining creditor and court approval of the Plan.
44. Based on the information presently available, the Monitor believes that creditors will not

be materially prejudiced by an extension of the Stay Period to August 31, 2010.

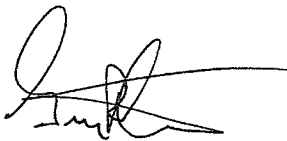
45. The Monitor believes that the CMI Entities have acted, and are continuing to act, in good faith and with due diligence and that circumstances exist that make an extension of the Stay Period appropriate.
46. The Monitor is advised by the CMI Entities that the Ad Hoc Committee, CIT, Shaw and the CMI CRA support the requested extension of the Stay Period.
47. Accordingly, the Monitor respectfully recommends that the Stay of Proceedings be extended until August 31, 2010.
48. The Monitor also respectfully requests that the Court approve its Ninth Report, Tenth Report, Supplement to the Tenth Report, Eleventh Report, Twelfth Report, Thirteenth Report and Fourteenth Report and the activities described therein, as well as the fees and disbursements of the Monitor and its counsel (as particularized in the Fee Affidavits).

All of which is respectfully submitted this 3<sup>rd</sup> of June, 2010.

**FTI Consulting Canada Inc.,**

in its capacity as the Monitor of Canwest Global Communications Corp. and the other Applicants listed in Schedule "A" and Partnerships listed in Schedule "B"

Per



Greg Watson  
Senior Managing Director

## Schedule "A"

### **The Applicants**

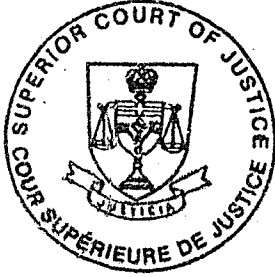
1. Canwest Global Communications Corp.
2. Canwest Media Inc.
3. 30109, LLC
4. 4501063 Canada Inc.
5. 4501071 Canada Inc.
6. Canwest Finance Inc./Financiere Canwest Inc.
7. Canwest Global Broadcasting Inc./Radiodiffusion Canwest Global Inc.
8. Canwest International Communications Inc.
9. Canwest International Distribution Limited
10. Canwest International Management Inc.
11. Canwest Irish Holdings (Barbados) Inc.
12. Canwest MediaWorks Turkish Holdings (Netherlands) B.V.
13. Canwest MediaWorks (US) Holdings Corp.
14. Canwest Television GP Inc.
15. CGS Debenture Holding (Netherlands) B.V.
16. CGS International Holdings (Netherlands) B.V.
17. CGS NZ Radio Shareholding (Netherlands) B.V.
18. CGS Shareholding (Netherlands) B.V.
19. Fox Sports World Canada Holdco Inc.
20. Global Centre Inc.
21. MBS Productions Inc.
22. Multisound Publishers Ltd.
23. National Post Holdings Ltd.
24. Western Communications Inc.
25. Yellow Card Productions Inc.

## **Schedule "B"**

### **Partnerships**

1. Canwest Television Limited Partnership
2. Fox Sports World Canada Partnership
3. The National Post Company/La Publication National Post

# APPENDIX "A"



Court File No. CV-09-8396-00CL

ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST

THE HONOURABLE

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TUESDAY, THE 6<sup>TH</sup> DAY

)

MADAM JUSTICE PEPALL

)

OF OCTOBER, 2009

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 GLOBAL  
COMMUNICATIONS CORP. AND THE OTHER APPLICANTS  
LISTED ON SCHEDULE "A"

Applicants

INITIAL ORDER

THIS APPLICATION, made by Canwest Global Communications Corp. ("Canwest Global") and the other applicants listed on Schedule "A" hereto (collectively, the "Applicants"), pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "CCAA") was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of John Maguire sworn October 5, 2009 and the Exhibits thereto (the "Maguire Affidavit") and the Report of the Proposed Monitor, FTI Consulting Canada Inc. ("FTI Consulting") (the "Monitor's Pre-Filing Report"), and on being advised that the secured creditors who are likely to be affected by the charges created herein were given notice, and on hearing the submissions of counsel for the Applicants and the partnerships listed on Schedule "B" hereto (the "Partnerships" and collectively with the Applicants, the "CMI Entities"), the Special Committee of the Board of Directors of Canwest Global (the "Special Committee"), FTI Consulting, the *ad hoc* committee (the "Ad Hoc Committee") of holders of 8% senior subordinated notes issued by Canwest Media Inc.



("CMI"), CIT Business Credit Canada Inc. ("CIT") and the management directors of the Applicants (the "**Management Directors**"), and on reading the consent of FTI Consulting to act as the Monitor.

### **SERVICE**

1. THIS COURT ORDERS that the time for service of the Notice of Application and the Application Record is hereby abridged so that this Application is properly returnable today and hereby dispenses with further service thereof.

### **APPLICATION**

2. THIS COURT ORDERS AND DECLARES that the Applicants are companies to which the CCAA applies. Although not Applicants, the Partnerships shall enjoy the benefits of the protections provided to the Applicants by this Order.

### **PLAN OF ARRANGEMENT**

3. THIS COURT ORDERS that one or more of the Applicants, individually or collectively, shall have the authority to file and may, subject to further order of this Court, file with this Court a plan of compromise or arrangement (hereinafter referred to as the "**CMI Plan**") between, *inter alia*, one or more of the CMI Entities and one or more classes of their applicable secured and/or unsecured creditors as the Applicants deem appropriate.

### **POSSESSION OF CMI PROPERTY AND OPERATIONS**

4. THIS COURT ORDERS that the CMI Entities shall remain in possession and control of their respective current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof (collectively, the "**CMI Property**"). Subject to further Order of this Court, the CMI Entities shall each continue to carry on business in a manner consistent with the preservation of their respective businesses (collectively, the "**CMI Business**") and the CMI Property. The CMI Entities shall each be authorized and empowered to continue to retain and employ the employees, advisors,

consultants, agents, experts, appraisers, valuers, accountants, counsel and such other persons (collectively “**Assistants**”) currently retained or employed by them, with liberty to retain such further Assistants as they deem reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order, subject to the provisions on the payment of Assistants set forth in paragraph 7 hereof.

5. THIS COURT ORDERS that the CMI Entities shall be entitled to continue to utilize the CMI Entities’ centralized cash management system currently in place, as described in the Maguire Affidavit, or replace it with another substantially similar centralized cash management system satisfactory to the CMI DIP Lender (as defined below) (the “**CMI Cash Management System**”). Any present or future bank providing the CMI Cash Management System shall not be under any obligation whatsoever to inquire into the propriety, validity or legality of any transfer, payment, collection or other action taken thereunder, or as to the use or application by the CMI Entities of funds transferred, paid, collected or otherwise dealt with in the CMI Cash Management System, shall be entitled to provide the CMI Cash Management System without any liability in respect thereof to any Person (as hereinafter defined) other than the CMI Entities, pursuant to the terms of the documentation applicable to the CMI Cash Management System, and shall be, in its capacity as provider of the CMI Cash Management System, an unaffected creditor under the CMI Plan with regard to any claims or expenses it may suffer or incur in connection with the provision of the CMI Cash Management System.

6. THIS COURT ORDERS that the CMI Entities and the LP Entities (as defined in the Maguire Affidavit) shall continue to provide and pay for the Shared Services, as defined in the Maguire Affidavit, to each other and their other affiliated and related entities, in accordance with current arrangements, payment terms and business practises, except as to payment terms which may be amended to provide for revised timing of reconciliations, with such amendments to be subject to the approval of the CMI CRA (as defined below) and the prior consent of the Monitor or further Order of the Court. Notwithstanding any other provision in this Order, neither the CMI Entities nor the LP Entities shall modify, cease providing or terminate the provision of or payment for the Shared Services except with the consent of the other party receiving such Shared Services, the approval of the CMI CRA and the prior consent of the Monitor or further Order of

this Court, except with respect to portions of the CMI Business which may be shut down or reorganized in the manner contemplated by the Term Sheet attached to the Support Agreement (as defined below) attached as part of Exhibit "O" to the Maguire Affidavit.

7. THIS COURT ORDERS that, subject to availability under the CMI DIP Facility and the CMI DIP Definitive Documents (both as hereinafter defined) and subject to the applicable cash flow forecast approved by the Consenting Noteholders (as defined below) in accordance with the Use of Collateral and Consent Agreement (as defined below) (the "**Approved Cash Flow**"), the CMI Entities shall be entitled but not required to pay the following expenses whether incurred prior to, on or after the date of this Order, to the extent that such expenses are incurred or payable by the CMI Entities:

- (a) all outstanding and future wages, salaries and employee benefits (including, but not limited to, employee medical, dental, disability, life insurance and similar benefit plans or arrangements, incentive plans, share compensation plans and employee assistance programs and employee or employer contributions in respect of pension and other benefits), current service, special and similar pension and/or retirement benefit payments, vacation pay, commissions, bonuses and other incentive payments, payments under collective bargaining agreements, and employee and director expenses and reimbursements, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements;
- (b) compensation to employees in respect of any payments made to employees prior to the date of this Order by way of the issuance of cheques or electronic transfers that are subsequently dishonoured due to the commencement of these proceedings;
- (c) with the prior consent of the Monitor, all outstanding and future amounts owing to or in respect of individuals working as independent contractors or freelancers in connection with the CMI Business;

- (d) the reasonable fees and disbursements of any Assistants retained or employed by the CMI Entities in respect of these proceedings, at their standard rates and charges, including any payments made to Assistants prior to the date of this Order by way of the issuance of cheques or electronic transfers that are subsequently dishonoured due to the commencement of these proceedings;
- (e) any and all sums due and owing to Amex Bank of Canada (“**American Express**”), including, without limitation, amounts due and owing by the CMI Entities to American Express in respect of the Corporate Card Program and Central Billed Accounts Program as described in the Maguire Affidavit;
- (f) amounts owing for goods and services actually supplied to the CMI Entities, or to obtain the release of goods contracted for prior to the date of this Order:
  - (i) by distributors, broadcasting and/or production studios, suppliers or other entities, for television programming and other related products, with the prior consent of the Monitor, if, in the opinion of the CMI Entities, the supplier is critical to the business and ongoing operations of any of the CMI Entities;
  - (ii) by newsprint suppliers, newspaper distributors and other logistics suppliers, with the prior consent of the Monitor, if, in the opinion of the National Post Company, the supplier is critical to the business and ongoing operations of the National Post Company; and
  - (iii) by other suppliers, with the prior consent of the Monitor, if, in the opinion of the CMI Entities, the supplier is critical to the CMI Business and ongoing operations of any of the CMI Entities.

8. THIS COURT ORDERS that, subject to availability under the CMI DIP Facility and the CMI DIP Definitive Documents and subject to the Approved Cash Flow, and except as otherwise provided to the contrary herein, the CMI Entities shall be entitled but not required to pay all

reasonable expenses incurred by them in carrying on the CMI Business in the ordinary course from and after the date of this Order, and in carrying out the provisions of this Order, which expenses shall include, without limitation:

- (a) all expenses and capital expenditures reasonably necessary for the preservation of the CMI Property or the CMI Business including, without limitation, payments on account of insurance (including directors' and officers' insurance), maintenance and security services;
- (b) payment, including the posting of letters of credit, for goods or services actually supplied or to be supplied to the CMI Entities following the date of this Order; and
- (c) payment of fees to the Canadian Radio-television and Telecommunications Commission, stock exchange listing fees and other regulatory or license fees necessary for the preservation of the CMI Property or the CMI Business,

For greater certainty, the CMI Entities shall not make any payments to or in satisfaction of any liabilities or obligations of the LP Entities, save and except for payments in respect of the Shared Services as contemplated herein.

9. THIS COURT ORDERS that the CMI Entities shall remit, in accordance with legal requirements, or pay:

- (a) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from the CMI Entities' employees' wages, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, (iii) Quebec Pension Plan, and (iv) income taxes;
- (b) all goods and services or other applicable sales taxes (collectively, "Sales Taxes") required to be remitted by the CMI Entities in connection with the sale of goods and services by the CMI Entities, but only where such Sales Taxes are accrued or

collected after the date of this Order, or where such Sales Taxes were accrued or collected prior to the date of this Order but not required to be remitted until on or after the date of this Order, and

- (c) any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business, workers' compensation or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and which are attributable to or in respect of the carrying on of the CMI Business by the CMI Entities.

10. THIS COURT ORDERS that until a real property lease is disclaimed or resiliated in accordance with paragraph 12(c) of this Order, the CMI Entities shall pay all amounts constituting rent or payable as rent under their respective real property leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable to the landlord under the lease) or as otherwise may be negotiated between the applicable CMI Entity and the relevant landlord from time to time ("**Rent**"), for the period commencing from and including the date of this Order, twice-monthly in equal payments on the first and fifteenth day of each month, in advance (but not in arrears). On the date of the first of such payments, any arrears relating to the period commencing from and including the date of this Order shall also be paid. Upon delivery of a notice of disclaimer or resiliation, the relevant CMI Entity shall pay all Rent owing by the applicable CMI Entity to the applicable landlord in respect of such lease due for the notice period stipulated in Section 32 of the CCAA, to the extent that Rent for such period has not already been paid.

11. THIS COURT ORDERS that, except as specifically permitted herein, the CMI Entities are hereby directed, until further Order of this Court: (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by any one of the CMI Entities to any of their creditors as of this date; (b) to grant no security interests, trusts, liens, charges or encumbrances upon or in respect of any of the CMI Property; and (c) to not grant credit or incur liabilities except in the ordinary course of the CMI Business.

**RESTRUCTURING**

12. THIS COURT ORDERS that the CMI Entities shall, subject to such requirements as are imposed by the CCAA, subject to consulting with the CMI CRA, and subject to the terms of the Use of Collateral and Consent Agreement, the Support Agreement (as defined below), the CMI DIP Facility and the CMI DIP Definitive Documents, have the right to:

- (a) permanently or temporarily cease, downsize or shut down any of their respective businesses or operations, to dispose of redundant or non-material assets, and to sell assets or operations not exceeding \$1,000,000 in any one transaction or \$5,000,000 in the aggregate, subject to paragraph 12<sup>(e)</sup>, if applicable; SUP -
- (b) terminate the employment of such of their employees or lay off or temporarily or indefinitely lay off such of their employees as the relevant CMI Entity deems appropriate on such terms as may be agreed upon between the relevant CMI Entity and such employee, or failing such agreement, to deal with the consequences thereof in the CMI Plan;
- (c) in accordance with paragraphs 13 and 14, with the prior consent of the Monitor or further Order of the Court, vacate, abandon or quit the whole but not part of any leased premises and/or disclaim or resiliate any real property lease and any ancillary agreements relating to any leased premises, in accordance with Section 32 of the CCAA, on such terms as may be agreed upon between the relevant CMI Entity and such landlord, or failing such agreement, to deal with the consequences thereof in the CMI Plan;
- (d) disclaim or resiliate, in whole or in part, with the prior consent of the Monitor or further Order of the Court, such of their arrangements or agreements of any nature whatsoever with whomsoever, whether oral or written, as the CMI Entities deem appropriate, in accordance with Section 32 of the CCAA, with such disclaimers or resiliations to be on such terms as may be agreed upon between the relevant CMI Entity and such counter-parties, or failing such agreement, to deal with the

consequences thereof in the CMI Plan, provided that the CMI Entities shall not be entitled to disclaim or resiliate, in whole or in part, the Use of Collateral and Consent Agreement or the Support Agreement; and

- (e) pursue all avenues of refinancing and offers for material parts of the CMI Business or the CMI Property, in whole or part, subject to prior approval of this Court being obtained before any material refinancing or any sale (except as permitted by subparagraph (a), above),

all of the foregoing to permit the CMI Entities to proceed with an orderly restructuring of the CMI Business.

13. THIS COURT ORDERS that the CMI Entities shall provide each of the relevant landlords with notice of the relevant CMI Entity's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the CMI Entity's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the relevant CMI Entity, or by further Order of this Court upon application by the relevant CMI Entity on at least two (2) days notice to such landlord and any such secured creditors. If a CMI Entity disclaims or resiliates the lease governing such leased premises in accordance with paragraph 12(c) of this Order, it shall not be required to pay Rent under such lease pending resolution of any such dispute (other than Rent payable for the notice period provided for in Section 32(5) of the CCAA), and the disclaimer or resiliation of the lease shall be without prejudice to the CMI Entity's claim to the fixtures in dispute.

14. THIS COURT ORDERS that if a notice of disclaimer or resiliation is delivered by a CMI Entity, then (a) during the notice period prior to the effective time of the disclaimer or resiliation, the relevant landlord may show the affected leased premises to prospective tenants during normal business hours, on giving the relevant CMI Entity and the Monitor 24 hours' prior



written notice, and (b) at the effective time of the disclaimer or resiliation, the relevant landlord shall be entitled to take possession of any such leased premises without waiver of or prejudice to any claims or rights such landlord may have against the CMI Entity in respect of such lease or leased premises and such landlord shall be entitled to notify the CMI Entity of the basis on which it is taking possession and to gain possession of and re-lease such leased premises to any third party or parties on such terms as such landlord considers advisable, provided that nothing herein shall relieve such landlord of its obligation to mitigate any damages claimed in connection therewith.

#### **NO PROCEEDINGS AGAINST THE CMI ENTITIES OR THE CMI PROPERTY**

15. THIS COURT ORDERS that until and including November 5, 2009, or such later date as this Court may order (the “**Stay Period**”), no proceeding or enforcement process in any court or tribunal (each, a “**Proceeding**”) shall be commenced or continued against or in respect of the CMI Entities, the Monitor or the CMI CRA or affecting the CMI Business or the CMI Property, except with the written consent of the applicable CMI Entity, the Monitor and the CMI CRA (in respect of Proceedings affecting the CMI Entities, the CMI Property or the CMI Business), the CMI CRA (in respect of Proceedings affecting the CMI CRA), or with leave of this Court, and any and all Proceedings currently under way against or in respect of the CMI Entities or the CMI CRA or affecting the CMI Business or the CMI Property are hereby stayed and suspended pending further Order of this Court. In the case of the CMI CRA, no Proceeding shall be commenced against the CMI CRA or its directors and officers without prior leave of this Court on seven (7) days notice to Stonecrest Capital Inc.

#### **NO EXERCISE OF RIGHTS OR REMEDIES**

16. THIS COURT ORDERS that during the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being “**Persons**” and each being a “**Person**”) against or in respect of the CMI Entities, the Monitor and/or the CMI CRA, or affecting the CMI Business or the CMI Property, are hereby stayed and suspended except with the written consent of the applicable CMI

Entity, the Monitor and the CMI CRA (in respect of rights and remedies affecting the CMI Entities, the CMI Property or the CMI Business), the CMI CRA (in respect of rights or remedies affecting the CMI CRA), or leave of this Court, provided that nothing in this Order shall (i) empower the CMI Entities to carry on any business which the CMI Entities are not lawfully entitled to carry on, (ii) exempt the CMI Entities from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

#### **NO INTERFERENCE WITH RIGHTS**

17. THIS COURT ORDERS that during the Stay Period, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the CMI Entities, except with the written consent of the relevant CMI Entity and upon consultation with the CMI CRA and the consent of the Monitor, or leave of this Court.

#### **CONTINUATION OF SERVICES**

18. THIS COURT ORDERS that during the Stay Period, all Persons having oral or written agreements with a CMI Entity or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all programming supply, computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the CMI Business or a CMI Entity, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the CMI Entities, and that the CMI Entities shall be entitled to the continued use of their current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the CMI Entities in accordance with normal payment practices of the CMI Entities or such other practices as may be agreed upon by the supplier or service provider and the applicable

CMI Entity (upon consultation with the CMI CRA) and the consent of the Monitor, or as may be ordered by this Court.

#### **NON-DEROGATION OF RIGHTS**

19. THIS COURT ORDERS that, notwithstanding anything else contained herein, no Person shall be prohibited from requiring immediate payment for goods, services, use of leased or licensed property or other valuable consideration provided on or after the date of this Order, nor shall any Person be under any obligation on or after the date of this Order to advance or re-advance any monies or otherwise extend any credit to the CMI Entities. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.

#### **PROCEEDINGS AGAINST DIRECTORS AND OFFICERS**

20. THIS COURT ORDERS that during the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against any of the former, current or future directors or officers (or their estates) of the Applicants with respect to any claim against such directors or officers that arose before the date hereof and that relates to any obligations of the CMI Entities whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations, until a compromise or arrangement in respect of the CMI Entities, if one is filed, is sanctioned by this Court or is refused by the creditors of the CMI Entities or this Court.

#### **DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE**

21. THIS COURT ORDERS that the Applicants shall jointly and severally indemnify their directors and officers from all claims, costs, charges and expenses relating to the failure of any of the CMI Entities, after the date hereof, to (i) make payments in respect of the CMI Entities of the nature referred to in subparagraphs 7(a), 9(a), 9(b) and 9(c) of this Order, and (ii) make payments of amounts in respect of the CMI Entities for which the directors and officers are statutorily liable, which they sustain or incur by reason of or in relation to their respective capacities as directors and/or officers of the Applicants except to the extent that, with respect to any officer or

director, such officer or director has actively participated in the breach of any related fiduciary duties or has been grossly negligent or guilty of wilful misconduct. For greater certainty, the indemnity provided by this paragraph 21 shall not indemnify such directors or officers from any costs, claims, charges, expenses or liabilities properly attributable to the LP Entities.

22. THIS COURT ORDERS that the directors and officers of the Applicants shall be entitled to the benefit of and are hereby granted a charge (the “**CMI Directors’ Charge**”) on the CMI Property, which charge shall not exceed an aggregate amount of \$20,000,000, as security for the indemnity provided in paragraph 21 of this Order. The CMI Directors’ Charge shall have the priority set out in paragraphs 55 and 57 herein.

23. THIS COURT ORDERS that, notwithstanding any language in any applicable insurance policy to the contrary (a) no insurer shall be entitled to be subrogated to or claim the benefit of the CMI Directors’ Charge and (b) the Applicants’ directors and officers shall only be entitled to the benefit of the Director’s Charge to the extent they do not have coverage under a directors and officers insurance policy.

24. THIS COURT ORDERS that, notwithstanding any other provision of this Order, the terms and conditions with respect to any release and discharge of the Charges (as defined herein) shall be satisfactory to the CMI Entities, the Management Directors (with respect to the CMI Directors’ Charge), the Monitor and the Ad Hoc Committee.

#### **APPOINTMENT OF MONITOR**

25. THIS COURT ORDERS that FTI Consulting is hereby appointed pursuant to the CCAA as the Monitor of the CMI Entities, an officer of this Court, to monitor the CMI Property and the CMI Entities’ conduct of the CMI Business with the powers and obligations set out in the CCAA and as set forth herein and that the CMI Entities and their shareholders, officers, directors and Assistants shall advise the Monitor of all material steps taken by the CMI Entities pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations.

26. THIS COURT ORDERS that the Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:

- (a) monitor the CMI Entities' receipts and disbursements;
- (b) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the CMI Entities, the CMI Property, the CMI Business, and such other matters as may be relevant to the proceedings herein; *and with respect to any payments made pursuant to paragraph 7 (f) (iii) herein;* <sup>sup</sup>
- (c) assist the CMI Entities, to the extent required by the CMI Entities, in their dissemination to the CMI DIP Lender, the Ad Hoc Committee and their respective counsel of financial and other information, as agreed to between the CMI Entities and the CMI DIP Lender or the Ad Hoc Committee, as applicable, which may be used in these proceedings, including reporting on a weekly basis to the CMI DIP Lender and the Ad Hoc Committee;
- (d) advise the CMI Entities in their preparation of the CMI Entities' cash flow statements and reporting required by the CMI DIP Lender and the Ad Hoc Committee, which information shall be reviewed with the Monitor and delivered to the CMI DIP Lender, the Ad Hoc Committee and their respective counsel in compliance with the CMI DIP Definitive Documents, or as otherwise agreed to by the CMI DIP Lender or the Ad Hoc Committee, as applicable;
- (e) assist the CMI CRA in the performance of its duties as set out in the CMI CRA Agreement (as defined below);
- (f) advise the CMI Entities in their development and implementation of the CMI Plan and any amendments to the CMI Plan;
- (g) assist the CMI Entities, to the extent required by the CMI Entities, with the holding and administering of creditors' or shareholders' meetings for voting on the CMI Plan, as applicable;

- (h) have full and complete access to the CMI Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the CMI Entities, to the extent that is necessary to adequately assess the CMI Entities' business and financial affairs or to perform its duties arising under this Order;
- (i) be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order;
- (j) monitor and, if necessary, report to the Court on any matters pertaining to the provision of the Shared Services in accordance with paragraph 6 of this Order; and
- (k) perform such other duties as are required by this Order or by this Court from time to time.

27. THIS COURT ORDERS that the Monitor shall not take possession of the CMI Property and shall take no part whatsoever in the management or supervision of the management of the CMI Business and shall not, by fulfilling its obligations hereunder, be deemed to have taken or maintained possession or control of the CMI Business or the CMI Property, or any part thereof.

28. THIS COURT ORDERS that nothing herein contained shall require the Monitor to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the CMI Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the "**Environmental Legislation**"), provided however that nothing

herein shall exempt the Monitor from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor's duties and powers under this Order, be deemed to be in Possession of any of the CMI Property within the meaning of any Environmental Legislation, unless it is actually in possession.

29. THIS COURT ORDERS that the Monitor shall provide any creditor of a CMI Entity with information provided by the CMI Entity in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by a CMI Entity is confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the applicable CMI Entity may agree.

30. THIS COURT ORDERS that, in addition to the rights and protections afforded the Monitor under the CCAA or as an officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.

31. THIS COURT ORDERS that the Monitor, counsel to the Monitor, counsel to any of the CMI Entities, counsel and the financial advisor to the Special Committee, counsel to the Management Directors, RBC Dominion Securities Inc. (the "Financial Advisor"), counsel to the Ad Hoc Committee and the financial advisor to the Ad Hoc Committee (together with counsel to the Ad Hoc Committee, the "**Committee Advisors**") shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, whether incurred prior to or subsequent to the date of this Order, by any of the CMI Entities, to the extent that such fees and disbursements relate to services provided to the CMI Entities or, in the case of the Committee Advisors, to the Ad Hoc Committee, as part of the costs of these proceedings. FTI Consulting, the Financial Advisor, counsel to FTI Consulting, counsel to the CMI Entities, counsel and the financial advisor to the Special Committee and counsel to the Management Directors shall keep

separate accounts for services provided in respect of the CMI Entities and any services provided in respect of entities other than the CMI Entities. The CMI Entities are hereby authorized and directed to pay the accounts of the Monitor, the Financial Advisor, counsel to the Monitor, counsel to the CMI Entities, counsel and the financial advisor to the Special Committee, counsel to the Management Directors and the Committee Advisors on a weekly basis to the extent that such accounts relate to services provided to the CMI Entities, or, in the case of the Committee Advisors, the Ad Hoc Committee. The CMI Entities shall not be liable for and shall not pay any expenses, fees, disbursements or retainers of the Monitor, counsel to the Monitor, counsel to the LP Entities, counsel and the financial advisor to the Special Committee, counsel to the Management Directors or the Financial Advisor, to the extent that such expenses, fees, disbursements or retainers are not attributable to the CMI Entities.

32. THIS COURT ORDERS that the Monitor and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Monitor and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

33. THIS COURT ORDERS that the Monitor, counsel to the Monitor, counsel to the CMI Entities, counsel and the financial advisor to the Special Committee, counsel to the Management Directors, the CMI CRA, the Financial Advisor and the Committee Advisors shall be entitled to the benefit of and are hereby granted a charge on the CMI Property (the "**CMI Administration Charge**"), which charge shall not exceed an aggregate amount of \$15,000,000 as security for their reasonable professional fees and disbursements incurred at their respective standard rates and charges in respect of such services, both before and after the making of this Order in respect of these proceedings. The CMI Administration Charge shall have the priority set out in paragraphs 55 and 57 hereof.

#### **CHIEF RESTRUCTURING ADVISOR**

34. THIS COURT ORDERS that Hap S. Stephen be and is hereby appointed as Chief Restructuring Advisor of the CMI Entities in accordance with the terms and conditions of the agreement entered into between Canwest Global and Stonecrest Capital Inc. ("**Stonecrest**"),



collectively referred to herein with Hap S. Stephen as the “CMI CRA”) dated June 30, 2009 (as amended, the “CMI CRA Agreement”), effective as of the date of this Order.

35. THIS COURT ORDERS that the CMI CRA Agreement is hereby approved and given full force and effect and the CMI CRA is hereby authorized to retain counsel as set out in the CMI CRA Agreement.

36. THIS COURT ORDERS that the CMI Entities are authorized and directed to continue the engagement of the CMI CRA on the terms and conditions set out in the CMI CRA Agreement.

37. THIS COURT ORDERS that the CMI CRA shall not be or be deemed to be a director, officer or employee of any of the CMI Entities.

38. THIS COURT ORDERS that the CMI CRA and its directors and officers shall incur no liability or obligation as a result of Hap S. Stephen’s appointment pursuant to this Order, or the provision of services pursuant to the CMI CRA Agreement, save and except as may result from gross negligence or wilful misconduct on the part of the CMI CRA.

39. THIS COURT ORDERS that (i) the indemnification obligations of Canwest Global in favour of the CMI CRA and its officers and directors set out in the CMI CRA Agreement; and (ii) the payment obligations set out in the CMI CRA Agreement shall be entitled to the benefit of and form part of the CMI Administration Charge set out herein.

40. THIS COURT ORDERS that any claims of the CMI CRA under the CMI CRA Agreement shall be treated as unaffected in any plan of compromise or arrangement filed by the CMI Entities under the CCAA, any proposal filed by the CMI Entities under the *Bankruptcy and Insolvency Act of Canada* (the “BIA”) or any other restructuring.

#### **DIP FINANCING**

41. THIS COURT ORDERS that the Credit Agreement dated as of May 22, 2009 and amended as of June 15, 2009, June 30, 2009, July 17, 2009, July 31, 2009, August 14, 2009,

August 31, 2009, September 11, 2009 and September 23, 2009 (as so amended, the “**CIT Credit Agreement**”) between CMI, the Guarantors party thereto and CIT as agent and lender be and are hereby approved. For greater certainty, references herein to CIT shall include any permitted assignee pursuant to the CIT Credit Agreement.

42. THIS COURT ORDERS that the CMI Entities are hereby authorized and empowered to execute and deliver such credit agreements, mortgages, pledges, charges, hypothecs and security documents, guarantees and other definitive documents (collectively, and including the CIT Credit Agreement, the “**CMI DIP Definitive Documents**”), as are contemplated by the CIT Credit Agreement or as may be reasonably required by the CIT Credit Agreement, and all CMI DIP Definitive Documents executed and delivered prior to the date hereof be and are hereby approved. The CMI Entities are hereby authorized and directed to pay and perform all of their indebtedness, interest, fees, liabilities and obligations under and pursuant to the CMI DIP Definitive Documents as and when the same become due and are to be performed, notwithstanding any other provision of this Order.

43. THIS COURT ORDERS that the credit facility provided under the CIT Credit Agreement be and is hereby converted into a debtor-in-possession financing arrangement (the “**CMI DIP Facility**”) in accordance with the terms of the CIT Credit Agreement, provided that the aggregate principal amount of all borrowings under the CMI DIP Facility shall not exceed \$100,000,000. The CMI DIP Facility shall be on the terms and subject to the conditions set forth in the CIT Credit Agreement as attached to the Maguire Affidavit as Exhibit “F”, as the CIT Credit Agreement may be amended from time to time upon the written agreement of the parties thereto. CIT, in its capacity as lender under the CMI DIP Facility, shall be referred to herein as the CMI DIP Lender.

44. THIS COURT ORDERS that CMI is hereby authorized and empowered to obtain and borrow the amounts previously or hereinafter advanced pursuant to the CMI DIP Facility in order to finance the CMI Entities’ working capital requirements and other general corporate purposes and capital expenditures as contemplated by the CMI DIP Definitive Documents,

provided that borrowings under the CMI DIP Facility shall not exceed \$100,000,000 unless approved by the CMI CRA and permitted by further Order of this Court.

45. THIS COURT ORDERS that the CMI Entities shall notify counsel to the Ad Hoc Committee and the Monitor of any requested advance under the CMI DIP Facility.

46. THIS COURT ORDERS that the CMI DIP Lender shall be entitled to the benefit of and is hereby granted a charge (the "**CMI DIP Charge**") on the CMI Property, as security for any and all obligations of the CMI Entities under the CMI DIP Facility and the CMI DIP Definitive Documents (including on account of principal, interest, fees and expenses), which charge shall not exceed the aggregate amount owed to the CMI DIP Lender under the CMI DIP Definitive Documents advanced on or after the date of this Order. The CMI DIP Charge shall have the priority set out in paragraphs 55 and 57 hereof.

47. THIS COURT ORDERS that the deposit accounts containing cash collateral pledged to The Bank of Nova Scotia and referred to in Section 6.11 of the Collateral Agency Agreement (as defined below) as the "Cash Management Collateral Account" (the "**Excluded Accounts**") shall not form part of the CMI Property, shall be excluded from the CMI DIP Charge, the KERP Charge, the Directors' Charge and the Administration Charge, except as provided in paragraph 48 hereof, and shall remain subject to the existing liens in favour of The Bank of Nova Scotia in connection with the CMI Entities' obligations to The Bank of Nova Scotia in connection with overdrafts and related liabilities arising from cash consolidation, electronic funds transfer arrangements, treasury, depository and cash management services or in connection with any automated clearing house transfers of funds in an aggregate amount not to exceed \$2,500,000 (the "**BNS Cash Management Obligations**").

48. THIS COURT ORDERS AND DECLARES that notwithstanding any stay of proceedings imposed by this Order, The Bank of Nova Scotia shall be entitled to seize and dispose of any collateral on deposit in the Excluded Accounts and apply such proceeds to any and all outstanding BNS Cash Management Obligations, provided that, notwithstanding anything herein, upon payment and satisfaction of the BNS Cash Management Obligations in full and the

return of any remaining collateral in the Excluded Accounts to the CMI Entities, such collateral shall then form part of the CMI Property charged by the Directors' Charge, the Administration Charge, the KERP Charge and the DIP Lender's Charge.

49. THIS COURT ORDERS that the CMI DIP Charge is in addition to the existing security (the "Existing Security") in favour of CIBC Mellon Trust Company (the "Collateral Agent") pursuant to the Intercreditor and Collateral Agency Agreement dated as of October 13, 2005 among the CMI Entities and the Collateral Agent, as amended by the Credit Confirmation and Amendment to Intercreditor and Collateral Agency Agreement dated as of May 22, 2009, and as further amended by the Credit Confirmation and Amendment to Intercreditor and Collateral Agency Agreement dated as of October 1, 2009 (the "Collateral Agency Agreement"). All liabilities and obligations of the CMI Entities under the CIT Credit Agreement and the \$187,263,126 principal amount secured promissory note issued to Canwest MediaWorks Ireland Holdings ("Irish Holdco") by CMI (the "Secured Note") shall be secured by the Existing Security.

50. THIS COURT ORDERS that, notwithstanding any other provision of this Order:

- (a) the CMI DIP Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the CMI DIP Charge or any of the CMI DIP Definitive Documents;
- (b) upon the occurrence of an event of default under the CMI DIP Definitive Documents (including, without limitation, the Existing Security solely to the extent that such Existing Security secures existing and future obligations under the CIT Credit Agreement) or the CMI DIP Charge, the CMI DIP Lender may cease making advances to the CMI Entities, and upon three (3) days notice to the CMI Entities and the Monitor, may exercise any and all of its rights and remedies against the CMI Entities or the CMI Property under or pursuant to the CMI DIP Definitive Documents and the CMI DIP Charge, including without limitation, to set off and/or consolidate any amounts owing by the CMI DIP Lender to any of

the CMI Entities against the obligations of any of the CMI Entities to the CMI DIP Lender under the CMI DIP Definitive Documents or the CMI DIP Charge, to make demand, accelerate payment and give other notices, or to apply to this Court for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against any of the CMI Entities and for the appointment of a trustee in bankruptcy of any of the CMI Entities, and upon the occurrence of an event of default under the terms of the CMI DIP Definitive Documents, the CMI DIP Lender shall be entitled to seize and retain proceeds from the sale of the CMI Property and the cash flow of the CMI Entities to repay amounts owing to the CMI DIP Lender in accordance with the CMI DIP Definitive Documents and the CMI DIP Charge, but subject to the priorities as set out in paragraphs 55 and 57 of this Order; and

- (c) the foregoing rights and remedies of the CMI DIP Lender shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of any CMI Entity or the CMI Property.

51. THIS COURT ORDERS AND DECLARES that, in respect of the CMI DIP Facility, the CMI DIP Definitive Documents, the CIT Credit Agreement and amounts borrowed under the CIT Credit Agreement, the CMI DIP Lender shall be treated as unaffected in any plan of arrangement or compromise filed by the CMI Entities, or any of them, under the CCAA, or any proposal filed by the CMI Entities, or any of them, under the BIA. Further, the stays of proceedings provided for herein shall not apply to the CMI DIP Lender or its rights under or in respect of the CIT Credit Agreement, the CMI DIP Facility or the CMI DIP Definitive Documents.

52. THIS COURT ORDERS that the CMI Entities are hereby authorized and empowered to take all steps and actions in respect of, and to comply with all of their obligations pursuant to, the Secured Note, the \$430,556,189 unsecured promissory note dated October 1, 2009 granted by CMI to Irish Holdco in respect of the amounts advanced by Irish Holdco to CMI (the “**Unsecured Note**”), the Use of Cash Collateral and Consent Agreement between certain of the

CMI Entities and certain members of the Ad Hoc Committee (the “Consenting Noteholders”) dated September 23, 2009 (the “Use of Collateral and Consent Agreement”), the CCAA Support Agreement between certain of the CMI Entities and the Consenting Noteholders dated October 5, 2009 (the “Support Agreement”) and such other agreements, security documents, guarantees and other definitive documents as may be executed in connection with any such matters.

53. THIS COURT ORDERS that notwithstanding anything to the contrary herein, the CMI Entities shall be required to comply with their obligations under the Use of Collateral and Consent Agreement and the Support Agreement. Prior to exercising any and all rights and remedies they may have against the CMI Entities under or in respect of the Use of Cash Collateral Agreement and the Support Agreement, in accordance with the terms of such agreements, the Consenting Noteholders shall be required to obtain a further order of the Court, other than in respect of contractual termination rights under the Support Agreement.

54. THIS COURT ORDERS that, upon reasonable notice to the CMI Entities, the advisors to the Ad Hoc Committee, CIT and CIT’s advisors shall, subject to books and records that are privileged, have clear and unfettered access to the books and records of the CMI Entities and such other information that the Ad Hoc Committee and/or CIT reasonably requests.

#### **VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER**

55. THIS COURT ORDERS that the priorities of the CMI Directors’ Charge, the CMI Administration Charge, the CMI KERP Charge (as defined below) and the CMI DIP Charge, as among them and the Existing Security, solely to the extent that such Existing Security secures existing and future obligations under the CIT Credit Agreement, shall be as follows:

First – CMI Administration Charge;

Second – The Existing Security, solely to the extent that such Existing Security secures existing and future obligations under the CIT Credit Agreement;

Third – CMI DIP Charge; and

Fourth – CMI Directors’ Charge and CMI KERP Charge, save and except that these Charges shall be postponed in right of payment to the extent of the first \$85,000,000 payable under the Secured Note.

56. THIS COURT ORDERS that the filing, registration or perfection of the CMI Directors’ Charge, the CMI Administration Charge, the CMI KERP Charge and the CMI DIP Charge (collectively, the “Charges”) shall not be required, and that the Charges shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.

57. THIS COURT ORDERS that, the CMI Directors’ Charge, the CMI Administration Charge, the CMI DIP Charge and the CMI KERP Charge shall constitute a charge on the CMI Property and such Charges shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, statutory or otherwise (collectively, “Encumbrances”) in favour of any Person, notwithstanding the order of perfection or attachment, except for any validly perfected purchase money security interest in favour of a secured creditor or any statutory Encumbrance existing on the date of this Order in favour of any Person which is a secured creditor, <sup>“</sup>if <sup>”</sup> <sup>any of</sup> <sup>SRP</sup> ~~any~~, in respect of <sup>any of</sup> <sup>SRP</sup> source deductions from wages, employer health tax, workers compensation, GST/QST, PST payables, vacation pay and banked overtime for employees, amounts under the Wage Earners’ Protection Program that are subject to a super priority claim under the BIA. <sup>as defined in the CCAA</sup>

58. THIS COURT ORDERS that except as otherwise expressly provided for herein, or as may be approved by this Court, the CMI Entities shall not grant any Encumbrances over any CMI Property that rank in priority to, or *pari passu* with, any of the CMI Directors’ Charge, the CMI Administration Charge, the CMI KERP Charge or the CMI DIP Charge, unless the CMI Entities also obtain the prior consent of the Monitor, the CMI DIP Lender and the beneficiaries of the CMI Directors’ Charge, the CMI KERP Charge and the CMI Administration Charge, or upon further Order of this Court.

59. THIS COURT ORDERS that the CMI Directors' Charge, the CMI Administration Charge, the CMI KERP Charge, the CMI DIP Definitive Documents and the CMI DIP Charge shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Charges (collectively, the "Chargees"), the rights and remedies of the CMI DIP Lender under the CMI DIP Definitive Documents, the rights and remedies of Irish Holdco under the Secured Note and the rights and remedies of the Consenting Noteholders under the Use of Collateral and Consent Agreement and the Support Agreement shall not otherwise be limited or impaired in any way, subject to the provisions of paragraph 53 herein, by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to the BIA, or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an "Agreement") which binds the CMI Entities, or any of them, and notwithstanding any provision to the contrary in any Agreement:

- (a) neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of the CIT Credit Agreement, the CMI DIP Definitive Documents, the Use of Collateral and Consent Agreement, the Support Agreement, the Secured Note or the Unsecured Note, shall create or be deemed to constitute a breach by any of the CMI Entities of any Agreement to which they are a party;
- (b) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the CMI Entities entering into the CIT Credit Agreement or any other CMI DIP Definitive Documents, the creation of the Charges, or the execution, delivery or performance of the CMI DIP Definitive Documents; and



- (c) the CIT Credit Agreement, the CMI DIP Definitive Documents, the Use of Collateral and Consent Agreement, the Support Agreement, the Secured Note and the Unsecured Note, the payments made by the CMI Entities pursuant to the foregoing or pursuant to the terms of this Order, and the granting of the Charges, do not and will not constitute fraudulent preferences, fraudulent conveyances, oppressive conduct, settlements or other challengeable, voidable or reviewable transactions under any applicable law.

60. THIS COURT ORDERS that any Charge created by this Order over leases of real property in Canada shall only be a Charge in the relevant CMI Entity's interest in such real property leases.

#### **APPROVAL OF FINANCIAL ADVISOR AGREEMENT**

61. THIS COURT ORDERS that the letter agreement dated December 10, 2008 between Canwest Global and the Financial Advisor, as amended by a letter agreement dated January 20, 2009 and a further letter agreement dated October 5, 2009, in the form attached as Exhibit "U" to the Maguire Affidavit (the "Financial Advisor Agreement"), is hereby approved and the CMI Entities are authorized and directed to make the payments contemplated thereunder in accordance with the terms and conditions of the Financial Advisor Agreement.

#### **KEY EMPLOYEE RETENTION PLANS**

62. THIS COURT ORDERS that the key employee retention plans (the "CMI KERPs"), in the forms attached to the Confidential Supplement to the Monitor's Pre-Filing Report (the "Confidential Supplement"), are hereby approved and the CMI Entities are authorized and directed to make the payments contemplated thereunder in accordance with the terms and conditions of the CMI KERPs.

63. THIS COURT ORDERS that the Confidential Supplement be sealed, kept confidential and not form part of the public record, but rather shall be placed, separate and apart from all other contents of the Court file, in a sealed envelope attached to a notice which sets out the title

✓ and the letter agreement dated December 10, 2008 referred to in

paragraph 61 herein ✓

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of these proceedings and a statement that the contents are subject to a sealing order and shall only be opened upon further Order of the Court.

64. THIS COURT ORDERS that the key employees referred to in the CMI KERPs shall be entitled to the benefit of and are hereby granted a charge (the “CMI KERP Charge”) on the CMI Property, which charge shall not exceed an aggregate amount of \$5,900,000, to secure amounts owing to such key employees under the CMI KERPs.

#### **POSTPONEMENT OF ANNUAL GENERAL MEETING**

65. THIS COURT ORDERS that Canwest Global be and is hereby relieved on any obligation to call and hold an annual meeting of its shareholders until further Order of the Court.

#### **FOREIGN PROCEEDINGS**

66. THIS COURT ORDERS that the Monitor is hereby authorized, as the foreign representative of the CMI Entities, to apply for recognition of these proceedings as “Foreign Main Proceedings” in the United States pursuant to Chapter 15 of the *U.S. Bankruptcy Code*.

67. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada, the United States, Australia, Ireland or in any other foreign jurisdiction, to give effect to this Order and to assist the CMI Entities, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the CMI Entities and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the CMI Entities and the Monitor and their respective agents in carrying out the terms of this Order.

68. THIS COURT ORDERS that each of the CMI Entities and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order and any other Order issued in these proceedings.

**SERVICE AND NOTICE**

69. THIS COURT ORDERS that the CMI Entities or the Monitor shall (i) without delay, publish a notice containing the information prescribed under the CCAA, (ii) within five days after the date of this Order, (A) make this Order publicly available in the manner prescribed under the CCAA, (B) send, in the prescribed manner, a notice to every known creditor who has a claim against any of the CMI Entities of more than \$5,000, and (C) prepare a list showing the names and addresses of those creditors and the estimated amounts of those claims, and make it publicly available in the prescribed manner, all in accordance with Section 23(1)(a)(ii)(C) of the CCAA and the regulations made thereunder, provided that, for the purposes of this list, (i) with respect to the 8% senior subordinated notes issued by CMI, only the name and address of the indenture trustee of such notes and the aggregate amount owing in respect of such notes shall be listed and made publicly available and (ii) the Monitor shall not make the names and addresses of individuals who are creditors publicly available.

70. THIS COURT ORDERS that the CMI Entities and the Monitor be at liberty to serve this Order, any other materials and orders in these proceedings, and any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or electronic transmission to the CMI Entities' creditors or other interested parties at their respective addresses as last shown on the records of the CMI Entities, and that any such service or notice by courier, personal delivery or electronic transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

71. THIS COURT ORDERS that the CMI Entities, the Monitor, the CMI DIP Lender, the Ad Hoc Committee and any party who has filed a Notice of Appearance may serve any court materials in these proceedings by e-mailing a PDF or other electronic copy of such materials to counsels' email addresses as recorded on the Service List from time to time, in accordance with the E-filing protocol of the Commercial List to the extent practicable, and the Monitor may post a copy of any or all such materials on its website at <http://cfcanada.fticonsulting.com/cmi>.

**GENERAL**

72. THIS COURT ORDERS that the CMI Entities or the Monitor may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

73. THIS COURT ORDERS that nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of the CMI Entities, the CMI Business or the CMI Property.

74. THIS COURT ORDERS that any interested party (including the CMI Entities, the CMI DIP Lender, the Ad Hoc Committee and the Monitor) may apply to this Court to vary or amend this Order on not less than seven (7) days notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order, provided however that the CMI DIP Lender shall be entitled to rely on this Order as issued for all advances made under the CIT Credit Agreement and the CMI DIP Definitive Documents up to and including the date this Order may be varied or amended.

75. THIS COURT Orders that, notwithstanding the immediately preceding paragraph, no order shall be made varying, rescinding or otherwise affecting the provisions of this Order with respect to the CIT Credit Agreement or the CMI DIP Definitive Documents, unless notice of a motion for such order is served on the Monitor and the CMI Entities, the Ad Hoc Committee and the CMI DIP Lender, returnable no later than November 5, 2009.

76. THIS COURT ORDERS that this Order and all of its provisions are effective as of 12:01 a.m. Eastern Standard/Daylight Time on the date of this Order.



ENTERED AT / INSCRIT A TORONTO  
ON / BOOK NO:  
LE / DANS LE REGISTRE NO.:

OCT 06 2009

PER / PAR: 

Joanne Nicoara  
Registrar, Superior Court of Justice

## **SCHEDULE "A"**

### **Applicants**

1. Canwest Global Communications Corp.
2. Canwest Media Inc.
3. MBS Productions Inc.
4. Yellow Card Productions Inc.
5. Canwest Global Broadcasting Inc./Radiodiffusion Canwest Global Inc.
6. Canwest Television GP Inc.
7. Fox Sports World Canada Holdco Inc.
8. Global Centre Inc.
9. Multisound Publishers Ltd.
10. Canwest International Communications Inc.
11. Canwest Irish Holdings (Barbados) Inc.
12. Western Communications Inc.
13. Canwest Finance Inc./Financiere Canwest Inc.
14. National Post Holdings Ltd.
15. Canwest International Management Inc.
16. Canwest International Distribution Limited
17. Canwest MediaWorks Turkish Holdings (Netherlands) B.V.
18. CGS International Holdings (Netherlands) B.V.

19. CGS Debenture Holding (Netherlands) B.V.
20. CGS Shareholding (Netherlands) B.V.
21. CGS NZ Radio Shareholding (Netherlands) B.V.
22. 4501063 Canada Inc.
23. 4501071 Canada Inc.
24. 30109, LLC
25. CanWest MediaWorks (US) Holdings Corp.

## **SCHEDULE "B"**

### **Partnerships**

1. Canwest Television Limited Partnership
2. Fox Sports World Canada Partnership
3. The National Post Company/La Publication National Post

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 GLOBAL COMMUNICATIONS CORP., AND THE OTHER APPLICANTS  
LISTED ON SCHEDULE "A"

**Court File No:**

APPLICANTS

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

Proceeding commenced at Toronto

**INITIAL ORDER**

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Lawyers for the Applicants

F. 1114233



# APPENDIX "B"



**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

WEDNESDAY, THE 14<sup>th</sup> DAY  
OF OCTOBER, 2009

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 GLOBAL  
COMMUNICATIONS CORP. AND THE OTHER APPLICANTS  
LISTED ON SCHEDULE "A"

**APPLICANTS**

**CLAIMS PROCEDURE ORDER**

**THIS MOTION** made by Canwest Global Communications Corp. ("Canwest Global") and the other applicants listed on Schedule "A" (the "Applicants") and the partnerships listed on Schedule "B" (collectively and together with Canwest Global and the Applicants, the "CMI Entities", and each a "CMI Entity"), for an order establishing a claims procedure for the identification and quantification of certain claims against (i) the CMI Entities and (ii) the directors and officers of the Applicants was heard this day at 330 University Avenue, Toronto, Ontario.

**ON READING** the Notice of Motion, the Affidavit of John Maguire sworn October 8, 2009, the First Report of FTI Consulting Canada Inc. in its capacity as Court-appointed monitor of the CMI Entities (the "Monitor") and on hearing from counsel for the CMI Entities, the Monitor, the Special Committee of the Board of Directors of Canwest Global, the *ad hoc* committee of holders of 8% senior subordinated notes issued by Canwest Media Inc. ("CMI"), CIT Business Credit Canada Inc., and the Management Directors of the Applicants and such other counsel as were present, no one else appearing although duly served as appears from the

affidavit of service, filed.

**SERVICE**

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and Motion Record herein be and is hereby abridged and that the motion is properly returnable today and service upon any interested party other than those parties served is hereby dispensed with.

**DEFINITIONS AND INTERPRETATION**

2. **THIS COURT ORDERS** that, for the purposes of this Order establishing a claims process for the CMI Entities and their directors and officers (the "CMI Claims Procedure Order"), in addition to terms defined elsewhere herein, the following terms shall have the following meanings:
  - (a) "Assessments" means Claims of Her Majesty the Queen in Right of Canada or of any Province or Territory or Municipality or any other taxation authority in any Canadian or foreign jurisdiction, including, without limitation, amounts which may arise or have arisen under any notice of assessment, notice of reassessment, notice of appeal, audit, investigation, demand or similar request from any taxation authority;
  - (b) "Business Day" means a day, other than a Saturday, Sunday or a statutory holiday, on which banks are generally open for business in Toronto, Ontario;
  - (c) "Calendar Day" means a day, including Saturday, Sunday and any statutory holidays in the Province of Ontario, Canada;
  - (d) "Canwest Intercompany Claim" means any claim of a wholly or partially owned subsidiary of Canwest Global which is not a CMI Entity against any of the CMI Entities;
  - (e) "CCA" means the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended;

- (f) "CCAA Proceedings" means the proceedings commenced by the CMI Entities in the Court at Toronto under Court File No. CV-09-8396-00CL;
- (g) "Claim" means:
  - (i) any right or claim of any Person against one or more of the CMI Entities, whether or not asserted, in connection with any indebtedness, liability or obligation of any kind whatsoever of one or more of the CMI Entities in existence on the Filing Date, including on account of Wages and Benefits, and any accrued interest thereon and costs payable in respect thereof to and including the Filing Date, whether or not such right or claim is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, perfected, unperfected, 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 matter, action, cause or chose in action, whether existing at present or commenced in the future, which indebtedness, liability or obligation is based in whole or in part on facts which existed prior to the Filing Date, and includes any other claims that would have been claims provable in bankruptcy had the applicable CMI Entity become bankrupt on the Filing Date (each, a "Prefiling Claim", and collectively, the "Prefiling Claims");
  - (ii) any right or claim of any Person against one or more of the CMI Entities in connection with any indebtedness, liability or obligation of any kind whatsoever owed by one or more of the CMI Entities to such Person arising out of the restructuring, disclaimer, resiliation, termination or breach on or after the Filing Date of any contract, lease or other agreement whether written or oral and whether such restructuring, disclaimer, resiliation, termination or breach took place or takes place before or after the date of this CMI Claims Procedure Order (each, a "Restructuring

Period Claim”, and collectively, the “Restructuring Period Claims”); and

- (iii) any right or claim of any Person against one or more of the Directors or Officers of one or more of the Applicants or any of them, that relates to a Prefiling Claim or a Restructuring Period Claim howsoever arising for which the Directors or Officers of an Applicant are by statute or otherwise by law liable to pay in their capacity as Directors or Officers or in any other capacity (each a “Director/Officer Claim”, and collectively, the “Directors/Officers Claims”);

provided however, that in any case “Claim” shall not include an Excluded Claim or a Canwest Intercompany Claim;

- (h) “Claims Officer” means the individuals designated by the Court pursuant to paragraph 11 of this CMI Claims Procedure Order and such other Persons as may be designated by the CMI Entities and consented to by the Monitor;
- (i) “CMI Claims Bar Date” means 5:00 p.m. on November 19, 2009;
- (j) “CMI Claims Package” means the materials to be provided by the CMI Entities to Persons who may have a Claim which materials shall include:
  - (i) in the case of a CMI Known Creditor (other than a CMI Employee), a CMI General Notice of Claim, a blank CMI Notice of Dispute of Claim, a CMI Instruction Letter, and such other materials as the CMI Entities may consider appropriate or desirable;
  - (ii) in the case of a CMI Employee, a CMI Employee Notice of Claim, a blank CMI Notice of Dispute of Claim, a CMI Employee Instruction Letter, and such other materials as the CMI Entities may consider appropriate or desirable; or
  - (iii) in the case of a CMI Unknown Creditor, a blank CMI Proof of Claim and a CMI Proof of Claim Instruction Letter, and such other materials as the CMI Entities may consider appropriate or desirable;

- (k) “CMI Claims Schedule” means a list of all known Creditors prepared and updated from time to time by the CMI Entities, with the assistance of the Monitor, showing the name, last known address, last known facsimile number, and last known email address of each CMI Known Creditor (except that where a CMI Known Creditor is represented by counsel known by the CMI Entities, the address, facsimile number, and email address of such counsel may be substituted) and, to the extent possible, the amount of each CMI Known Creditor’s Claim as valued by the CMI Entities for voting and/or distribution purposes;
- (l) “CMI CRA” means Hap. S. Stephen and Stonecrest Capital Inc. in their capacity as the court-appointed Chief Restructuring Advisor of the CMI Entities;
- (m) “CMI Employee Instruction Letter” means the instruction letter to CMI Employees, substantially in the form attached as Schedule “F” hereto, regarding the CMI Employee Notice of Claim, completion of a CMI Notice of Dispute of Claim by a CMI Employee and the claims procedure described herein;
- (n) “CMI Employee Notice of Claim” means the notice referred to in paragraph 18 hereof, substantially in the form attached hereto as Schedule “E”, advising each CMI Employee of their Claim, if any, in respect of Wages and Benefits as valued by the CMI Entities for voting and distribution purposes based on the books and records of the CMI Entities;
- (o) “CMI Employees” means all current employees of the CMI Entities as at the Filing Date, and “CMI Employee” means any one of them;
- (p) “CMI General Notice of Claim” means the notice referred to in paragraph 17 hereof, substantially in the form attached hereto as Schedule “C”, advising each CMI Known Creditor (other than CMI Employees) of its Claim as valued by the CMI Entities (in consultation with the CMI CRA, if applicable) for voting and distribution purposes based on the books and records of the CMI Entities;
- (q) “CMI Instruction Letter” means the instruction letter to CMI Known Creditors (other than CMI Employees), substantially in the form attached as Schedule “D”.

hereto, regarding the CMI General Notice of Claim, completion of a CMI Notice of Dispute of Claim by a CMI Known Creditor and the claims procedure described herein;

- (r) “CMI Known Creditor” means a Creditor, other than a CMI Noteholder in its capacity as a CMI Noteholder or CMI Unknown Creditor, including CMI Employees, former employees of the CMI Entities, and any CMI Entity in its capacity as a Creditor of one or more CMI Entities, whose Claim is included on the CMI Claims Schedule;
- (s) “CMI Note” means a bond or note issued pursuant to the CMI Noteholder Trust Indenture and any bonds or notes issued in substitution or replacement thereof;
- (t) “CMI Noteholder” means a registered or beneficial holder of a CMI Note;
- (u) “CMI Noteholder Trustee” means The Bank of New York as Trustee under the CMI Noteholder Trust Indenture;
- (v) “CMI Noteholder Trust Indenture” means the trust indenture dated November 18, 2004 between CMI (through its predecessor 3815668 Canada Inc.), certain guarantors party thereto and the CMI Noteholder Trustee, as amended by certain supplemental indentures thereto;
- (w) “CMI Notice of Dispute of Claim” means the notice referred to in paragraph 20 hereof, substantially in the form attached as Schedule “G” hereto, which may be delivered to the Monitor by a CMI Known Creditor disputing a CMI General Notice of Claim or a CMI Employee Notice of Claim, as applicable, with reasons for its dispute;
- (x) “CMI Notice of Dispute of Revision or Disallowance” means the notice referred to in paragraphs 33 and 38 hereof, substantially in the form attached as Schedule “I” hereto, which may be delivered to the Monitor by a CMI Unknown Creditor disputing a CMI Notice of Revision or Disallowance, with reasons for its dispute;
- (y) “CMI Notice of Revision or Disallowance” means the notice referred to in

paragraphs 32 and 37 hereof, substantially in the form of Schedule "H" advising a CMI Unknown Creditor that the CMI Entities have revised or rejected all or part of such CMI Unknown Creditor's Claim set out in its CMI Proof of Claim;

- (z) "CMI Notice to Creditors" means the notice for publication by the CMI Entities or the Monitor as described in paragraph 29 hereof, substantially in the form attached hereto as Schedule "J";
- (aa) "CMI Proof of Claim" means the Proof of Claim referred to in paragraph 30 hereof to be filed by CMI Unknown Creditors, substantially in the form attached hereto as Schedule "K";
- (bb) "CMI Proof of Claim Instruction Letter" means the instruction letter to CMI Unknown Creditors, substantially in the form attached as Schedule "L" hereto, regarding the completion of a CMI Proof of Claim by a CMI Unknown Creditor and the claims procedure described herein;
- (cc) "CMI Unknown Creditors" means Creditors which are not CMI Known Creditors or CMI Noteholders;
- (dd) "Court" means the Superior Court of Justice (Commercial List) in the City of Toronto in the Province of Ontario;
- (ee) "Creditor" means any Person having a Claim and includes without limitation the transferee or assignee of a Claim transferred and recognized as a Creditor in accordance with paragraph 45 hereof or a trustee, executor, liquidator, receiver, receiver and manager, or other Person acting on behalf of or through such Person;
- (ff) "Director/Officer Claim" has the meaning ascribed to that term in paragraph 2(f)(iii) of this CMI Claims Procedure Order;
- (gg) "Directors" means all current and former directors (or their estates) of the Applicants and "Director" means any one of them;
- (hh) "Distribution Claim" means the amount of the Claim of a Creditor as finally



determined for distribution purposes, in accordance with the provisions of this CMI Claims Procedure Order and the CCAA;

- (ii) "Excluded Claim" means (i) claims secured by any of the "Charges", as defined in the Initial Order, (ii) any claim against a Director that cannot be compromised due to the provisions of subsection 5.1(2) of the CCAA, (iii) that portion of a Claim arising from a cause of action for which the applicable CMI Entities are fully insured, (iv) any claim of The Bank of Nova Scotia arising from the provision of cash management services to the CMI Entities, and (v) any claim of CIT Business Credit Canada Inc. under the CIT Credit Agreement as defined in the Initial Order;
- (jj) "Filing Date" means October 6, 2009;
- (kk) "Initial Order" means the Initial Order of the Honourable Madam Justice Pepall made October 6, 2009, as amended, restated or varied from time to time;
- (ll) "Meeting" means a meeting of Creditors called for the purpose of considering and voting in respect of a Plan;
- (mm) "Officers" means all current and former officers (or their estates) of the Applicants, and "Officer" means any one of them;
- (nn) "Person" means any individual, corporation, limited or unlimited liability company, general or limited partnership, association, trust, unincorporated organization, joint venture, government or any agency or instrumentality thereof or any other entity;
- (oo) "Plan" means any proposed plan(s) of compromise or arrangement to be filed by any or all of the CMI Entities (in consultation with the CMI CRA) pursuant to the CCAA as the same may be amended, supplemented or restated from time to time in accordance with the terms thereof;
- (pp) "Prefiling Claim" has the meaning ascribed to that term in paragraph 2(f)(i) of this CMI Claims Procedure Order;

- (qq) "Restructuring Period Claim" has the meaning ascribed to that term in paragraph 2(f)(ii) of this CMI Claims Procedure Order;
  - (rr) "Wages and Benefits" means all outstanding wages, salaries and employee benefits (including, but not limited to, employee medical, dental, disability, life insurance and similar benefit plans or arrangements, incentive plans, share compensation plans and employee assistance programs and employee or employer contributions in respect of pension and other benefits) vacation pay, commissions, bonuses and other incentive payments, payments under collective bargaining agreements, and employee and director expenses and reimbursements, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements; and
  - (ss) "Voting Claim" means the amount of the Claim of a Creditor as finally determined for voting at the Meeting, in accordance with the provisions of this CMI Claims Procedure Order, and the CCAA.
3. **THIS COURT ORDERS** that all references as to time herein shall mean local time in Toronto, Ontario, Canada, and any reference to an event occurring on a Business Day shall mean prior to 5:00 p.m. on such Business Day unless otherwise indicated herein.
  4. **THIS COURT ORDERS** that all references to the word "including" shall mean "including without limitation".
  5. **THIS COURT ORDERS** that all references to the singular herein include the plural, the plural include the singular, and any gender includes the other gender.

#### **GENERAL PROVISIONS**

6. **THIS COURT ORDERS** that the CMI Entities and the Monitor are hereby authorized to use reasonable discretion as to the adequacy of compliance with respect to the manner in which forms delivered hereunder are completed and executed, and may, where they are satisfied that a Claim has been adequately proven, waive strict compliance with the requirements of this CMI Claims Procedure Order as to completion and execution of such

forms and to request any further documentation from a Creditor that the CMI Entities or the Monitor may require in order to enable them to determine the validity of a Claim.

7. **THIS COURT ORDERS** that any Claims denominated in a foreign currency shall be converted to Canadian dollars for purposes of any Plan on the basis of the average Bank of Canada United States/Canadian dollar noon exchange rate in effect over the ten day period preceding the filing of a Plan.
8. **THIS COURT ORDERS** that interest and penalties that would otherwise accrue after the Filing Date shall not be included in any Claim. Amounts claimed in Assessments issued after the Filing Date shall be subject to this CMI Claims Procedure Order and there shall be no presumption of validity or deeming of the amount due in respect of the Claim set out in any Assessment where such Assessment was issued after the Filing Date.
9. **THIS COURT ORDERS** that copies of all forms delivered hereunder, as applicable, and determinations of Claims by a Claims Officer or the Court, as the case may be, shall be maintained by the CMI Entities and, subject to further order of the Court, such Creditor will be entitled to have access thereto by appointment during normal business hours on written request to the CMI Entities or the Monitor.
10. **THIS COURT ORDERS** that, notwithstanding anything to the contrary in this CMI Claims Procedure Order, in respect of any Claim that exceeds \$15 million, the CMI Entities shall consult with the CMI CRA prior to: accepting, admitting, settling, resolving, valuing (for purposes of a CMI General Notice of Claim, a CMI Employee Notice of Claim, a notice of disclaimer or resiliation or otherwise), revising or rejecting such Claim; referring the determination of such Claim to a Claims Officer or the Court; appealing any determination of such Claim by the Claims Officer; or adjourning any Meeting on account of a dispute with respect to such Claim.

#### **CLAIMS OFFICER**

11. **THIS COURT ORDERS** that the Honourable Ed Saunders, the Honourable Jack Ground, the Honourable Coulter Osborne, and such other Persons as may be appointed by the Court from time to time on application of the CMI Entities (in consultation with

the CMI CRA), or such other Persons designated by the CMI Entities (in consultation with the CMI CRA) and consented to by the Monitor, be and they are hereby appointed as Claims Officers for the claims procedure described herein.

12. **THIS COURT ORDERS** that, subject to the discretion of the Court, a Claims Officer shall determine the validity and amount of disputed Claims in accordance with this CMI Claims Procedure Order and to the extent necessary may determine whether any Claim or part thereof constitutes an Excluded Claim. A Claims Officer shall determine all procedural matters which may arise in respect of his or her determination of these matters, including the manner in which any evidence may be adduced. A Claims Officer shall have the discretion to determine by whom and to what extent the costs of any hearing before a Claims Officer shall be paid.
13. **THIS COURT ORDERS** that, notwithstanding anything to the contrary herein, a CMI Entity may with the consent of the Monitor: (i) refer a CMI Known Creditor's Claim for resolution to a Claims Officer or to the Court for voting and/or distribution purposes; and (ii) refer a CMI Unknown Creditor's Claim for resolution to a Claims Officer or to the Court for voting and/or distribution purposes, where in the CMI Entity's view such a referral is preferable or necessary for the resolution of the valuation of the Claim.

#### **MONITOR'S ROLE**

14. **THIS COURT ORDERS** that the Monitor, in addition to its prescribed rights, duties, responsibilities and obligations under the CCAA and under the Initial Order, shall assist the CMI Entities in connection with the administration of the claims procedure provided for herein, including the determination of Claims of Creditors and the referral of a particular Claim to a Claims Officer, as requested by the CMI Entities from time to time, and is hereby directed and empowered to take such other actions and fulfill such other roles as are contemplated by this CMI Claims Procedure Order. The Monitor shall file a report with the Court by October 31, 2009 detailing the nature and quantum of the Canwest Intercompany Claims.

**CLAIMS PROCEDURE FOR CMI NOTEHOLDERS**

15. **THIS COURT ORDERS** that the CMI Entities shall not be required to send to a CMI Noteholder a CMI General Notice of Claim and neither the CMI Noteholders nor the CMI Noteholder Trustee shall be required to file a CMI Proof of Claim in respect of Claims pertaining to the CMI Notes. Within 15 Calendar Days of the Filing Date, the CMI Entities shall send to the CMI Noteholder Trustee (as representative of the CMI Noteholders' Voting Claim), with a copy to the advisors of the Ad Hoc Committee (as defined in the Initial Order), a notice stating the accrued amounts owing directly by each of the CMI Entities under the CMI Noteholder Trust Indenture and the guarantees executed by the CMI Entities in respect of the CMI Notes (including, in each case, principal and accrued interest thereon) up to the Filing Date. The CMI Noteholder Trustee shall confirm whether such amounts are accurate to the Monitor within 15 Calendar Days of receipt of the CMI Entities' notice. If such amounts are confirmed by the CMI Noteholder Trustee, or in the absence of any response by the CMI Noteholder Trustee within 15 Calendar Days of receipt of the CMI Entities' notice, such amounts shall be deemed to be the accrued amounts owing directly by each of the CMI Entities under the CMI Noteholder Trust Indenture and the guarantees executed by the CMI Entities in respect of the CMI Notes for the purposes of voting and for the purposes of distributions under the Plan, unless the amounts of such Claims are otherwise agreed to in writing by the applicable CMI Entities, the Ad Hoc Committee, and the CMI Noteholder Trustee, in which case such agreement shall govern. If the CMI Noteholder Trustee indicates that it cannot confirm the accrued amounts owing directly by each of the CMI Entities under the CMI Noteholder Trust Indenture and the guarantees executed by the CMI Entities in respect of the CMI Notes, such amounts shall be determined by the Court for the purposes of voting and distributions under the Plan, unless the amount of such Claims are otherwise agreed to in writing by the applicable CMI Entities, the Ad Hoc Committee and the CMI Noteholder Trustee, in which case such agreement shall govern.

**CLAIMS PROCEDURE FOR CMI KNOWN CREDITORS**

**(i) Disclaimers and Resiliations**

16. **THIS COURT ORDERS** that any action taken by the CMI Entities to restructure, disclaim, resiliate, terminate or breach any contract, lease or other agreement, whether written or oral, pursuant to the terms of the Initial Order, must occur on or before 23 Calendar Days prior to the date of the Meeting. Any notices of disclaimer or resiliation delivered to Creditors in connection with the foregoing shall be accompanied by a CMI Claims Package. The CMI Entities (in consultation with the CMI CRA, if applicable), the Monitor and such Creditor shall resolve such Restructuring Period Claims by two (2) Calendar Days prior to the date of the Meeting for voting purposes.

**(ii) Notice of Claims**

17. **THIS COURT ORDERS** that the CMI Entities shall send a CMI Claims Package to each of the CMI Known Creditors (other than CMI Employees who are dealt with in paragraph 18 below) by prepaid ordinary mail to the address as shown on the CMI Claims Schedule before 11:59 p.m. on October 22, 2009. The CMI Entities shall specify in the CMI General Notice of Claim included in the CMI Claims Package the CMI Known Creditor's Claim for voting and distribution purposes as valued by the CMI Entities (in consultation with the CMI CRA, if applicable) based on the books and records of the CMI Entities.
18. **THIS COURT ORDERS** that the CMI Entities shall send a CMI Claims Package to each CMI Employee by prepaid ordinary mail to the address as shown on the CMI Claims Schedule before 11:59 p.m. on October 22, 2009. The CMI Entities shall specify in the CMI Employee Notice of Claim included in the CMI Claims Package the CMI Employee's Claim in respect of Wages and Benefits for voting and distribution purposes as valued by the CMI Entities (in consultation with the CMI CRA, if applicable) based on the books and records of the CMI Entities.
19. **THIS COURT ORDERS** that, on or before 11:59 p.m. on October 22, 2009, the CMI Entities shall provide a CMI General Notice of Claim and a CMI Claims Package to any

and all of the CMI Entities that have one or more Claims against any of the CMI Entities (each a "CMI Intercompany Claim"), with a copy to the Monitor and the advisors to the Ad Hoc Committee, with respect to each such CMI Intercompany Claim that appears on the books and records of the CMI Entities. All CMI Intercompany Claims shall be deemed to be proven against such CMI Entities for the amounts specified in the applicable CMI General Notices of Claim, provided that the advisors of the Ad Hoc Committee, on behalf of the CMI Noteholders, may, within 15 Calendar Days of receiving notice of such CMI Intercompany Claims, contest the quantum of any CMI Intercompany Claim in the manner provided for herein with respect to the Claims of CMI Known Creditors. No CMI Intercompany Claim may be amended, restated, withdrawn, settled, discharged or released without the prior written consent of the advisors of the Ad Hoc Committee, except where such CMI Intercompany Claim is finally determined by the Claims Officer or the Court in the manner provided for herein.

(iii) **Adjudication of Claims**

20. **THIS COURT ORDERS** that if a CMI Known Creditor (other than a CMI Employee) disputes the amount of the Claim as set out in the CMI General Notice of Claim, the CMI Known Creditor shall deliver to the Monitor a CMI Notice of Dispute of Claim which must be received by the Monitor by no later than the CMI Claims Bar Date. Such Person shall specify therein whether it disputes the value of the Claim for voting and/or distribution purposes.
  
21. **THIS COURT ORDERS** that if a CMI Known Creditor (other than a CMI Employee) does not deliver to the Monitor a completed CMI Notice of Dispute of Claim by the CMI Claims Bar Date disputing its Claim as valued by the CMI Entities for voting and distribution purposes, then such CMI Known Creditor shall be deemed to have accepted for voting and distribution purposes the valuation of the CMI Known Creditor's Claim as set out in the CMI Notice of Claim, and such CMI Known Creditor's Claim shall be treated as both a Voting Claim and a Distribution Claim. A CMI Known Creditor may accept a Claim for voting purposes as set out in the CMI Notice of Claim and dispute the Claim for distribution purposes in such CMI Known Creditor's CMI Notice of Dispute of

Claim provided that it does so by the CMI Claims Bar Date. A determination of a Voting Claim of a CMI Known Creditor does not in any way affect and is without prejudice to the process to determine such CMI Known Creditor's Distribution Claim.

22. **THIS COURT ORDERS** that if a CMI Employee: (i) disputes the amount of the Claim in respect of Wages and Benefits as set out in the CMI Employee Notice of Claim; and/or (ii) believes that they have a Claim other than in respect of Wages and Benefits, the CMI Employee shall deliver to the Monitor a CMI Notice of Dispute of Claim which must be received by the Monitor by no later than the CMI Claims Bar Date. If such Person disputes the amount of the Claim in respect of Wages and Benefits as set out in the CMI Employee Notice of Claim, such Person shall specify therein whether it disputes the value of such Claim in respect of Wages and Benefits for voting and/or distribution purposes.

23. **THIS COURT ORDERS** that if a CMI Employee does not deliver to the Monitor a completed CMI Notice of Dispute of Claim by the CMI Claims Bar Date disputing its Claim in respect of Wages and Benefits as valued by the CMI Entities for voting and distribution purposes or asserting other Claims, then such CMI Employee shall be deemed to have accepted for voting and distribution purposes the valuation of the CMI Employee's Claim as set out in the CMI Employee Notice of Claim, and such CMI Employee's Claim shall be treated as both a Voting Claim and a Distribution Claim and all other Claims of the CMI Employee shall be forever extinguished and barred. A CMI Employee may accept a Claim for voting purposes as set out in the CMI Employee Notice of Claim and dispute the Claim for distribution purposes in such CMI Employee's CMI Notice of Dispute of Claim provided that it does so by the CMI Claims Bar Date. A determination of a Voting Claim of a CMI Employee does not in any way affect and is without prejudice to the process to determine such CMI Employee's Distribution Claim.

(iv) **Resolution of Disputed Claims**

24. **THIS COURT ORDERS** that in the event that a CMI Entity, with the assistance of the Monitor (in consultation with the CMI CRA, if applicable), is unable to resolve a dispute regarding any Voting Claim with a CMI Known Creditor, the CMI Entity or the CMI



Known Creditor shall so notify the Monitor, and the CMI Known Creditor or the CMI Entity, as the case may be. The decision as to whether the CMI Known Creditor's Voting Claim should be adjudicated by the Court or a Claims Officer shall be in the sole discretion of the CMI Entity (in consultation with the CMI CRA, if applicable); provided, however that to the extent a Claim is referred under this paragraph to the Court or a Claims Officer, it shall be on the basis that the value of the Claim shall be resolved or adjudicated both for voting and distribution purposes (and that it shall remain open to the parties to agree that the Creditor's Voting Claim may be settled by the CMI Known Creditor and the CMI Entity (in consultation with the CMI CRA, if applicable) without prejudice to a future hearing by the Court or a Claims Officer to determine the Creditor's Distribution Claim). Thereafter, the Court or a Claims Officer, as the case may be, shall resolve the dispute between the CMI Entity and such CMI Known Creditor, and in any event, it is anticipated that the Court or a Claims Officer shall, by no later than two (2) Calendar Days prior to the date of the Meeting, notify the CMI Entity, such CMI Known Creditor and the Monitor of the determination of the value of the CMI Known Creditor's Voting Claim and Distribution Claim. Such determination of the value of the Voting Claim and Distribution Claim by the Court or the Claims Officer shall be deemed to be the CMI Known Creditor's Voting Claim and Distribution Claim for voting and distribution purposes.

25. **THIS COURT ORDERS** that where the value of a CMI Known Creditor's Voting Claim has not been finally determined by the Court or a Claims Officer by the date on which a vote is held, the relevant CMI Entity (in consultation with the CMI CRA, if applicable) shall either:
- (a) accept the CMI Known Creditor's determination of the value of their Voting Claim as set out in the applicable CMI Notice of Dispute of Claim only for the purposes of voting, and conduct the vote of the Creditors on that basis subject to a final determination of such CMI Known Creditor's Voting Claim, and in such case the Monitor shall record separately the value of such CMI Known Creditor's Voting Claim and whether such CMI Known Creditor voted in favour of or against the Plan;

- (b) adjourn the Meeting until a final determination of the Voting Claim(s) is made; or
  - (c) deal with the matter as the Court may otherwise direct or as the relevant CMI Entity, the Monitor and the CMI Known Creditor may otherwise agree.
26. **THIS COURT ORDERS** that in the event that a CMI Entity, with the assistance of the Monitor (in consultation with the CMI CRA, if applicable), is unable to resolve a dispute with a CMI Known Creditor regarding any Distribution Claim, the CMI Entity (in consultation with the CMI CRA, if applicable) or the CMI Known Creditor shall so notify the Monitor, and the CMI Known Creditor or the CMI Entity, as the case may be. The decision as to whether the CMI Known Creditor's Distribution Claim should be adjudicated by the Court or a Claims Officer shall be in the sole discretion of the CMI Entity (in consultation with the CMI CRA, if applicable). Thereafter, the Court or a Claims Officer shall resolve the dispute between the CMI Entity and such CMI Known Creditor.
27. **THIS COURT ORDERS** that a CMI Known Creditor or a CMI Entity (in consultation with the CMI CRA, if applicable), may, within seven (7) Calendar Days of notification of a Claims Officer's determination of the value of a CMI Known Creditor's Voting Claim or Distribution Claim, appeal such determination to the Court by filing a notice of appeal, and the appeal shall be initially returnable within ten (10) Calendar Days of the filing of such notice of appeal, such appeal to be an appeal based on the record before the Claims Officer and not a hearing de novo.
28. **THIS COURT ORDERS** that if neither party appeals the determination of value of a Voting Claim or Distribution Claim by a Claims Officer within the time set out in paragraph 27 above, the decision of the Claims Officer in determining the value of a CMI Known Creditor's Voting Claim or Distribution Claim shall be final and binding upon the relevant CMI Entity, the Monitor and the CMI Known Creditor for voting and distribution purposes and there shall be no further right of appeal, review or recourse to the Court from the Claims Officer's final determination of a Voting Claim or Distribution Claim.

**CLAIMS PROCEDURE FOR CMI UNKNOWN CREDITORS**

**(i) Notice of Claims**

29. **THIS COURT ORDERS** that forthwith after the date of this CMI Claims Procedure Order and in any event on or before October 20, 2009, the CMI Entities or the Monitor shall publish the CMI Notice to Creditors, for at least two (2) Business Days in The Globe & Mail (National Edition), the National Post, La Presse and The Wall Street Journal.
30. **THIS COURT ORDERS** that the Monitor shall send a CMI Claims Package to any CMI Unknown Creditor who requests these documents. Such CMI Unknown Creditor must return a completed CMI Proof of Claim to the Monitor by no later than the CMI Claims Bar Date.
31. **THIS COURT ORDERS** that any CMI Unknown Creditor that does not return a CMI Proof of Claim to the Monitor by the CMI Claims Bar Date shall not be entitled to attend or vote at any Meeting and shall not be entitled to receive any distribution from any Plan and its Claim shall be forever extinguished and barred without any further act or notification by the CMI Entities.

**(ii) Adjudication of Claims**

32. **THIS COURT ORDERS** that the CMI Entities, with the assistance of the Monitor and in consultation with the CMI CRA, if applicable, shall review all CMI Proofs of Claim received by the CMI Claims Bar Date and shall accept, revise or reject the amount of each Claim set out therein for voting and/or distribution purposes. The CMI Entities shall by no later than 11:59 p.m. on November 30, 2009, notify each CMI Unknown Creditor who has delivered a CMI Proof of Claim as to whether such CMI Unknown Creditor's Claim as set out therein has been revised or rejected for voting purposes (and for distribution purposes, if the CMI Entities (in consultation with the CMI CRA, if applicable), elect to do so), and the reasons therefor, by sending a CMI Notice of Revision or Disallowance. Where the CMI Entities do not send by such date a CMI Notice of Revision or Disallowance to a CMI Unknown Creditor, the CMI Entities shall

be deemed to have accepted such CMI Unknown Creditor's Claim in the amount set out in that CMI Unknown Creditor's CMI Proof of Claim as a Voting Claim for voting purposes only, which shall be deemed to be that CMI Unknown Creditor's Voting Claim.

33. **THIS COURT ORDERS** that any CMI Unknown Creditor who intends to dispute a CMI Notice of Revision or Disallowance sent pursuant to the immediately preceding paragraph shall, by no later than 5:00 p.m. on December 10, 2009 deliver a CMI Notice of Dispute of Revision or Disallowance to the Monitor.

**(iii) Resolution of Claims**

34. **THIS COURT ORDERS** that where a CMI Unknown Creditor that receives a CMI Notice of Revision or Disallowance pursuant to paragraph 32 above does not file a CMI Notice of Dispute of Revision or Disallowance by the time set out in paragraph 33 above, the value of such CMI Unknown Creditor's Voting Claim or Distribution Claim (if the CMI Notice of Revision or Disallowance dealt with the Distribution Claim) shall be deemed to be as set out in the CMI Notice of Revision or Disallowance.
35. **THIS COURT ORDERS** that in the event that a CMI Entity, with the assistance of the Monitor (in consultation with the CMI CRA, if applicable), is unable to resolve a dispute regarding any Voting Claim with a CMI Unknown Creditor, the CMI Entity or the CMI Unknown Creditor shall so notify the Monitor, and the CMI Unknown Creditor or the CMI Entity (in consultation with the CMI CRA, if applicable), as the case may be. The decision as to whether the CMI Unknown Creditor's Voting Claim should be adjudicated by the Court or a Claims Officer shall be in the sole discretion of the CMI Entity; provided, however that to the extent a Claim is referred under this paragraph to the Court or a Claims Officer, it shall be on the basis that the value of the Claim shall be resolved or adjudicated both for voting and distribution purposes (and that it shall remain open to the parties to agree that the Creditor's Voting Claim may be settled by the CMI Unknown Creditor and the CMI Entity (in consultation with the CMI CRA, if applicable) without prejudice to a future hearing by the Court or a Claims Officer to determine the Creditor's Distribution Claim). Thereafter, the Court or a Claims Officer, as the case may be, shall resolve the dispute between the CMI Entity and such CMI Unknown Creditor, and in any

event, it is anticipated that the Court or a Claims Officer shall, by no later two (2) Calendar Days prior to the date of the Meeting, notify the CMI Entity, such CMI Unknown Creditor and the Monitor of the determination of the value of the CMI Unknown Creditor's Voting Claim and Distribution Claim. Such determination of the value of the Voting Claim and Distribution Claim by the Court or the Claims Officer shall be deemed to be the CMI Unknown Creditor's Voting Claim and Distribution Claim for voting and distribution purposes.

36. **THIS COURT ORDERS** that where the value of a CMI Unknown Creditor's Voting Claim has not been finally determined by the Court or the Claims Officer by the date of the meeting, the relevant CMI Entity shall (in consultation with the CMI CRA, if applicable) either:

- (a) accept the CMI Unknown Creditor's determination of the value of the Voting Claim as set out in the applicable CMI Notice of Dispute of Revision or Disallowance only for the purposes of voting and conduct the vote of the Creditors on that basis subject to a final determination of such CMI Unknown Creditor's Voting Claim, and in such case the Monitor shall record separately the value of such CMI Unknown Creditor's Voting Claim and whether such CMI Unknown Creditor voted in favour of or against the Plan;
- (b) adjourn the Meeting until a final determination of the Voting Claim(s) is made; or
- (c) deal with the matter as the Court may otherwise direct or as the relevant CMI Entity, the Monitor and the CMI Unknown Creditor may otherwise agree.

37. **THIS COURT ORDERS** that the CMI Entities, with the assistance of the Monitor (in consultation with the CMI CRA, if applicable), shall review and consider all CMI Proofs of Claim filed in accordance with this CMI Claims Procedure Order, in order to determine the Distribution Claims. The relevant CMI Entities shall notify each CMI Unknown Creditor who filed a CMI Proof of Claim and who did not receive a CMI Notice of Revision or Disallowance for distribution purposes pursuant to paragraph 32 herein as to whether such CMI Unknown Creditor's Claim as set out in such CMI

Unknown Creditor's CMI Proof of Claim has been revised or rejected for distribution purposes, and the reasons therefore, by delivery of a CMI Notice of Revision or Disallowance. Where the relevant CMI Entities do not send a CMI Notice of Revision or Disallowance for distribution purposes to a CMI Unknown Creditor, the relevant CMI Entities and the Monitor shall be deemed to have accepted the amount of such CMI Unknown Creditor's Claim as set out in such CMI Unknown Creditor's CMI Proof of Claim as such CMI Unknown Creditor's Distribution Claim.

38. **THIS COURT ORDERS** that any CMI Unknown Creditor who intends to dispute a CMI Notice of Revision or Disallowance for distribution purposes shall no later than 21 Calendar Days after receiving the notice referred to in paragraph 37, deliver a CMI Notice of Dispute of Revision or Disallowance to the Monitor.
39. **THIS COURT ORDERS** that where a CMI Unknown Creditor that receives a CMI Notice of Revision or Disallowance pursuant to paragraph 37 above does not return a CMI Notice of Dispute of Revision or Disallowance for distribution purposes to the Monitor by the time set out in paragraph 38 above, the value of such CMI Unknown Creditor's Distribution Claim shall be deemed to be as set out in the CMI Notice of Revision or Disallowance for distribution purposes and the CMI Unknown Creditor will be barred from disputing or appealing same.
40. **THIS COURT ORDERS** that in the event that a CMI Entity (in consultation with the CMI CRA, if applicable) is unable to resolve a dispute with a CMI Unknown Creditor regarding any Distribution Claim, the CMI Entity or the CMI Unknown Creditor shall so notify the Monitor, and the CMI Unknown Creditor or the CMI Entity, as the case may be. The decision as to whether the CMI Unknown Creditor's Distribution Claim should be adjudicated by the Court or a Claims Officer shall be in the sole discretion of the CMI Entity (in consultation with the CMI CRA, if applicable). Thereafter, the Court or a Claims Officer shall resolve the dispute between the CMI Entity and such CMI Unknown Creditor.
41. **THIS COURT ORDERS** that either a CMI Unknown Creditor or a CMI Entity may, within seven (7) Calendar Days of notification of a Claims Officer's determination of the

value of a CMI Unknown Creditor's Voting Claim or Distribution Claim, appeal such determination to the Court by filing a notice of appeal, and the appeal shall be initially returnable within ten (10) Calendar Days of the filing of such notice of appeal, such appeal to be an appeal based on the record before the Claims Officer and not a hearing de novo.

42. **THIS COURT ORDERS** that if neither party appeals the determination of value of a Voting Claim or Distribution Claim by a Claims Officer within the time set out in paragraph 41 above, the decision of the Claims Officer in determining the value of a CMI Unknown Creditor's Voting Claim or Distribution Claim shall be final and binding upon the relevant CMI Entity, the Monitor and the CMI Unknown Creditor for voting and distribution purposes and there shall be no further right of appeal, review or recourse to the Court from the Claims Officer's final determination of a Voting Claim or Distribution Claim.

#### **SET-OFF**

43. **THIS COURT ORDERS** that the CMI Entities may set-off (whether by way of legal, equitable or contractual set-off) against payments or other distributions to be made pursuant to the Plan to any Creditor, any claims of any nature whatsoever that any of the CMI Entities may have against such Creditor, however, neither the failure to do so nor the allowance of any Claim hereunder shall constitute a waiver or release by the CMI Entities of any such claim that the CMI Entities may have against such Creditor.

#### **NOTICE OF TRANSFEREES**

44. **THIS COURT ORDERS** that leave is hereby granted from the date of this CMI Claims Procedure Order until ten (10) Business Days prior to the date fixed by the Court for the Meeting to permit a Creditor to provide notice of assignment or transfer of a Claim to the Monitor, subject to paragraph 45.
45. **THIS COURT ORDERS** that if, after the Filing Date, the holder of a Claim transfers or assigns the whole of such Claim to another Person, neither the Monitor nor the CMI Entities shall be obligated to give notice or otherwise deal with the transferee or assignee

of such Claim in respect thereof unless and until actual notice of transfer or assignment, together with satisfactory evidence of such transfer or assignment, shall have been received and acknowledged by the relevant CMI Entity and the Monitor in writing and thereafter such transferee or assignee shall for the purposes hereof constitute the "Creditor" in respect of such Claim. Any such transferee or assignee of a Claim shall be bound by any notices given or steps taken in respect of such Claim in accordance with this CMI Claims Procedure Order prior to receipt and acknowledgement by the relevant CMI Entity and the Monitor of satisfactory evidence of such transfer or assignment. A transferee or assignee of a Claim takes the Claim subject to any rights of set-off to which a CMI Entity may be entitled with respect to such Claim. For greater certainty, a transferee or assignee of a Claim is not entitled to set-off, apply, merge, consolidate or combine any Claims assigned or transferred to it against or on account or in reduction of any amounts owing by such Person to any of the CMI Entities. No transfer or assignment shall be received for voting purposes unless such transfer shall have been received by the Monitor no later than ten (10) Business Days prior to the date to be fixed by the Court for the Meeting, failing which the original transferor shall have all applicable rights as the "Creditor" with respect to such Claim as if no transfer of the Claim had occurred. Reference to transfer in this CMI Claims Procedure Order includes a transfer or assignment whether absolute or intended as security.

#### **SERVICE AND NOTICES**

46. **THIS COURT ORDERS** that the CMI Entities and the Monitor may, unless otherwise specified by this CMI Claims Procedure Order, serve and deliver the CMI Claims Package, any letters, notices or other documents to Creditors or any other interested Person by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery, facsimile transmission or email to such Persons at the physical or electronic address, as applicable, last shown on the books and records of the CMI Entities or set out in such Creditor's CMI Proof of Claim. Any such service and delivery shall be deemed to have been received: (i) if sent by ordinary mail, on the third Business Day after mailing within Ontario, the fifth Business Day after mailing within Canada (other than within Ontario), and the tenth Business Day after mailing internationally; (ii) if sent by courier



or personal delivery, on the next Business Day following dispatch; and (iii) if delivered by facsimile transmission or email by 6:00 p.m. on a Business Day, on such Business Day and if delivered after 6:00 p.m. or other than on a Business Day, on the following Business Day.

47. **THIS COURT ORDERS** that any notice or communication required to be provided or delivered by a Creditor to the Monitor or the CMI Entities under this CMI Claims Procedure Order shall be in writing in substantially the form, if any, provided for in this CMI Claims Procedure Order and will be sufficiently given only if delivered by prepaid registered mail, courier, personal delivery, facsimile transmission or email addressed to:

FTI Consulting Canada Inc., Court-appointed Monitor of Canwest Global  
Communications Corp. et al  
Claims Process

Suite 2733, TD Canada Trust Tower  
161 Bay Street  
Toronto ON  
M5J 2S1

Attention: Anna-Liisa Sisask

Telephone: 1-888-318-4018  
Fax: 416-572-4068  
Email: [anna.sisask@fticonsulting.com](mailto:anna.sisask@fticonsulting.com)

Any such notice or communication delivered by a Creditor shall be deemed to be received upon actual receipt by the Monitor thereof during normal business hours on a Business Day or if delivered outside of normal business hours, the next Business Day.

48. **THIS COURT ORDERS** that if during any period during which notices or other communications are being given pursuant to this CMI Claims Procedure Order a postal strike or postal work stoppage of general application should occur, such notices or other communications sent by ordinary mail and then not received shall not, absent further Order of this Court, be effective and notices and other communications given hereunder during the course of any such postal strike or work stoppage of general application shall

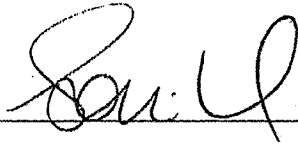
only be effective if given by courier, personal delivery, facsimile transmission or email in accordance with this CMI Claims Procedure Order.

49. **THIS COURT ORDERS** that in the event that this CMI Claims Procedure Order is later amended by further Order of the Court, the CMI Entities or the Monitor may post such further Order on the Monitor's website and such posting shall constitute adequate notice to Creditors of such amended claims procedure.

### MISCELLANEOUS

50. **THIS COURT ORDERS** that notwithstanding any other provisions of this CMI Claims Procedure Order, the solicitation by the Monitor or the CMI Entities of CMI Proofs of Claim, and the filing by any Creditor of any CMI Proof of Claim shall not, for that reason only, grant any person any standing in these proceedings or rights under any proposed Plan. The CMI Entities shall not oppose the Ad Hoc Committee and the Noteholder Trustee seeking standing in any proceedings before a Claims Officer, this Court or otherwise in respect of the determination of any Claims.
51. **THIS COURT ORDERS** that nothing in this CMI Claims Procedure Order shall constitute or be deemed to constitute an allocation or assignment of Claims, Excluded Claims, CMI Intercompany Claims or Canwest Intercompany Claims by the CMI Entities into particular affected or unaffected classes for the purpose of a Plan and, for greater certainty, the treatment of Claims, Excluded Claims, CMI Intercompany Claims, Canwest Intercompany Claims or any other claims is to be subject to a Plan and the classes of creditors for voting and distribution purposes shall be subject to the terms of any proposed Plan or further Order of this Court.
52. **THIS COURT ORDERS** that in the event that no Plan is approved by this Court, the CMI Claims Bar Date shall be of no effect in any subsequent proceeding or distribution with respect to any and all Claims made by Creditors.
53. **THIS COURT ORDERS AND REQUESTS** the aid and recognition of any court or any judicial, regulatory or administrative body in any province or territory of Canada (including the assistance of any court in Canada pursuant to section 17 of the CCAA) and

the Federal Court of Canada and any judicial, regulatory or administrative tribunal or other court constituted pursuant to the Parliament of Canada or the legislature of any province and any court or any judicial regulatory body of the United States and the states or other subdivisions of the United States and of any other nation or state, to act in aid of and to be complementary to this Court in carrying out the terms of this CMI Claims Procedure Order.



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ON / BOOK NO:  
LE / DANS LE REGISTRE NO.:

OCT 19 2009

PER/PAR: N

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

Court File No: CV-09-8396-00CL

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF CANWEST  
GLOBAL COMMUNICATIONS CORP., AND THE OTHER APPLICANTS LISTED ON  
SCHEDULE "A"

APPLICANTS

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

Proceeding commenced at Toronto

**ORDER**

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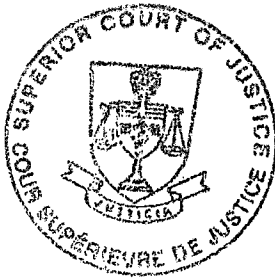
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Fax: (416) 862-6666

Lawyers for the Applicants

F. 1114233





Court File No. CV-09-8396-00CL

ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST

THE HONOURABLE )  
 )  
MADAM JUSTICE PEPALL ) MONDAY, THE 30<sup>TH</sup> DAY  
 ) OF NOVEMBER, 2009

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 GLOBAL  
COMMUNICATIONS CORP. AND THE OTHER APPLICANTS  
LISTED ON SCHEDULE "A"

Applicants

**ORDER**  
**(Amendment to Claims Procedure Order)**

**THIS MOTION**, made by Canwest Global Communications Corp. ("Canwest Global") and the other applicants listed on Schedule "A" hereto (collectively, the "Applicants") and the partnerships listed on Schedule "B" hereto (the "Partnerships" and with the Applicants, the "CMI Entities"), pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "CCAA") was heard this day at 330 University Avenue, Toronto, Ontario.

**ON READING** the Notice of Motion of the CMI Entities, the Sixth Report of FTI Consulting Canada Inc. its capacity as court-appointed monitor of the CMI Entities (the "Monitor"), and on hearing from counsel for the CMI Entities, the Monitor, the *ad hoc* committee of holders of 8% senior subordinated notes issued by Canwest Media Inc., CIT Business Credit Canada Inc., and such other counsel as were present, no one else appearing although duly served as appears from the affidavit of service, filed.

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record is hereby abridged so that this Motion is properly returnable today and hereby dispenses with further service thereof.

2. **THIS COURT ORDERS** that paragraph 20 of the Claims Procedure Order dated October 14, 2009 (the "Claims Procedure Order") is hereby amended so that it reads as follows:

**THIS COURT ORDERS** that if a CMI Known Creditor (other than a CMI Employee) disputes the amount of the Claim as set out in the CMI General Notice of Claim, the CMI Known Creditor shall deliver to the Monitor a CMI Notice of Dispute of Claim which must be received by the Monitor by no later than the CMI Claims Bar Date. Such Person shall specify therein whether it disputes the value of the Claim for voting and/or distribution purposes. For purposes of CMI Known Creditors (other than CMI Employees who are dealt with in paragraph 22 below) who were sent a CMI Claims Package after October 22, 2009, the CMI Claims Bar Date shall be deemed to be December 17, 2009 (the "Extended CMI Claims Bar Date"). All references to the CMI Claims Bar Date herein shall be deemed to refer to the Extended CMI Claims Bar Date for such CMI Known Creditors to whom a CMI Claims Package was sent after October 22, 2009.

3. **THIS COURT ORDERS** that paragraph 22 of the Claims Procedure Order is hereby amended so that it reads as follows:

**THIS COURT ORDERS** that if a CMI Employee: (i) disputes the amount of the Claim in respect of Wages and Benefits as set out in the CMI Employee Notice of Claim; and/or (ii) believes that they have a Claim other than in respect of Wages and Benefits, the CMI Employee shall deliver to the Monitor a CMI Notice of Dispute of Claim which must be received by the Monitor by no later than the CMI Claims Bar Date. If such Person disputes the amount of the Claim in respect of Wages and Benefits as set out in the CMI Employee Notice of Claim, such Person shall specify therein whether it disputes the value of such Claim in respect of Wages and Benefits for voting and/or distribution purposes. For purposes of CMI Employees who were sent a CMI Claims Package after October 22, 2009, the CMI Claims Bar Date shall be deemed to be the Extended CMI Claims Bar Date. All references to the CMI Claims Bar Date herein shall be deemed to refer to the Extended CMI Claims Bar Date for such CMI Employees to whom a CMI Claims Package was sent after October 22, 2009.

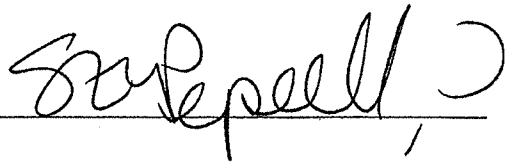
4. **THIS COURT ORDERS** that paragraph 32 of the Claims Procedure Order is hereby amended so that it reads as follows:

**THIS COURT ORDERS** that the CMI Entities, with the assistance of the Monitor and in consultation with the CMI CRA, if applicable, shall review all CMI Proofs of Claim received by the CMI Claims Bar Date and shall accept, revise or reject the amount of each Claim set out therein for voting and/or distribution purposes. The CMI Entities shall by no later than 11:59 p.m. on December 11, 2009, notify each CMI Unknown Creditor who has delivered a CMI Proof of Claim as to whether such CMI Unknown Creditor's Claim as set

out therein has been revised or rejected for voting purposes (and for distribution purposes, if the CMI Entities (in consultation with the CMI CRA, if applicable), elect to do so), and the reasons therefor, by sending a CMI Notice of Revision or Disallowance. Where the CMI Entities do not send by such date a CMI Notice of Revision or Disallowance to a CMI Unknown Creditor, the CMI Entities shall be deemed to have accepted such CMI Unknown Creditor's Claim in the amount set out in that CMI Unknown Creditor's CMI Proof of Claim as a Voting Claim for voting purposes only, which shall be deemed to be that CMI Unknown Creditor's Voting Claim.

5. **THIS COURT ORDERS** that paragraph 33 of the Claims Procedure Order is hereby amended so that it reads as follows:

**THIS COURT ORDERS** that any CMI Unknown Creditor who intends to dispute a CMI Notice of Revision or Disallowance sent pursuant to the immediately preceding paragraph shall, by no later than 5:00 p.m. on December 23, 2009 deliver a CMI Notice of Dispute of Revision or Disallowance to the Monitor.



ENTERED AT / INSCRIT À TORONTO  
ON / BOOK NO:  
LE / DANS LE REGISTRE NO.:

NOV 30 2009

PER / PAR: JS

Joanne Nicoara  
Registrar, Superior Court of Justice



**Schedule "A"**

**Applicants**

1. Canwest Global Communications Corp.
2. Canwest Media Inc.
3. MBS Productions Inc.
4. Yellow Card Productions Inc.
5. Canwest Global Broadcasting Inc./Radiodiffusion Canwest Global Inc.
6. Canwest Television GP Inc.
7. Fox Sports World Canada Holdco Inc.
8. Global Centre Inc.
9. Multisound Publishers Ltd.
10. Canwest International Communications Inc.
11. Canwest Irish Holdings (Barbados) Inc.
12. Western Communications Inc.
13. Canwest Finance Inc./Financiere Canwest Inc.
14. National Post Holdings Ltd.
15. Canwest International Management Inc.
16. Canwest International Distribution Limited
17. Canwest MediaWorks Turkish Holdings (Netherlands)
18. CGS International Holdings (Netherlands)
19. CGS Debenture Holding (Netherlands)
20. CGS Shareholding (Netherlands)
21. CGS NZ Radio Shareholding (Netherlands)
22. 4501063 Canada Inc.
23. 4501071 Canada Inc.
24. 30109, LLC
25. CanWest MediaWorks (US) Holdings Corp.

**Schedule "B"**

**Partnerships**

1. Canwest Television Limited Partnership
2. Fox Sports World Canada Partnership
3. The National Post Company/La Publication National Post

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

Court File No: CV-09-8396-00CL

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF CANWEST  
GLOBAL COMMUNICATIONS CORP., AND THE OTHER APPLICANTS LISTED ON  
SCHEDULE "A"

APPLICANTS

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

Proceeding commenced at Toronto

**ORDER**

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Lawyers for the Applicants

F. 1114233

# APPENDIX "C"

Appendix C								
All in CAD unless otherwise stated <sup>(a)</sup>								
Canwest Media Inc. ("CMI")								
	Accepted		Settlement Pending			To Be Resolved		
	# of claims	Accepted Value (\$)	# of claims	Value as per Creditor (\$)	Tentative Settlement Value (\$)	# of claims	Value as per Company (\$)	Value as per Creditor (\$)
CMI Noteholder Claim	Unknown <sup>(b)</sup>	\$442,353,236.45	n/a			n/a		
CMI Intercompany Claims	5	\$408,668,000.00	n/a			n/a		
Marker Claims <sup>(c)</sup>	n/a	n/a	n/a			3 <sup>(d)</sup>	\$0.00	TBD
Other Claims	72	\$68,814,676.55	5	\$2,025,000,000.00	\$14,000,000.00 <sup>(d)</sup>	10	\$979,459.00	\$1,002,766,670.09 <sup>(f)</sup>
Canwest Global Communications Corp. ("CGCC")								
	Accepted		Settlement Pending			To Be Resolved		
	# of claims	Accepted Value (\$)	# of claims	Value as per Creditor (\$)	Tentative Settlement Value (\$)	# of claims	Value as per Company (\$)	Value as per Creditor (\$)
CMI Noteholder Claim	n/a	n/a	n/a			n/a		
CMI Intercompany Claims	1	\$61,227,000.00	n/a			n/a		
Marker Claims <sup>(c)</sup>	n/a	n/a	n/a			2 <sup>(d)</sup>	\$0.00	TBD
Other Claims	23	\$61,904.44	7	\$2,165,382,800.00	\$650,000.00 <sup>(d)</sup>	4	\$0.00	\$999,651.18
Canwest Television Limited Partnership ("CTLP")								
	Accepted		Settlement Pending			To Be Resolved		
	# of claims	Accepted Value (\$)	# of claims	Value as per Creditor (\$)	Tentative Settlement Value (\$)	# of claims	Value as per Company (\$)	Value as per Creditor (\$)
CMI Noteholder Claim	Unknown <sup>(b)</sup>	\$442,353,236.45	n/a			n/a		
CMI Intercompany Claims	6	\$56,316,000.00	n/a			n/a		
Marker Claims <sup>(c)</sup>	n/a	n/a	n/a			8 <sup>(d)</sup>	\$0.00	TBD
Other Claims	1011	\$66,597,087.50	n/a			74	\$687,651.15	\$3,060,595.74
Canwest Television GP Inc. ("GP")								
	Accepted		Settlement Pending			To Be Resolved		
	# of claims	Accepted Value (\$)	# of claims	Value as per Creditor (\$)	Tentative Settlement Value (\$)	# of claims	Value as per Company (\$)	Value as per Creditor (\$)
CMI Noteholder Claim	Unknown <sup>(b)</sup>	\$442,353,236.45	n/a			n/a		
CMI Intercompany Claims	2	\$97,000.00	n/a			n/a		
Marker Claims <sup>(c)</sup>	n/a	n/a	n/a			2 <sup>(d)</sup>	\$0.00	TBD
Other Claims	1	\$23,779.41	n/a			n/a		
Other Entities								
	Accepted		Settlement Pending			To Be Resolved		
	# of claims	Accepted Value (\$)	# of claims	Value as per Creditor (\$)	Tentative Settlement Value (\$)	# of claims	Value as per Company (\$)	Value as per Creditor (\$)
CMI Noteholder Claim	Unknown <sup>(b)</sup>	\$10,174,124,438.44	n/a			n/a		
CMI Intercompany Claims	29	\$187,815,000.00	n/a			n/a		
Marker Claims <sup>(c)</sup>	n/a	n/a	n/a			37 <sup>(d)</sup>	\$100,000.00	TBD
Other Claims	122	\$615,068.36	n/a			1	\$22,500.00	\$631,293.33
<b>Notes:</b>								
(a) USD claims converted to CAD based on the on an F/X rate of 1.03614 based on the average Bank of Canada noon rate for the 10 days preceding May 21, 2010.								
(b) Number of CMI Noteholders claiming under the CMI Noteholder Trust Indenture is currently not disclosed.								
(c) Claims filed by creditors for unknown amounts.								
(d) Tentative settlement reached pending finalizing settlement documentation.								
(e) One marker claim was filed on behalf of all current and former Directors and Officers of the CMI Entities. Total number of all such current and former Directors and Officers is currently unknown.								
(f) This amount includes 8 claims in the aggregate amount of (CAN)\$525,532,346.64 and (US)\$458,041,957.81 filed by certain senior secured lenders (the "LP Senior Lenders") of Canwest Limited Partnership ("CLP") and certain related entities claiming, among other things, that CMI is liable as a general partner pursuant to section 13(1) of the Limited Partnerships Act (Ontario) for all of CLP's indebtedness to the LP Senior Lenders under their respective agreements with CLP and seeking payment of such indebtedness. CMI has disputed allegations that it took part in the control of the business of CLP or became liable as a general partner thereof, or is indebted to the LP Senior Lenders in connection with CLP's indebtedness. CLP and related entities have commenced separate CCAA proceedings on January 8, 2010 which may result in a recovery to the LP Senior Lenders and reduce, inter alia, CLP's indebtedness to the LP Senior Lenders.								

# APPENDIX "D"

**Canwest Media Inc.**  
**WEEKLY CASH FLOW FORECAST**

<b>CAD 000s</b>															
Beginning (Monday)	24-May-10	31-May-10	7-Jun-10	14-Jun-10	21-Jun-10	28-Jun-10	5-Jul-10	12-Jul-10	19-Jul-10	26-Jul-10	2-Aug-10	9-Aug-10	16-Aug-10	23-Aug-10	30-Aug-10
Ending (Sunday)	30-May-10	6-Jun-10	13-Jun-10	20-Jun-10	27-Jun-10	4-Jul-10	11-Jul-10	18-Jul-10	25-Jul-10	1-Aug-10	8-Aug-10	15-Aug-10	22-Aug-10	29-Aug-10	5-Sep-10
<b>Operating Cashflow</b>															
<u>Receipts</u>															
Receipts	10,809	10,157	6,536	4,552	12,586	16,657	6,373	3,461	10,530	16,759	7,015	2,826	7,055	14,924	7,786
Intercompany Receipts	6,471	-	-	-	-	4,795	-	-	-	4,709	-	-	-	8,484	-
Total Operating Receipts	17,281	10,157	6,536	4,552	12,586	21,452	6,373	3,461	10,530	21,469	7,015	2,826	7,055	23,408	7,786
<u>Disbursements</u>															
Operating Disbursements	(9,628)	(21,439)	(12,933)	(9,722)	(7,641)	(10,024)	(16,762)	(9,937)	(7,396)	(10,556)	(8,106)	(13,868)	(8,197)	(6,741)	(11,295)
Capital Expenditures	(750)	(593)	(593)	(593)	(593)	(593)	(1,335)	(1,335)	(1,335)	(1,335)	(1,098)	(1,098)	(1,098)	(1,098)	(1,098)
Intercompany Disbursements	(2,177)	-	-	-	-	(2,341)	-	-	-	(2,207)	-	-	-	(2,341)	-
Total Disbursements	(12,555)	(22,031)	(13,526)	(10,315)	(8,234)	(12,958)	(18,098)	(11,272)	(8,731)	(14,098)	(9,204)	(14,966)	(9,295)	(10,180)	(12,393)
Net Operating Cashflows	4,725	(11,874)	(6,990)	(5,762)	4,352	8,494	(11,725)	(7,811)	1,799	7,371	(2,190)	(12,140)	(2,240)	13,228	(4,608)
<b>Restructuring Costs</b>															
Restructuring Costs	(1,153)	(1,028)	(903)	(943)	(903)	(1,153)	(1,028)	(943)	(903)	(1,153)	(1,028)	(928)	(918)	(903)	(1,566)
DIP Interest/Fees	(128)	-	-	-	-	(128)	-	-	-	(128)	-	-	-	-	(128)
Total Restructuring Costs	(1,281)	(1,028)	(903)	(943)	(903)	(1,281)	(1,028)	(943)	(903)	(1,281)	(1,028)	(928)	(918)	(903)	(1,694)
<b>Total Net Cashflow</b>	<b>3,445</b>	<b>(12,902)</b>	<b>(7,892)</b>	<b>(6,705)</b>	<b>3,450</b>	<b>7,214</b>	<b>(12,753)</b>	<b>(8,754)</b>	<b>897</b>	<b>6,090</b>	<b>(3,217)</b>	<b>(13,068)</b>	<b>(3,158)</b>	<b>12,326</b>	<b>(6,302)</b>
Opening Cash	82,335	85,780	72,878	64,985	58,280	61,730	68,943	56,191	47,437	48,334	54,424	51,207	38,139	34,982	47,308
DIP Advances (Repayments)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Advances (Repayments)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Closing Cash</b>	<b>85,780</b>	<b>72,878</b>	<b>64,985</b>	<b>58,280</b>	<b>61,730</b>	<b>68,943</b>	<b>56,191</b>	<b>47,437</b>	<b>48,334</b>	<b>54,424</b>	<b>51,207</b>	<b>38,139</b>	<b>34,982</b>	<b>47,308</b>	<b>41,006</b>

**Notes:**

1. The purpose of these cash flow projections is to determine the liquidity requirements for the CCAA Entities during the CCAA proceedings.
2. Operating receipts have been forecasted in the normal course of business based on Management's historical analysis as well as an understanding of Canwest's customer base under the current economic conditions and present situation.
3. Historical charges and current contracts for shared services between the CCAA Entities and other Canwest subsidiaries were utilized to estimate the projections for intercompany receipts and disbursements. These amounts are based on a cost recovery basis. The projected amount also reflects expected distributions from TVtropolis, Mystery TV and Men TV to the CCAA Entities.
4. Payments to content providers are based on anticipated programming schedules and under existing program supply contracts.
5. Other operating disbursements have been estimated based on historical analysis, current price levels, and Management's forecasts.
6. Capital expenditure forecasts reflect planned capital projects during the period.
7. Estimated restructuring costs are based on projected costs associated with professional fees and employee retention costs relating to the restructuring.