



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

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE) FRIDAY, THE 19th DAY
)
)
MADAM JUSTICE PEPALL) OF FEBRUARY, 2010

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
(Approval of Subscription Agreement)**

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, together 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 Affidavit of Thomas C. Strike sworn February 12, 2010 (the "**Strike Affidavit**"), the Tenth Report of FTI Consulting Canada Inc. in its capacity as Court-appointed monitor of the CMI Entities (the "**Monitor**"), including the Confidential Supplement thereto (the "**Confidential Supplement**"), 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., Shaw Communications Inc. ("**Shaw**") 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 any further service of the Notice of Motion and the Motion Record is hereby dispensed with.

2. **THIS COURT ORDERS** that

(a) the Subscription Agreement and the Subscription Term Sheet attached as Schedule "A" thereto (collectively, the "**Subscription Agreement**") dated February 11, 2010 between Canwest Global and Shaw,

(b) the Amended Support Agreement (as defined in the Strike Affidavit) dated February 11, 2010 between the CMI Entities and certain holders of 8% Senior Subordinated Notes issued by Canwest Media Inc. (the "**Consenting Noteholders**"), and

(c) the Shaw Support Agreement (as defined in the Strike Affidavit) dated February 11, 2010 between Canwest Global, Shaw, and the Consenting Noteholders,

are hereby approved and the entering into, execution and delivery of the Subscription Agreement, the Amended Support Agreement and the Shaw Support Agreement by the CMI Entities and the performance by the CMI Entities of the Subscription Agreement, the Amended Support Agreement and the Shaw Support Agreement in accordance with their terms and conditions is hereby authorized and approved.

3. **THIS COURT ORDERS** that the CMI Entities are hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the transactions and the satisfaction of the obligations contemplated by the Subscription Agreement, the Amended Support Agreement and the Shaw Support Agreement.

4. **THIS COURT ORDERS** that the CMI Entities shall be required to comply with their obligations under the Subscription Agreement and the Shaw Support Agreement. Prior to exercising any and all rights and remedies they may have against the CMI Entities under or in respect of the Subscription Agreement and the Shaw Support Agreement, in accordance with the terms of such agreements, Shaw and the Consenting Noteholders, as applicable, shall be required to obtain a further order of the Court, other than in respect of contractual termination rights under the Subscription Agreement and the Shaw Support Agreement.

5. **THIS COURT ORDERS** that Shaw shall be entitled to the benefit of and is hereby granted a charge (the “**Investor Charge**”) on the CMI Property (as defined in the Initial Order of this Honourable Court dated October 6, 2009 (the “**Initial Order**”)) to secure the payment of the Termination Fee pursuant to Section 4.6 and the expense reimbursement payable pursuant to Section 9.2 of the Subscription Agreement.

6. **THIS COURT ORDERS** that paragraph 47 of the Initial Order be amended to read as follows:

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 and the Investor Charge (as defined in the Order of this Court made in these proceedings on February 19, 2010), 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**”).

7. **THIS COURT ORDERS** that paragraph 48 of the Initial Order be amended to read as follows:

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 and the Investor Charge.

8. **THIS COURT ORDERS** that paragraph 55 of the Initial Order shall be amended to read as follows:

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, and the Investor 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;

Fifth – Existing Security in respect of the balance of the obligations secured thereunder; and

Sixth – Investor Charge.

9. **THIS COURT ORDERS** that paragraph 56 of the Initial Order shall be amended to read as follows:

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 and the Investor 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.

10. **THIS COURT ORDERS** that paragraph 57 of the Initial Order shall be amended to read as follows:

57. **THIS COURT ORDERS** that, the CMI Directors' Charge, the CMI Administration Charge, the CMI DIP Charge, ~~and~~ the CMI KERP Charge and the Investor 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", as defined in the CCAA, in respect of any of 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.

11. **THIS COURT ORDERS** that paragraph 58 of the Initial Order is amended to read as follows:

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 Charges, unless the CMI Entities also obtain the prior consent of the Monitor, the CMI DIP Lender and the beneficiaries of the Charges or upon further Order of this Court.

12. **THIS COURT ORDERS** that paragraph 59 of the Initial Order is amended to read as follows:

59. **THIS COURT ORDERS** that the Charges and the CMI DIP Definitive Documents 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, the rights and remedies of Shaw Communications Inc. under the Subscription Agreement and the rights and remedies of Shaw Communications Inc. and the Consenting Noteholders under the Shaw Support Agreement (as those terms are defined in the Order of this Court made in these proceedings on February 19, 2010) 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, the Subscription Agreement or the Shaw Support Agreement shall create or be deemed to constitute a breach by any of the CMI Entities of any Agreement to which they are a party;

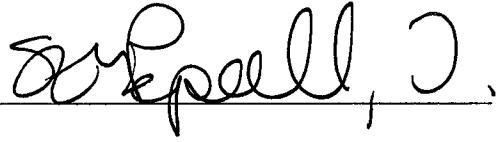
(b) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the CMI Entities entering into the CIT Credit Agreement or any other CMI DIP Definitive Documents, the creation of the Charges, or the execution, delivery or performance of the CMI 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 Subscription Agreement and the Shaw Support Agreement, 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.

13. **THIS COURT ORDERS** that all provisions of the Initial Order applicable to the “Support Agreement” (as defined in the Initial Order) shall be applicable in all respects to the Amended Support Agreement.

14. **THIS COURT ORDERS** that the Monitor is hereby authorized and directed to post a copy of the Confidential Supplement containing a copy of the Subscription Agreement, the Amended Support Agreement and the Shaw Support Agreement (all without signature pages) on the Monitor’s website established with respect to this CCAA proceeding at <http://cfcanada.fticonsulting.com/cmi> and to send a copy of the Confidential Supplement containing a copy of the Subscription Agreement, the Amended Support Agreement and the

Shaw Support Agreement (all without signature pages) by electronic transmission to the service list maintained with respect to this CCAA proceeding.



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

FEB 22 2010

PER / PAR: JSN

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

26. Canwest Television Limited Partnership
27. Fox Sports World Canada Partnership
28. The National Post Company/La Publication National Post

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

APPLICANTS

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at Toronto

**ORDER
(Approval of Subscription Agreement)**

OSLER, HOSKIN & HARCOURT LLP
Box 50, 1 First Canadian Place
Toronto, Ontario, Canada M5X 1B8

Lyndon A.J. Barnes (LSUC#: 13350D)
Tel: (416) 862-6679

Jeremy E. Dacks (LSUC#: 41851R)
Tel: (416) 862-4923

Shawn T. Irving (LSUC#: 50035U)
Tel: (416) 862-4733

Fax: (416) 862-6666

Lawyers for the Applicants

F. 1114233