

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

**SEVENTH REPORT OF FTI CONSULTING CANADA INC.
IN ITS CAPACITY AS MONITOR
November 30, 2009**

**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 LISTED ON SCHEDULE "A"**

**SEVENTH REPORT OF FTI CONSULTING CANADA INC.
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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 The National Post Company/La Publication National Post (the "**National Post Company**").
4. Canwest Global's other divisions and/or subsidiaries, including the publishing division which consists of, *inter alia*, the Canwest Limited Partnership, Canwest Publishing Inc./Publications Canwest Inc. ("CPI"), and Canwest Books Inc. (collectively, the "**LP Entities**"), are not Applicants in the CCAA Proceedings.
5. 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 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>.

PURPOSE OF THIS REPORT

6. 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**”). A copy of the Claims Procedure Order (without schedules) is attached as **Appendix “A”**.
7. The Claims Procedure Order does not purport to establish a claims process for the claims of wholly or partially owned subsidiaries of Canwest Global which are not CMI Entities (the “**Non-CMI Subsidiaries**”) against any of the CMI Entities (the “**Canwest Intercompany Claims**”).
8. Pursuant to paragraph 14 of the Claims Procedure Order, the Monitor is directed to file a report with the Court detailing the nature and quantum of the Canwest Intercompany Claims by October 31, 2009. On October 30, 2009, Justice Pepall extended the time to file this report until November 30, 2009.
9. The sole purpose of this Seventh Report of the Monitor is to report on the nature and quantum of the Canwest Intercompany Claims.

TERMS OF REFERENCE

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

11. Unless otherwise stated, all monetary amounts contained in this report are expressed in Canadian dollars.

CANWEST INTERCOMPANY CLAIMS

12. Review of the books and records of the CMI Entities and discussions with the CMI Entities' management revealed the following categories of Canwest Intercompany Claims as at October 5, 2009 (all as described in greater detail below):

- (a) Outstanding intercompany loans (formally documented);
- (b) Negative balances on inter-company accounts;
- (c) Litigation related claims; and
- (d) A potential liability pursuant to a funding request made under the Shelterco Shareholders Agreement (as hereinafter defined).

13. In addition to the above, FTI is advised by the CMI Entities that they may be liable under a number of indemnities granted by certain CMI Entities to the Non-CMI Subsidiaries in connection with various transactions entered into by the CMI Entities and the Non-CMI Subsidiaries and the representations and warranties contained in the related agreements. As at the date of this report, the CMI Entities are not aware of any claims made under such indemnities by any of the Non-CMI Subsidiaries.

Intercompany Loans

14. As at October 5, 2009, the CMI Entities were indebted to Canwest MediaWorks Ireland Holdings (“**Irish Holdco**”) in the following amounts pursuant to the following intercompany loans:
 - (a) \$187.3 million pursuant to a demand secured promissory note dated September 23, 2009 issued by CMI and guaranteed by the remaining CMI Entities; and
 - (b) \$430.6 million pursuant to a demand unsecured promissory note dated September 23, 2009 issued by CMI and guaranteed by the remaining CMI Entities.

15. CMI is also indebted to Irish Holdco in the aggregate amount of \$72.3 million pursuant to inter-company loans related to dividends received by Irish Holdco from Ten Network Holdings Limited and advanced to CMI in the form of demand unsecured intercompany loans.

Inter-company balances

16. Historically, Canwest Global’s partially and wholly-owned subsidiaries recorded transfers made to and received from affiliated entities in an account or multiple accounts designated to each inter-company relationship. Accordingly, the balances in these accounts represent the net of both advances and receipts from these transactions.

17. FTI did not review the historic payments recorded as made to or received by the CMI Entities in the various inter-company accounts. Rather, FTI reviewed the net balances recorded on such accounts as at October 5, 2009.
18. As at October 5, 2009, the various non-CMI Subsidiaries' inter-company accounts recorded the following amounts owing by the following CMI Entities:
 - (a) \$0.5 million owing by CMI to Canwest International Corp.;
 - (b) \$0.4 million owing by Canwest Global Broadcasting Inc. to Fireworks Entertainment Inc.¹; and
 - (c) \$0.6 million owing by Canwest International Communications Inc. to CGS International Holdings (Luxembourg).

Litigation Related Claims

19. The CMI Entities may also be required to comply with certain indemnities in connection with various actions involving the Non-CMI Subsidiaries. FTI is advised by the CMI Entities that the following CMI Entities may be liable pursuant to a contractual indemnity or undertaking to certain Non-CMI Subsidiaries in connection with the following litigation claims:
 - (a) CMI may be liable pursuant to a contractual indemnity (as provided in the Acquisition and Investment Agreement between, *inter alia*, Canwest Global, CMI and the predecessor of Canwest Limited Partnership dated October 13,

2005 (the “**Acquisition Agreement**”)) to indemnify Canwest Limited Partnership for damages in the amount of \$33 million, pre- and post-judgment interest and costs claimed in the class action commenced by the Electronic-Rights Defence Committee (ERDC) against, *inter alia*, Montreal Gazette Group Inc./Groupe Montreal Gazette Inc., CanWest Global Communications Corp., Hollinger Canadian Publishing Holdings, and CanWest Interactive Inc.

- (b) CMI may be liable pursuant to a contractual indemnity (as provided in the Acquisition Agreement) to indemnify Canwest Limited Partnership in connection with the class action commenced by Heather Robertson et al. against, *inter alia*, CPI for damages in unspecified amounts, interest and costs.
- (c) Canwest Global may be liable pursuant to an undertaking to reimburse Canwest Limited Partnership for costs in the minimum amount of \$20,000 incurred in an appeal to the Supreme Court of Canada launched by various Non-CMI Subsidiaries in an action commenced by Danno Cusson et al. against, *inter alia*, the Ottawa Citizen Group Inc. (which was subsequently amalgamated into the predecessor of CPI) and several of its employees claiming defamation.

20. FTI is advised that the CMI Entities are also liable to some Non-CMI Subsidiaries pursuant to their obligations under a media insurance contract (the “**Media Policy**”) which has been entered into by Canwest Global and pursuant to which Canwest

¹ On November 26, 2009, Fireworks Entertainment Inc. filed an assignment under section 49 of the *Bankruptcy and Insolvency Act* (Canada). FTI Consulting Canada Inc. was appointed as trustee.

Global is legally obligated to ensure compliance with the terms and provisions of the Media Policy. Scheduled to the Media Policy are retentions applicable to Canwest Global's broadcast, print and on-line business units respectively. The Media Policy allocates each claim, and thus the applicable retention, to a business unit generally on the basis of "first publication of the impugned words". In accordance with Canwest Global's existing internal policy, the applicable retention is paid directly by the applicable business unit. From time-to-time, there may also be an informal internal arrangement among business units to share the retention cost associated with a particular claim.

21. FTI is advised that as at October 5, 2009, Canwest Global and the following CMI Entities may be liable under the Media Policy and related internal policies in connection with the following insured (and, thus, Excluded Claims under the Claims Procedure Order) litigation claims:
 - (a) Canwest Global (as the named insured under the applicable insurance policy) and CMI as the publisher of first instance of the impugned statements may be liable in connection with the action commenced by Matthew Sankoff against, *inter alia*, Canwest Global and CPI alleging defamation. The maximum retention amount in this action is \$250,000.
 - (b) Canwest Global (as the named insured under the applicable insurance policy) and CMI as the publisher of first instance of the impugned statements may be liable in connection with the action commenced by Joey Hansen against, *inter*

alia, the predecessor of the CPI alleging defamation. The maximum retention amount in this action is \$50,000.

- (c) Canwest Global (as the named insured under the applicable insurance policy) and National Post Company and its general partner, the National Post Holdings Ltd. as the publisher of first instance of the impugned statements may be liable in connection with the action commenced by Jeffrey Philip Viater against, *inter alia*, the predecessor of the CPI alleging defamation. The maximum retention amount in this action is \$250,000.

22. FTI has not reviewed the documents filed in the above actions nor obtained any opinions on the merits of the claims asserted therein.

Liability Pursuant to a Request for Funds

23. FTI is advised by the CMI Entities that Canwest Global may be liable in the amount of \$2,083,700 pursuant to a request for funds made under the Shelterco Shareholders Agreement among, *inter alia*, Canwest Global, 4437489 Canada Inc. (“**Canwest Holdco**”), 4437691 Canada Inc. (“**Shelterco**”) and GS Capital Partners VI Fund, L.P. (“**GS Capital Partners**”) dated August 15, 2007 (the “**Shelterco Shareholders Agreement**”).
24. Under section 3.2(b) of the Shelterco Shareholders Agreement, Canwest Global is jointly and severally liable with Canwest Holdco to GS Capital Partners (or certain of its subsidiaries) for any funding required to be contributed by Canwest Holdco following a request for funding made by Shelterco or any of its subsidiaries if:

(a) Canwest Global and Canwest Holdco fail to contribute the requested funds;
and

(b) GS Capital Partners (or any of its subsidiaries) contributes the funds requested to be contributed by Canwest Global and/or Canwest Holdco within 25 business days after the issuance of the request for funds.

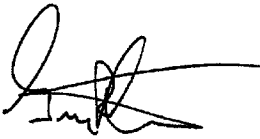
25. On August 13, 2009, Alliance Atlantis Equicap Corporation (“**Alliance Corporation**”), a subsidiary of the Shelterco, made a request for funds to Canwest Holdco in the amount of \$2,083,700. On the same date, Canwest Holdco made a request for funds to Canwest Global in the same amount.

26. By letter dated September 10, 2009, Canwest Global advised Alliance Corporation that Canwest Holdco and Canwest Global were not in a position to fund the requested amounts. As at the date of this report, neither Canwest Holdco nor Canwest Global contributed any funds to Alliance Corporation pursuant to its request for funds. Similarly, FTI is advised by the CMI Entities that, as at the date of this report, neither GS Capital Partners nor any of its subsidiaries contributed the funds requested to be contributed by Canwest Global and/or Canwest Holdco.

All of which is respectfully submitted the 30th of November, 2009.

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

A handwritten signature in black ink, appearing to read 'Greg Watson', with a long horizontal flourish extending to the right.

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"



**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE
MADAM JUSTICE PEPALL

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WEDNESDAY, THE 14th 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) "CCAA" 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;
- (ij) "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

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

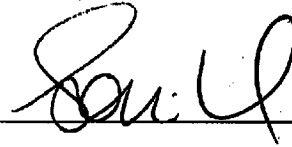
only be effective if given by courier, personal delivery, facsimile transmission or email in accordance with this CMI Claims Procedure Order.

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.



A handwritten signature in black ink, appearing to be "S. U.", written over a horizontal line.

ENTERED AT / INSCRIT A TORONTO
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-OOCL

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at Toronto

SEVENTH REPORT OF THE MONITOR

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