



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

**THIRTY-SECOND REPORT
OF FTI CONSULTING CANADA INC.,
IN ITS CAPACITY AS MONITOR OF THE APPLICANTS
JULY 25, 2013**

**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"**

**THIRTY-SECOND REPORT OF FTI CONSULTING CANADA INC.
IN ITS CAPACITY AS MONITOR**

July 25, 2013

INTRODUCTION

1. By Order of this Court dated October 6, 2009 (the "**Initial Order**"), Canwest Global Communications Corp. (now 2737469 Canada Inc.) ("**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 carried on business through a number of subsidiaries and was Canada's largest publisher of English language daily and non-daily newspapers. Canwest directly or indirectly owned, operated and/or held substantial interests in free-to-air television stations and 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. (now 4514866 Canada Inc.) ("CMI"), certain subsidiary corporations and partnerships of CMI that owned and operated 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 (now Legacy NPC Partnership).
4. On October 6, 2009, the CMI Entities obtained the Initial Order which provided for a stay of proceedings until November 5, 2009 (the "Stay Period").
5. The CMI Entities prepared and filed a consolidated plan of compromise, arrangement and reorganization accepted for filing by this Court on June 23, 2010, as restated on July 16, 2010, concerning, affecting and involving Canwest Global, CMI, Canwest Television GP Inc., Canwest Television Limited Partnership, Canwest Global Broadcasting Inc./Radiodiffusion Canwest Global Inc., Fox Sports World Canada Holdco Inc., Fox Sports World Canada Partnership, National Post Holdings Ltd. (now 4514858 Canada Inc.), The National Post Company/La Publication National Post, MBS Productions Inc.,

Yellow Card Productions Inc., Global Centre Inc. and 4501063 Canada Inc., as may be amended (the “Plan”). A copy of the Plan (without schedules) is attached hereto as **Appendix “A”**.

6. On July 19, 2010, an excess of the majority in number and two-thirds in value of the Affected Creditors of the Plan Entities with Proven Voting Claims (as these terms are defined in the Plan) present and voting at the creditors’ meetings voted in favour of approving the Plan. On July 28, 2010, this Court granted an Order sanctioning the Plan (the “**Plan Sanction Order**”).
7. The Plan was successfully implemented on October 27, 2010. The Monitor delivered and filed with the Court its certificate required under the Plan stating, *inter alia*, that the Plan Implementation Date (as defined in the Plan) has occurred.
8. By Orders dated October 30, 2009, January 21, 2010, March 29, 2010, June 8, 2010, and September 8, 2010, the Stay Period was extended until November 5, 2010. Following the Plan Implementation Date, the Stay Period with respect to Canwest Television GP Inc., Canwest Television Limited Partnership, Canwest Global Broadcasting Inc./Radiodiffusion Canwest Global Inc., Fox Sports World Canada Holdco Inc., and Fox Sports World Canada Partnership (the “**Shaw Entities**”) was terminated. By Orders dated November 2, 2010, May 3, 2011, September 29, 2011, December 9, 2011, and March 28, 2012, the Stay Period with respect to the Remaining CMI Entities (as defined in the Plan) was extended until July 6, 2012.

9. Under the Plan, the Plan Sanction Order, and the Plan Emergence Agreement (a copy of which is attached hereto as **Appendix “B”**) all proceeds from the liquidation of any of the assets of the Remaining CMI Entities not transferred to New Canwest pursuant to the Plan are to be contributed to the Plan Implementation Fund.
10. Under the terms of the Plan Emergence Agreement, if at any time the Plan Implementation Fund is insufficient to fund the activities of the Monitor pursuant to the Plan or the Plan Emergence Agreement, New Canwest and/or CTLP shall pay additional funds satisfactory to the Monitor for the benefit of CMI and such funds shall be deposited into the Plan Implementation Fund.
11. Also, under the terms of the Plan Emergence Agreement, any residual funds remaining in the Plan Implementation Fund following completion of the Monitor’s duties under the CCAA, the Plan Sanction Order and the Plan Emergence Agreement and the issuance of an order discharging the Monitor, shall be remitted to New Canwest.
12. Further background information regarding the CMI Entities and the CCAA Proceedings is provided in, among other things, various 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

13. 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.

14. Capitalized terms not defined in this report are used as defined in the Plan. Unless otherwise stated, all monetary amounts contained in this report are expressed in Canadian dollars.

PURPOSE OF THIS REPORT

15. The purpose of this Thirty-Second Report of the Monitor is to inform this Honourable Court on:
 - (a) the status of the CCAA Proceedings;

 - (b) the Monitor's request for an Order to extend the Stay Period until October 31, 2013; and

 - (c) the Monitor's recommendations.

STATUS OF CCAA PROCEEDINGS

Plan Implementation Fund

16. In accordance with the Plan Emergence Agreement, on the Plan Implementation Date, the Monitor set up six (interest bearing) accounts at the Bank of Nova Scotia for the following costs and expenses:

- (a) Account 1 – Post-Filing Claims;
- (b) Account 2 – fees and expenses of the replacement administrator for the CH Plan;
- (c) Account 3 – fees and expenses of legal counsel to the CMI Entities' former directors and officers;
- (d) Account 4 – fees and expenses related to the wind-up of the Remaining Canwest Subsidiaries;
- (e) Account 5 – fees and expenses of the Monitor, its legal counsel and other advisors; and
- (f) Account 6 – post-filing claims against the CMI Entities' former directors and officers, if any.

17. In accordance with the Plan Emergence Agreement, the Monitor is providing periodic updates to the Plan Sponsor with respect to activity in and balance of these accounts.

Implementation and Status of the Wind-up Strategy

18. On or before the Plan Implementation Date, the CMI Entities commenced the wind-up of the various Canwest Remaining Subsidiaries in accordance with the Plan, the Plan Emergence Agreement and the Wind-Up Strategy (as defined in the Order dated September 27, 2010). As previously reported by the Monitor, the wind-up of the Canwest Remaining Subsidiaries has been completed.

Status of the Claims Procedure

19. 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 CMI Entities’ Directors and Officers (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 and the Order dated November 30, 2009 are available on the Monitor’s website for these proceedings at <http://cfcanada.fticonsulting.com/cmi>.
20. The CMI Entities, with the assistance of the Monitor, have reviewed the claims of the CMI Creditors and have worked diligently to resolve these claims.

21. Pursuant to the Order dated September 27, 2010, after the Plan Implementation Date, the Monitor is to “*(a) be empowered and authorized to exercise all of the rights and powers of the CMI Entities under the Claims Procedure Order, including, without limitation, revise, reject, accept, settle and/or refer for adjudication Claims (as defined in the Claims Procedure Order) all without (i) seeking or obtaining the consent of the CMI Entities, the Chief Restructuring Advisor or any other Person, and (ii) consulting with the Chief Restructuring Advisor and the CMI Entities; and (b) take such further steps and seek such amendments to the Claims Procedure Order or additional orders as the Monitor considers necessary or appropriate in order to fully determine, resolve or deal with any Claims.*”

22. In January 2013, the Monitor delivered final letters advising the creditors asserting 4 of these Claims that their Claims are disallowed and will not be receiving any distributions failing a request by the creditors for the Claims to be referred for adjudication to the Claims Officer.

23. The Monitor received a response from a representative of only one of these creditors and since the date of the last report has settled the creditor’s claim. The remaining 3 Claims are now disallowed and \$0 has been allocated for distribution to these Claims.

24. The Monitor also delivered a final letter to counsel for one creditor which is pursuing a reinstatement claim against the Plan Sponsor advising that his Claims is disallowed and will not be receiving any distributions failing a request for adjudication to the Claims Officer. The Monitor did not receive any response to its letter.

25. As at the date of this Report, all Claims against the CMI Entities have been resolved.
26. The expected recoveries for the creditors of the CMI Entities have not varied materially from those previously reported by the Monitor.

Post-Filing Claims Procedure

27. In accordance with the Plan Emergence Agreement, the Monitor implemented a Post-Filing Claims Procedure in order to identify and quantify Post-Filing Claims.
28. As at October 27, 2010 (the “**Post-Filing Claims Bar Date**”) the Monitor had received 10 claims that totalled approximately \$1.065 million dollars. The Monitor has reconciled and resolved \$1.034 million of the total claimed amount and is continuing to correspond with the one remaining claimant to resolve the last of the Post-Filing Claims.

Distributions to Creditors

29. On April 15, 2012, the Monitor distributed \$28,942,679.75 to the Ordinary Creditors of the CMI Entities. The Monitor distributed \$4,231,910.32 to 271 former employees of the CMI Entities and is ascertaining information required to complete distribution of an additional \$1,152.91 to 3 former employees of the CMI Entities and is proceeding to complete same as expeditiously as possible.

30. The Monitor expects to distribute the remaining approximately \$4.75 million to the Ordinary Creditors of the CMIE Entities by August 15, 2013.

Remaining Assets of the CMI Entities

31. Since the Plan Implementation Date, the Monitor has worked to realize and dispose of the remaining assets of the CMI Entities. The Monitor is not aware of any remaining material assets to be disposed of.

REQUEST FOR AN EXTENSION OF THE STAY OF PROCEEDINGS

32. As stated above, by Order dated April 30, 2013, the Stay Period with respect to the Remaining CMI Entities was extended until July 30, 2013.
33. The Monitor requires additional time to administer and attend to distributions to Ordinary Creditors, as well as attend to other post-plan implementation matters as outlined in the Plan, the Plan Emergence Agreement and the CCAA. The continuation of the stay of proceedings is necessary to provide the stability needed during that time.
34. Accordingly, the Monitor is seeking an extension of the Stay Period with respect to the Remaining CMI Entities until, and including, October 31, 2013.
35. All of the operating assets were transferred to the Plan Sponsor and the Remaining CMI Entities ceased operations on the Plan Implementation Date. Accordingly, they do not

have liquidity requirements that need to be satisfied during the requested extension of the Stay Period. The costs of administering the Plan and the estates of the Remaining CMI Entities will be paid out of the Plan Implementation Fund in accordance with the Plan Emergence Agreement.

36. Based on the information presently available, the Monitor believes that creditors will not be materially prejudiced by an extension of the Stay Period to October 31, 2013.
37. The Monitor believes that the Remaining 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.
38. Accordingly, the Monitor respectfully recommends that the Stay Period with respect to the Remaining CMI Entities be extended until October 31, 2013.

RECOMMENDATION AND CONCLUSIONS

39. The Monitor respectfully recommends that this Court grant an Order extending the Stay Period until October 31, 2013.

All of which is respectfully submitted this 25th day of July, 2013.

FTI Consulting Canada Inc.,
in its capacity as the Monitor of Canwest Global Communications Corp. and the other
Applicants listed in Schedule "A"

Per

A handwritten signature in black ink, appearing to read 'Greg Watson', with a long horizontal stroke 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.