

**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"

Applicants

**AFFIDAVIT OF RICHARD M. GRUDZINSKI
(Sworn February 18, 2010)**

I, Richard M. Grudzinski, of the City of Toronto, in the Province of Ontario,
MAKE OATH AND SAY:

1. I am a Managing Director in the Mergers and Acquisitions ("M&A") group of RBC Capital Markets ("RBC"). I am also the head of Financial Restructuring Advisory Services at RBC. I have worked at RBC since July 2007. During that time, I have worked on a number of significant Canadian M&A and restructuring transactions. As the head of the Financial Restructuring Advisory Services group at RBC, I have extensive experience taking a leading role in Canadian restructuring transactions and in particular restructuring transactions involving distressed Canadian debtors.

2. I am a Chartered Accountant by training. Prior to joining RBC, I was a senior partner with KPMG LLP where I developed more than twenty years of experience and leadership in Canadian financial and operational restructurings. During that time I served as head of KPMG's transaction advisory practice for the greater Toronto area.

3. Over the course of my career at RBC and KPMG, I developed particular expertise in restructurings and restructurings in the context of proceedings under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "CCAA"). I have also been appointed by the Court to act as the Monitor in CCAA proceedings. As a result, I have extensive

experience in both conducting and overseeing M&A and restructuring transactions that have taken place in the context of CCAA proceedings.

4. This affidavit is sworn in support of a motion brought by the CMI Entities seeking an Order approving certain agreements related to the proposed equity investment by Shaw Communications Inc. (“Shaw”) in a Restructured Canwest Global. I was one of the primary individuals responsible for the equity investment solicitation process (the “Investment Process”) that resulted in the proposed transaction with Shaw and that is described in detail in the Affidavit of Thomas C. Strike dated February 12, 2010 (the “Strike Affidavit”) sworn in support of this motion. Specifically, this affidavit is sworn in order to respond to certain matters raised in the Affidavit of Peter Farkas sworn February 18, 2010 (the “Farkas Affidavit”).

5. With respect to paragraph 15(a) of the Farkas Affidavit, the criteria used to select potential equity investors were those set out under the heading “Equity Investment Solicitation Process” in the Strike Affidavit.

6. With respect to paragraph 15(b) of the Farkas Affidavit, based on my experience set out above, the form of Non-Disclosure Agreement (the “NDA”) provided to potential equity investors can be considered standard for investment banking processes such as the Investment Process. As set out in paragraph 10 of the NDA, it is standard practice for requests for “Confidential Information” to be made directly to a financial advisor such as RBC with responsibility for running the process and not to any other party. Further, provisions such as those found in paragraphs 8 and 10 of the NDA restricting trading in the company’s securities and communications with officers, directors, agents, employees, creditors, securityholders, customers, suppliers or other entities with relationships to the company in question are also commonplace in non-disclosure agreements.

7. Also with respect to paragraph 15(b) of the Farkas Affidavit, there is an inference (as repeated at paragraph 41 of the factum of GSCP) that the form of NDA resulted in a smaller than usual “take up” of parties willing to enter the process. First, having 22 out of 52 parties who received a copy of the teaser document and NDA execute such NDA represents a percentage take-up generally in line with similar investment processes. Second, although all parties did not choose to inform RBC why they did not wish to pursue the investment opportunity further, potential investors provided “business reasons” for not continuing to

participate in the process, as opposed to concerns with the NDA or the process itself. Such reasons included not wishing to pursue an investment in a distressed company, not being interested in the business in general and concerns about the length of time an investor would need to commit its capital prior to the effectiveness of a transaction. Having been intimately involved in the process, I disagree with the concerns expressed by GSCP that the form of NDA restricted interest.

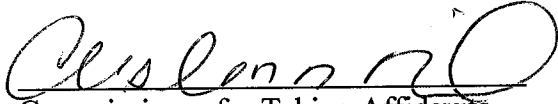
8. With respect to paragraph 15(c) of the Farkas Affidavit, the vast majority of prospective investors who chose to not continue in the Investment Process and communicated their reasons to RBC, indicated that they chose not to continue in the process on the basis of the due diligence they conducted and upon an exercise of their business judgment.


9. With respect to paragraph 15(d) of the Farkas Affidavit, offers were not limited to parties seeking at least a 20% equity interest in a Restructured Canwest Global. The teaser document specifically stated that “the Company is seeking at least \$65 million in new equity from a Canadian party or parties for a minimum of 20% of the equity in a restructured Canwest”. Thus, potential investors were specifically advised of the possibility of different types of transaction structures and parties who indicated an interest in only pursuing a joint bid were permitted to do so.

10. With respect to paragraph 15(e) of the Farkas Affidavit, as set out above, restrictions on discussions with individuals or entities that are involved with the business in question are commonplace in investment banking processes. Without such restrictions, it is not practicable to run a process with specified guidelines and parameters to be followed by the potential investors that maintains confidentiality and a level playing field for the participants in the process.

11. With respect to paragraph 16 of the Farkas Affidavit, it is RBC’s belief that the potential market for Canadian equity investors to invest in Restructured Canwest Global to satisfy the condition dealing with the New Investors (as defined in the Restructuring Term Sheet) has been fully and properly canvassed and that the Shaw transaction represents the best transaction available to Canwest Global in the circumstances.

SWORN BEFORE ME at the City of
Toronto, in the Province of Ontario, on
February 18, 2010.


Commissioner for Taking Affidavits


Richard Grudzinski

Schedule "A"

Applicants

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

Schedule "B"

Partnerships

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

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

APPLICANTS

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at Toronto

AFFIDAVIT OF RICHARD M. GRUDZINSKI
(sworn February 19, 2010)

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