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6. Management Team: Restructured Canwest Global will have its own management team that is separate from Shaw and its affiliates, including Corus Entertainment Inc.
- The CEO, CFO and CRO are to be identified in the Plan. Any replacement CEO shall be appointed by the Board, in consultation with the Ad Hoc Committee.
7. CW Investments Board: The nominees of Restructured Canwest Global to the board of directors of CW Investments Co. (the "CW Investments Board") shall be as follows: (i) if the CW Investments Shareholder Agreement is renegotiated, appointments to the CW Investments Board will be amended as part of the GS Amending Agreement (as such term is defined in the Shaw Support Agreement) to comply with the Direction, but at minimum, 1 Shaw nominee and 1 Participating Creditor Nominee will be appointed to the CW Investments Board (all of whom must be Canadian (as defined in the Direction)); and (ii) if the CW Investments Shareholders Agreement is repudiated, Board composition and other governance matters shall mirror those at Restructured Canwest Global (including, without limitation, the Special Approval Matters, which will require the approval of at least a majority of the Participating Creditor Nominees, subject to modification to comply with the Direction in light of the fact that Restructured Canwest Global will have only 66 2/3% of votes attached to the voting shares of CW Investments Co.).
8. Pre-emptive Rights: Subject to approvals required for Special Approval Matters, prior to an IPO, Shaw and the Participating Creditors will have pre-emptive rights to issuances of any equity securities by Restructured Canwest Global, subject to customary exclusions in respect of issuances in connection with any equity incentive compensation to directors, employees or consultants, or in connection with acquisitions approved by the Board. The valuation at which any such issuance is made shall be determined in good faith by the Board.
9. Capital Calls: Subject to approvals required for Special Approval Matters, prior to an IPO, if the Board determines that additional amounts of invested equity are required for the business of Restructured Canwest Global, it may request that the shareholders subscribe for additional equity shares of Restructured Canwest Global, *pro rata* to their relative equity shares. If a shareholder does not

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subscribe for the full number of its *pro rata* allocation of equity shares, the other shareholders may subscribe for such number of shares as are not subscribed for.

10. Dividend and Distribution Policy: Distributions and dividends will be declared and paid only as approved by the Board. Any available cash of Restructured Canwest Global shall be applied to reduce indebtedness or fund net working capital.

11. Related Party Transactions: All related party transactions that exceed a specified dollar value or are otherwise material entered into after the date of closing of the restructuring between Restructured Canwest Global and its subsidiaries on the one hand, and Shaw or Corus and their respective affiliates on the other hand, shall: (i) be subject to approval by a majority of the directors of Restructured Canwest Global (other than the Shaw Nominees); and (ii) be fair and reasonable and negotiated in an arm's length manner. Management shall be required to report to the Board quarterly on any new related party transactions between Restructured Canwest and its subsidiaries on the one hand, and Shaw or Corus or their respective affiliates on the other hand, irrespective of the dollar value and the proviso referred to above.

12. Restrictions on Transfer: Other than pursuant to the liquidity rights described below, permitted transfers of shares of Restructured Canwest Global are limited to transfers of shares:

- at any time, to affiliated entities; and
- in compliance with the *Broadcasting Act* (Canada) and any regulations or policies applicable thereto, including the Direction.

The directors of Restructured Canwest Global may refuse to register a transfer of any shares of Restructured Canwest Global if such transfer is prohibited by the CRTC or any other governmental body or authority having jurisdiction.

Any shareholder may pledge, charge, mortgage or encumber any of its shares to a bank or other financial institution for the purpose of securing any borrowings by such shareholder or its affiliates, provided such bank or financial institution acknowledges the restrictions on transfer set out in the Shareholders Agreement.

13. Liquidity Rights: Liquidity Rights are set forth in Schedule "D".

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14. Reporting: Restructured Canwest Global shall furnish to shareholders at such times as the Parties may agree, acting reasonably: (i) annual audited consolidated financial statements; (ii) unaudited quarterly consolidated financial statements; and (iii) such other documents as the Parties may agree (acting reasonably).
15. Governing Law: Ontario law.
16. *Broadcasting Act* Compliance: The terms of the Shareholders Agreement shall be in compliance with the *Broadcasting Act* (Canada) and any regulations or policies applicable thereto, including the Direction. Any action contemplated herein that is subject to the CRTC's prior approval having been obtained shall not be implemented until such approval has been obtained.

SCHEDULE "C"**SPECIAL APPROVAL MATTERS**

The following are the Special Approval Matters referred to in Section 4 of Schedule "B" (which, for greater certainty, shall not apply to CW Investments Co. or its subsidiaries):

- (i) Any change in the articles or by-laws (or similar organizational or formation documents) of Restructured Canwest Global or any of its material subsidiaries;
- (ii) Any change in the authorized or issued capital of Restructured Canwest Global or any of its material subsidiaries;
- (iii) Any allotment, issuance, redemption or repurchase of any equity securities of Restructured Canwest Global or any of its material subsidiaries;
- (iv) Any action that may lead to or result in a material change in the nature of the business of Restructured Canwest Global or any of its material subsidiaries;
- (v) Any transaction or series of related transactions that would effect a recapitalization, a reorganization or reclassification of the securities of Restructured Canwest Global or any of its material subsidiaries;
- (vi) Any transaction or series of related transactions involving the issuance and/or sale of equity securities, debt securities, convertible securities or rights to acquire any of such securities of Restructured Canwest Global or any of its material subsidiaries to any Strategic Investor (which term will be defined in the articles of Restructured Canwest Global);
- (vii) The incurrence of any indebtedness by Restructured Canwest Global or any of its subsidiaries in excess of an amount equal to 5% of the value of the broadcasting undertakings of Restructured Canwest Global in any financial year of Restructured Canwest Global, other than short-term borrowings in the ordinary course of business;
- (viii) The incurrence by Restructured Canwest Global or any of its subsidiaries of any material liability other than indebtedness incurred in the ordinary course of business or other than as contemplated by clause (vii);
- (ix) The voluntary prepayment of debt of Restructured Canwest Global or any of its subsidiaries in an aggregate amount in excess of an amount equal to 5% of the value of the broadcasting undertakings of Restructured Canwest Global in any 12-month period or any amendment to any material provisions of any agreement, indenture or similar instrument governing the terms of any indebtedness or debt securities of Restructured Canwest Global or any of its subsidiaries with a principal amount in excess of an amount equal to 5% of the value of the broadcasting undertakings of Restructured Canwest Global;
- (x) The commencement of bankruptcy or insolvency proceedings with respect to Restructured Canwest Global or any of its subsidiaries, or the consent to the appointment

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of or taking possession by a receiver, trustee or custodian of all or a substantial part of the property of Restructured Canwest Global or any of its subsidiaries;

- (xi) Any liquidation, merger or amalgamation of Restructured Canwest Global or any of its material subsidiaries or the sale of all or substantially all of the assets of Restructured Canwest Global or any of its subsidiaries;
- (xii) The acquisition of or investment in any business or assets by Restructured Canwest Global or any of its subsidiaries where the aggregate of the acquisition price and the amount of any indebtedness assumed as part of the transaction, or the amount of such investment where the transaction is not an acquisition, exceeds an amount equal to 5% of the value of the broadcasting undertakings of Restructured Canwest Global, other than acquisitions of or investments in any business or assets in the ordinary course of business;
- (xiii) The sale or disposition by Restructured Canwest Global or any of its subsidiaries of (a) any business or assets with a value in excess of an amount equal to 5% of the value of the broadcasting undertakings of Restructured Canwest Global, other than assets sold or disposed of in the ordinary course of business, (b) any television channel with a value in excess of an amount equal to 5% of the value of the broadcasting undertakings of Restructured Canwest Global, or (c) any entity that engages in media sales or the assets or business thereof with a value in excess of an amount equal to 5% of the value of the broadcasting undertakings of Restructured Canwest Global;
- (xiv) The making of a loan, an advance or capital contribution by Restructured Canwest Global or any of its subsidiaries to any person other than Restructured Canwest Global or any of its subsidiaries in an amount in excess of 5% of the value of the broadcasting undertakings of Restructured Canwest Global per transaction or series of related transactions;
- (xv) Any material change in tax policy or tax elections;
- (xvi) Any change in the auditors, other than to one of the "big four" national auditing firms;
- (xvii) Any other fundamental change in respect of Restructured Canwest Global or any of its subsidiaries that would require shareholder approval pursuant to Part XV of the CBCA;
- (xviii) Any transfer of shares of any of Restructured Canwest Global's subsidiaries to a third party;
- (xix) The taking of any steps to wind up or terminate the corporate existence of Restructured Canwest Global or any of its material subsidiaries;
- (xx) The approval of any change or changes in the business plan or any portion thereof, individually or in the aggregate, which, if implemented by the Board during the relevant plan period, could reasonably be expected to change the projected revenues, expenses, capital expenditures or cash flows of Restructured Canwest Global as set out in the most recently approved business plan, by more than 10% during the then current plan period;

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- (xxi) The allocation or increase in the allocation of any equity underlying any management incentive plan; and
- (xxii) Any commitment or agreement to do any of the foregoing.

For the purpose of the foregoing, "**ordinary course of business**" shall mean in the ordinary course of business of a person if they are routine or occur frequently in the course of that person's business, historically have not generally been subject to approval by such person's board of directors (or equivalent governing body), are undertaken in good faith and are consistent with that person's usual custom and past practice, including with respect to the quantity, value, quality and frequency thereof, and do not expose that person to a business risk that is materially different from other similar actions that have previously been undertaken by that person.

Notwithstanding the foregoing, if anything which would otherwise be a Special Approval Matter is in the ordinary course of business and pertains to a wholly-owned subsidiary which, after giving effect to the foregoing will continue to be a wholly-owned subsidiary, the same shall not constitute a Special Approval Matter.

SCHEDULE "D"

LIQUIDITY RIGHTS

Forced Sale Right:

- (i) Commencing
 - (a) 12 months after closing of the restructuring, one or more former members of the Ad Hoc Committee (or their permitted transferees) holding more than 25% of the outstanding equity shares, and
 - (b) 18 months after closing of the restructuring, either the party or parties described in (a) or at least two former members of the Ad Hoc Committee (with [REDACTED] [REDACTED] considered to be one member, solely for this purpose both of which must agree),

(the "Electing Shareholders") may provide written notice (the "Forced Sale Notice") to Shaw that they are prepared to sell to Shaw, all but not less than all, of their shares.
- (ii) On the 15th business day following receipt by Shaw of the Forced Sale Notice, Shaw may deliver to the Electing Shareholders a written notice stipulating the cash purchase price per share at which Shaw is prepared to purchase the shares of the Electing Shareholders (the "Shaw Price") and the Electing Shareholders will deliver to Shaw a written notice stipulating the cash purchase price per share at which the Electing Shareholders are prepared to sell their shares (the "Shareholder Price"), such notices to be delivered contemporaneously (collectively, the "Pricing Notices"). If Shaw delivers a Pricing Notice stipulating a Shaw Price, the following pricing mechanics will then apply:
 - (a) If the Shaw Price is equal to or greater than the Shareholder Price, Shaw and the Electing Shareholders will be deemed to have agreed that the Shaw Price will be the sale price;
 - (b) If the Shareholder Price exceeds the Shaw Price by not more than 10% of the Shaw Price, Shaw and the Electing Shareholders will be deemed to have agreed that the midpoint between the Shareholder Price and the Shaw Price will be the sale price; and
 - (c) If the Shareholder Price exceeds the Shaw Price by more than 10% of the Shaw Price, during the 10 business days following receipt of the Pricing Notices,

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Shaw and the Electing Shareholders will, in good faith, negotiate for a mutually acceptable price. If Shaw and the Electing Shareholders fail to agree on a price, then within five business days thereafter the Electing Shareholders may by written notice to Shaw elect to sell at the Shaw Price and Shaw may by written notice to the Electing Shareholders elect to buy at the Shareholder Price, such elections to be delivered contemporaneously. If Shaw elects to buy at the Shareholder Price and the Electing Shareholders do not elect to sell at the Shaw Price, Shaw shall buy at the Shareholder Price. If the Electing Shareholders elect to sell at the Shaw Price and Shaw does not elect to buy at the Shareholder Price, Shaw shall buy at the Shaw Price. If Shaw elects to buy at the Shareholder Price and the Electing Shareholders elect to sell at the Shaw Price, Shaw shall buy at the midpoint between the Shareholder Price and the Shaw Price. If Shaw does not elect to buy at the Shareholder Price and the Electing Shareholders do not elect to sell at the Shaw Price, Shaw and the Electing Shareholders shall be deemed not to have agreed on a price. The offers represented in the Pricing Notices will expire at the end of the five business day period if no price is arrived at as a result of the election process except as provided in the last two sentences of section (iv) below.

- (iii) If a purchase price is arrived at as a result of the process described in (ii) above, then:
- (a) Shaw will provide written notice to the non-Electing Shareholders setting out the sale price and providing that each such shareholder will have five business days from the date of receipt of such notice to elect by written notice to Shaw to sell all but not less than all of their shares at the same sale price (the "Opt-in Shareholders");
 - (b) following the expiration of the five business day period, Shaw shall purchase all of the shares of the Electing Shareholders and the Opt-in Shareholders at the sale price; and
 - (c) in the event that (1) the number of shares to be purchased by Shaw from the Electing Shareholders and the Opt-in Shareholders represents at least 40% of the outstanding shares, (2) the number of shares to be

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purchased by Shaw from the Electing Shareholders and the Opt-in Shareholders represents at least two-thirds of the outstanding shares (excluding the shares owned by Shaw) or (3) after giving pro forma effect to the purchase of such shares by Shaw from the Electing Shareholders and the Opt-in Shareholders, Shaw would own at least 90% of the outstanding shares, then in any such case Shaw will have the right to require that all non-Shaw shareholders sell their shares to Shaw at the same sale price.

- (iv) If no purchase price is arrived at as a result of the process described in (ii) above, at the expense of Restructured Canwest, Shaw and the Electing Shareholders will select an independent investment bank or accounting firm to prepare a valuation range of the "fair market value" of the shares (the shareholders agreement to set out a process for selection if Shaw and the Electing Shareholders do not agree on the investment bank or accounting firm). If the Shaw Price is below the high end of the valuation range, the Electing Shareholders may accept the Shaw Price or, subject to satisfying any applicable threshold, initiate the processes referred to in (v)b. or (v)c. below. If the Shaw Price is equal to or greater than the high end of the valuation range, (1) the Electing Shareholders cannot initiate the sale processes referred to in (v)(b) or (v)(c), and (2) the Electing Shareholders may but will not be required to sell their shares to Shaw at the Shaw Price and if the Electing Shareholders elect to sell to Shaw at the Shaw Price the procedures set out in section (iii) will apply.
- (v) After completing the process in (iv) above, if the Electing Shareholders are not required to sell their shares to Shaw, the Electing Shareholders may:
 - (a) sell their shares to a *bona fide* arm's length financially qualified third party purchaser (who may not be one of the other shareholders) at a price payable in cash that is not less than the midpoint between the Shaw Price and the Shareholder Price, provided that (1) the third party purchaser is not a competitor of Restructured Canwest Global, Shaw, or their respective affiliates, (2) the third party purchaser enters into the Shareholders Agreement, and (3) each Shareholder (other than Shaw) may elect to sell its shares at the same price. Any such sale must be completed within 6 months after the completion of the processes in (iii)

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and (iv) above;

- (b) the Electing Shareholders may force a sale of the entire company to a *bona fide* arm's length financially qualified third party (which third party purchaser may be a competitor of Restructured Canwest Global, Shaw, or their respective affiliates, but cannot be an existing shareholder) at a price (the "Third Party Sale Price"), payable in cash, that is not less than the midpoint between the Shaw Price and the Shareholder Price (and Shaw and all other non-Electing Shareholders will be required to sell their shares to any such third party purchaser at the Third Party Sale Price). Any such sale must be completed within 6 months after the completion of the processes in (iii) and (iv) above; or
- (c) require Restructured Canwest Global to conduct a public secondary offering for their shares and the shares of any other shareholder (including Shaw if it elects to opt into the public offering provided that the shareholders other than Shaw shall have sold the entire position they wish to sell) on terms satisfactory to Restructured Canwest Global and Shaw, acting reasonably. If the public offering price is less than the Shaw Price, Shaw can terminate the offering by paying to those shareholders who would have sold under the Offering the Shaw Price for all their shares (less the amount to pay the underwriters for their expenses and lost commissions). Unless Shaw participates in the IPO, the IPO shares will be the stapled non-voting / subordinate voting shares and otherwise the capital structure will be consistent with CRTC and other regulatory and stock exchange requirements (such as Canadian ownership restrictions and coat -tails). For certainty, this option may be selected without initiating a sale process as provided in subparagraph (b) or after such sale process, where the process does not result in a sale to a third party. The Shareholders Agreement shall terminate on the completion of a public offering resulting in a stock exchange listing of equity shares.
- (vi) If Shaw does not deliver a Pricing Notice stipulating a Shaw Price pursuant to (ii) above, the Electing Shareholders may, by written notice to Shaw, Restructured Canwest Global and the non-Electing Shareholders, elect any of the liquidity options described in (v), without reference to any minimum

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pricing restrictions.

- (vii) If the Forced Sale Notice does not result in a sale of the entire company, then a further forced sale notice may not be given until nine months after the termination of the sale process (including any failed IPO process) initiated by such Forced Sale Notice.

**Unsolicited Offer for
All Shares:**

- (i) If an unsolicited *bona fide* fully financed and unconditional offer from an arm's length financially qualified third party (which third party may be a competitor of Restructured Canwest Global, Shaw or their respective affiliates) is made for all but not less than all of the outstanding shares of Restructured Canwest Global and one or more former members of the Ad Hoc Committee (or their permitted transferees) holding more than 40% of the outstanding equity shares for an offer made within 12 months of the closing of the restructuring (reduced to 25% of the outstanding equity shares for an offer made thereafter) wish to accept, they may provide written notice to Shaw, the other shareholders and Restructured Canwest Global.
- (ii) Following receipt of such notice, Shaw will have 15 business days to exercise the right to purchase all of the shares subject to the third party offer for the same cash purchase price, and all shareholders must sell their shares to Shaw at the same price as stipulated in the third party offer.
- (iii) In the event that the shares subject to the third party offer are not purchased by Shaw, all shareholders (including Shaw) must sell their shares to the third party purchaser at the specified cash purchase price. Any such sale shall be completed within 15 business days.

**Individual Shareholder
Exit:**

- (i) At any time, one shareholder (the "Exit Shareholder") may provide written notice (the "Exit Notice") to Shaw and the other shareholders that it is prepared to sell at least 5% of the outstanding equity shares or if less, all of such shareholder's shares (the "Exit Shares"). The Exit Notice shall stipulate the cash purchase price per share at which the Exit Shareholder is prepared to sell the Exit Shares (the "Shareholder Exit Price"). One or more of the Shareholders other than the Exit Shareholders (the "Non-Exit Shareholders") shall have a 15 business day period to accept the Shareholder Exit Price, and the following will apply:
- (a) All non-Exit Shareholders will have the right to purchase their pro rata share of the Exit Shares at the

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Shareholder Exit Price with the right to elect to purchase additional shares on a pro rata basis if certain non-Exit Shareholders elect not to purchase shares;

- (b) If no agreement is reached to sell all of the Exit Shares at the Shareholder Exit Price, the Exit Shareholder may sell its shares to a *bona fide* arm's length financially qualified third party purchaser (who may not be one of the other shareholders) at a price payable in cash that is not less than the Shareholder Exit Price, provided that (1) the third party purchaser is not a competitor of Restructured Canwest Global, Shaw, or their respective affiliates, and (2) the third party purchaser enters into the Shareholders Agreement. Any such sale must be completed within three months from the date of expiration of the 15 business day acceptance period; and
- (c) Non-Exit Shareholders other than Shaw will have the right to tag-along on any sale under this clause provided that (1) in the case of a sale to non-selling shareholders, in the event that all of the Exit Shares and the additional shares to be sold exceed the number of shares that the non-Exit Shareholders who are not selling shareholders are willing to purchase, the shares purchased will be subject to proration among the selling shareholders and (2) in the case of a sale to a third party, the number of shares to be sold to the third party will be capped at the number set out in the Exit Notice and the shares purchased will be subject to proration among the selling shareholders.

**Unsolicited Individual
Shareholder Exit:**

- (i) If at any time a shareholder receives an unsolicited *bona fide* fully financed and unconditional offer from an arm's length financially qualified third party (who may be one of the other shareholders) for at least 5% of the outstanding equity shares or if less, all of such shareholder's shares (the "ROFR Shares") for cash, which such shareholder wishes to accept, the shareholder must provide written notice to Shaw, the other shareholders and Restructured Canwest Global, which notice shall include the offered price per share (the "ROFR Price").
- (ii) Within 15 business days of receipt of such notice, Shaw and the other shareholders will have the right to purchase on a pro rata basis all of the ROFR Shares for the ROFR Price with the right to elect to purchase additional ROFR Shares on a pro rata basis if certain non-selling shareholders elect not to

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purchase shares.

- (iii) In the event that all of the ROFR Shares are not purchased by Shaw and/or other shareholders, the selling shareholder may sell its shares to the third party purchaser at a price that is not less than the ROFR Price, provided that: (a) the third party purchaser is not a competitor of Restructured Canwest Global, Shaw, or their respective affiliates and (b) the third party purchaser enters into the Shareholders Agreement. Any such sale must be completed within 15 business days.
 - (iv) The non-ROFR shareholders will have the right to tag-along on any sale under (ii) or (iii) provided that (1) in the case of a sale to non-selling shareholders, in the event that all of the ROFR Shares and the additional shares to be sold exceed the number of shares that the non-ROFR shareholders who are not selling shareholders are willing to purchase, the shares purchased will be subject to proration among the selling shareholders and (2) in the case of a sale to the third party, the number of shares to be sold to the third party will be capped at the number of ROFR Shares and the shares purchased will be subject to proration among the selling shareholders.
- Shaw Sale and Offer Rights:**
- (i) Shaw will have similar sale rights to the sale rights made available to the Participating Creditors described above (Forced Sale Right, Unsolicited Offer for All Shares, Individual Shareholder Exit and Unsolicited Individual Shareholder Exit), appropriately modified to reflect Shaw's ultimate equity position in Restructured Canwest Global, including that any sale by Shaw of shares shall be subject to a tag along right in favour of the Non-Shaw Shareholders and that in connection with any public securities offering the shares that the shareholders other than Shaw wish to be sold shall be sold in priority to Shaw. Shaw would have similar tag along rights on any sale where a majority of the outstanding shares (calculated prior to including any shares to be sold by Shaw) are to be sold.
 - (ii) In addition to any other rights, Shaw may at any time, including in connection with an Individual Shareholder Exit, by written notice to each of the Non-Shaw Shareholders, make an offer to purchase the shares of the Non-Shaw Shareholders, at a price to be stipulated in such notice. Any such offer shall be made on a pro rata basis to the Non-Shaw Shareholders. Within 15 business days of receipt of such notice, each Non-Shaw Shareholder may elect to accept such offer and sell their shares to Shaw at the price specified in such notice. If (1) the number of shares to be purchased by

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Shaw represent at least 40% of the outstanding shares, (2) the number of shares to be purchased by Shaw represents at least two-thirds of the outstanding shares (excluding the shares owned by Shaw) or (3) after giving pro forma effect to the purchase of such shares by Shaw, Shaw would own at least 90% of the outstanding shares, Shaw will have the right by written notice (the "**Compulsory Notice**") to require all Non-Shaw Shareholders to sell their shares to Shaw at Shaw's offer price. If Shaw does not deliver the Compulsory Notice, any non-selling shareholders shall have the right to purchase their pro rata share of the shares of the selling shareholders.

(iii) If Shaw owns at least 90% of the outstanding equity shares, Shaw may at any time, by written notice to each of the Non-Shaw Shareholders, require that the Non-Shaw Shareholders sell to Shaw all of their shares for "**fair market value**".

General:

(i) For the purposes of the Shareholders Agreement, "fair market value" will be determined as follows:

(a) on an en bloc basis and will assume and consider (1) the price that would result from a sale between a willing seller and a willing buyer that satisfies the requirements of the CRTC Direction, if any, in force at the time fair market value is being determined, (2) any related party agreements with Shaw or its affiliates will continue without disruption (pricing will be assumed to be consistent with past practice), and (3) governance and liquidity discounts will not be reflected; and

(b) following receipt of the applicable notice, the subject shareholder(s) and Shaw will negotiate the fair market value of the shares. If they cannot reach agreement within a specified period of time, each side will deliver a proposed fair market value. If the proposed fair market values differ by less than 10% of the lower proposed fair market value, the fair market value for purposes of the sale will be the mid-point between the two. If the proposed fair market values differ by 10% or more of the lower proposed fair market value, an independent investment bank or international accounting firm, selected by Shaw and the selling shareholders (the shareholders agreement to set out a process for selection if Shaw and the selling shareholders do not agree on the investment bank or accounting firm), will select the most reasonable of the proposed fair market values to be the fair market value

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for purposes of the sale.

- (ii) If regulatory (including CRTC) approval is required for any transaction contemplated herein, the closing of any such transaction may be extended by up to six months to obtain such approvals.
- (iii) For greater certainty, transfers to related entities, affiliates and accounts under common management shall be exempted from the transfer restrictions, provided the transferee agrees to be bound by all relevant agreements.
- (iv) In the event the Electing Shareholders elect to force a sale of Restructured Canwest Global or require Restructured Canwest Global to conduct a public offering as provided above (either being the "Forced Sale Process"), Shaw shall use commercially reasonable efforts to facilitate the Forced Sale Process in a timely, orderly and efficient manner, to maximize the value of the shares of Restructured Canwest Global, and successfully complete a Forced Sale Process transaction. Without limiting the foregoing, Shaw shall:
 - (a) direct Restructured Canwest Global (and its nominees to the board of directors) to provide and make available all such information, data, advice and agreements as may be reasonably requested, subject to appropriate confidentiality protections;
 - (b) provide reasonable access to the directors, officers, senior employees, auditors and other advisors of Restructured Canwest Global (including, without limitation, in connection with due diligence, management information meeting or "road show" marketing efforts); and
 - (c) assist in the preparation of a Confidential Information Memorandum, Prospectus or any other marketing materials to be used in connection with the Forced Sale Process.
- (v) Non-Shaw shareholders selling shares to Shaw herein shall receive the same consideration per share and shall not enter into (and shall confirm they have not entered into) any collateral agreement, commitment or understanding that has the effect, directly or indirectly, of providing such shareholder with consideration of greater value than (or any other rights or benefits than) that offered to the other shareholders.

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- (vi) In connection with any sale which gives rise to tag along rights, the number of shares sold shall be subject to proration to the extent the number of shares to be sold exceeds the number of shares the purchaser has indicated it is prepared to buy.
- (vii) Any right tied to percentage ownership shall be calculated without giving effect to any dilution after emergence resulting from management equity plans.

SCHEDULE "B"**ADDITIONAL REPRESENTATIONS AND WARRANTIES****1. Definitions**

Capitalized terms in this Schedule "B" shall have the meaning ascribed as follows or, where not otherwise defined herein shall have the meaning ascribed thereto in the Subscription Agreement:

"Data Room" means the electronic data room established and maintained on behalf of Canwest Global for due diligence purposes and hosted by IntraLinks on its website at <http://www.intralinks.com>;

"Data Room Information" means the documents and information made available in the Data Room prior to 4:00 a.m. (ET) on February 11, 2010, and, in the case of employment agreements with certain executive employees, includes such employment agreements if and to the extent made available to the Subscriber or its Representatives, prior to such time on such day, by means other than through the Data Room;

"Employee Plan" means a plan, agreement, program, policy or undertaking, funded or unfunded, insured or uninsured, registered or unregistered, to which Canwest Global or a Material Subsidiary is a party or bound or in which the non-unionized employees participate or under which Canwest Global or a Material Subsidiary has, or will have, any liability or contingent liability or pursuant to which payments are made or benefits are provided, or an entitlement to payments or benefits may arise with respect to any of the employees, former employees, directors or officers, individuals working on contract with Canwest Global or a Material Subsidiary or other individuals providing services to Canwest Global or a Material Subsidiary of a kind normally provided by employees (or any spouses, dependants, survivors or beneficiaries of any such persons), excluding statutory plans;

"Environmental Laws" means applicable federal, provincial, territorial, municipal and local laws, statutes, ordinances, by-laws and regulations, judgments, decrees, common laws and principles thereof, and orders, directives and decisions rendered or issued by any Governmental Entity relating to the protection of human health, natural resources, or the environment, or hazardous substances; and

"Intellectual Property" means all trade-marks, trade names, business names, know-how, copyrights, service marks, brand names and all other intellectual property that is material to the conduct of the business of Canwest Global and the Material Subsidiaries as presently conducted, including all licences, registered user agreements and all like rights that are material to the conduct of the business of Canwest Global and the Material Subsidiaries as presently conducted.

2. Additional Representations and Warranties

- (a) Owned Real Property and Leased Real Property. The Data Room Information discloses, either in the form of summaries of material terms or copies of

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Contracts, as applicable, all material real property owned (the "Owned Real Property") or leased (the "Leased Real Property") by Canwest Global and the Material Subsidiaries. Canwest Global and the Material Subsidiaries do not own or lease and have not agreed to acquire or lease any material real property or interest in such real property other than the Owned Real Property and the Leased Real Property.

- (b) Intellectual Property. All Intellectual Property is owned by Canwest Global and its Material Subsidiaries or is used by Canwest Global and its Material Subsidiaries pursuant to the terms of licences or sublicences in respect of such Intellectual Property, and all such licences or sublicences are in good standing and none of Canwest Global or its Material Subsidiaries is in material default thereof.
- (c) Insurance. The Data Room Information discloses, either in the form of summaries of material terms or copies of insurance policies, all insurance policies maintained by Canwest Global and the Material Subsidiaries on, or covering, their respective property and assets or personnel as of the date thereof.
- (d) Material Contracts. The Data Room Information discloses, either in the form of summaries of material terms (except for financial terms where such financial terms have been omitted) or copies of Contracts, all Contracts to which Canwest Global and the Material Subsidiaries are a party to or by which they are bound that are material to the conduct of the business of Canwest Global and the Material Subsidiaries as presently conducted, it being understood and agreed that Contracts of the following types are "material" for purposes of this Section 2(d) of this Schedule "B":
 - (i) shareholder agreements or partnership agreements governing the operations of the Material Subsidiaries;
 - (ii) collective bargaining agreements or other Contracts with any labour union;
 - (iii) employment or consulting Contracts or any other written Contracts with the President of the Canadian broadcasting operations and any senior executive officers reporting to that President;
 - (iv) any trust indenture, mortgage, promissory note, loan agreement, guarantee or other Contract for the borrowing of money or a leasing transaction of the type required to be capitalized in accordance with GAAP;
 - (v) any Contract under which Canwest Global or any of the Material Subsidiaries are committed to make material capital expenditures;
 - (vi) any Contract for the sale of any assets, other than sales of inventory to customers in the ordinary course of business;

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- (vii) non-competition agreements or other Contracts containing restrictions on the business that may be carried on by Canwest Global or the Material Subsidiaries;
 - (viii) any power of attorney relating to the businesses of Canwest Global and the Material Subsidiaries in favour of any person;
 - (ix) any agreement of guarantee, support, indemnification, assumption or endorsement of, or any other similar commitment with respect to, the obligations, liabilities (whether accrued, absolute, contingent or otherwise) or indebtedness of any other person; or
 - (x) to the extent not included in clauses (i) through (ix) above, any material Contract entered into by Canwest Global or a Material Subsidiary other than in the ordinary course of business.
- (e) Program Supply, Carriage and Advertising Agreements. The Data Room Information discloses, either in the form of summaries of material terms (except for financial terms where such financial terms have been omitted) or copies of Contracts, all program supply, carriage, distributor, sales, advertising, or agency representative agreements to which Canwest Global or the Material Subsidiaries are a party or by which they are bound that are material to the conduct of the business of Canwest Global and the Material Subsidiaries as presently conducted.
- (f) Licences. The Data Room Information discloses all licences issued by the CRTC that Canwest Global or any of its Material Subsidiaries are required to obtain that are related to their respective business or the ownership or operation of their respective properties or assets. To the best of the knowledge after due inquiry of Thomas Strike, John Maguire and Richard Leipsic, there is no material non-compliance with any term or condition of any such license.
- (g) Minute Books. The minute books of Canwest Global and the Material Subsidiaries and any predecessors thereof made available to the Subscriber are complete in all material respects and reflect all proceedings of their respective directors (and any committees thereof) and shareholders to the date hereof.
- (h) Litigation. Except as (i) disclosed in the Data Room Information, (ii) disclosed in the consolidated financial statements of Canwest Global, (iii) for any claims made pursuant to the Claims Procedure Order, and (iv) for actions, suits or proceedings the outcome of which has not had and is not reasonably expected to have a Material Adverse Effect, there are no actions, suits or proceedings (whether or not purportedly on behalf of Canwest Global or the Material Subsidiaries) pending or, to the knowledge of Canwest Global and the Material Subsidiaries, threatened against or affecting, Canwest Global or the Material Subsidiaries or their respective assets and businesses at law or in equity or before or by any federal, provincial, territorial, municipal or other governmental department, court,

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commission, board, bureau, agency, tribunal or instrumentality, domestic or foreign, or by or before an arbitrator or arbitration board.

- (i) Environmental. There are no actions, proceedings, notices, orders, demands or directions relating to environmental matters requiring, or notifying Canwest Global or any of the Material Subsidiaries that it is or may be responsible for any investigation, containment, clean-up, remediation or corrective action or any work, repairs, construction or capital expenditures to be made under Environmental Laws other than as disclosed in the Data Room Information and except for any actions, proceedings, notices, orders, demands or directions that have not had, and would not reasonably be expected to have, a Material Adverse Effect.
- (j) Employee Plans. The Data Room Information discloses all Employee Plans, either in the form of summaries of material terms or copies thereof, relating to the operations of Canwest Global and the Material Subsidiaries in Toronto, Ontario, and the Employee Plans at all other sites of Canwest Global and the Material Subsidiaries are substantially similar thereto.

SCHEDULE "C"**MATERIAL SUBSIDIARIES**

Canwest Media Inc.
Canwest Television Limited Partnership, by its general partner Canwest Television GP Inc.
Canwest Television GP Inc.
Fox Sports World Canada Partnership, by its general partner Fox Sports World Canada Holdco Inc.
Fox Sports World Canada Holdco Inc.
Mystery Partnership
TVtropolis General Partnership
CW Investments Co.
CW Media Holdings Inc.
CW Media Inc.
CW Television Inc.
4437471 Canada Inc.
History Television Inc.
Showcase Television Inc.
Life Network Inc.
4399781 Canada Inc.
CW Media Sales Inc.
Discovery Health Channel Canada ULC
Jasper Broadcasting Inc.
Jasper Junior Broadcasting Inc.
HGTV Canada Inc.
Food Network Canada Inc.
NGC Channel Holdings Inc.

SCHEDULE "D"
CAPITALIZATION

	Class of Shares	Number of Shares Authorized	Number of Shares Issued and Outstanding (as at June 30, 2009)
Canwest Global Communications Corp.	Multiple Voting Shares	Unlimited	76,785,976
	Subordinate Voting Shares	Unlimited	99,395,042
	Non-Voting Shares	Unlimited	1,465,521
	Preference Shares	Unlimited	None
	Series 1 Preference Shares	Unlimited	None
	Series 2 Preference Shares (Special Shares)	21,783	None
Canwest Media Inc.¹	Common Shares	Unlimited	22,924,002
	Preference Shares	Unlimited	None
Canwest Television Limited Partnership	Units	Unlimited	478,406.8
Canwest Mediaworks Ireland Holdings	Ordinary Shares	20,000,000	1,000,000
	Redeemable Preference Shares	500,000	1
	Redeemable Preference A Shares	1,000,000	467,509
	Redeemable Preference B Shares	500,000	311,674

¹ CMI may issue one or more shares to Canwest Global in connection with a roll-down transfer by Canwest Global of its corporate jet aircraft to CMI.

SCHEDULE 5.1(a)(iv)**Consents, Authorizations, Approvals and Notifications****Under Material Contracts****Channel Agreements:**

1. Change of Control Agreement dated March 16, 2000 among Alliance Atlantis Broadcasting Inc. ("AABP"), Alliance Atlantis Communications Inc. ("AACI"), 2000308 Ontario Inc. and Jasper Broadcasting Inc (relates to the BBC Canada channel);
2. Change of Control Agreement dated July 18, 2001 among AABI, AACI, Worldwide Channel Investments (Ontario) Limited and 3836762 Canada Inc. (relates to the BBC Kids channel); and
3. Change of Control Agreement dated March 29, 2000 between AABI, AABI obo NGC Canada Inc., AABI obo NGC Holdco Inc., AACI and NGC Network International, LLC (relates to the National Geographic Canada channel).

Execution Copy

AMENDMENT AGREEMENT
TO
SUPPORT AGREEMENT

THIS AGREEMENT is made as of the 11th day of February, 2010.

WHEREAS the undersigned members of the Ad Hoc Committee are party to a support agreement dated October 5, 2009, as amended, restated, replaced or otherwise modified from time to time, with Canwest Global Communications Corp. ("**Canwest Global**"), Canwest Media Inc. ("**CMI**"), Canwest Television Limited Partnership ("**CTLP**"), by its general partner, Canwest Television GP Inc. and the entities listed in Schedule A thereto (together with Canwest Global, CMI and CTLP, the "**Companies**") (the "**Support Agreement**") regarding the principal aspects of a recapitalization of the Companies, as more fully described in the recapitalization transaction term sheet attached thereto as Schedule B and forming part thereof (the "**Original Recapitalization Term Sheet**");

AND WHEREAS in connection with the recapitalization of the Companies, Shaw Communications Inc. ("**Shaw**") and Canwest Global have executed a subscription agreement on February 11, 2010 (the "**Subscription Agreement**") pursuant to which, subject to the terms and conditions thereof, Shaw has agreed to subscribe for, and Canwest Global has agreed to issue, Class A Voting Shares in respect of the Minimum Commitment (as defined in the Subscription Agreement), and Shaw has agreed to subscribe for, and Canwest Global has agreed to issue, additional Class A Voting Shares in respect of the Additional Commitment (as defined in the Subscription Agreement) (collectively, the "**Subscription Transaction**");

AND WHEREAS pursuant to Section 15(n) thereof, the Support Agreement (including the Recapitalization Term Sheet) may be modified, amended or supplemented as to any matter by an instrument in writing signed by the Companies and Consenting Noteholders representing at least two-thirds of the aggregate principal amount of Relevant Notes held by all Consenting Noteholders;

AND WHEREAS the undersigned Consenting Noteholders and the Companies wish hereby to (i) amend and restate the Recapitalization Term Sheet in order to reflect, *inter alia*, the Subscription Transaction; and (ii) amend the Support Agreement to reflect certain terms of the Subscription Transaction and to amend and restate the Recapitalization Term Sheet in the form of the amended and restated Recapitalization Term Sheet attached hereto as Schedule "A" (the "**Amended and Restated Term Sheet**");

NOW THEREFORE, for value received, and intending to be legally bound by this amendment agreement (the "**Amendment**"), the parties agree as follows:

1. The Original Recapitalization Term Sheet is hereby amended and restated in the form of the Amended and Restated Term Sheet.

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2. The Support Agreement is hereby amended as follows:

(i) the definitions of "Term Sheet" and "Recapitalization Terms" in the first paragraph of the Support Agreement shall be deleted and replaced with the following:

"...as more fully described in the term sheet attached as Schedule "A" to the Amendment Agreement to Support Agreement made as of the 11th day of February, 2010 (the "Term Sheet", with the terms set forth therein being the "Recapitalization Terms"),..."

(ii) the phrase "beyond May 31, 2010" in the final paragraph of Section 9 is hereby deleted;

(iii) the reference to "April 15, 2010" in Section 10(a)(iv) is hereby deleted and replaced with "August 11, 2010"; and

(iv) the definition of "Outside Date" in Schedule C is deleted and replaced with the following:

"Outside Date means August 11, 2010".

3. Notwithstanding that the undersigned have executed this Agreement, this Agreement shall only become effective and legally binding, without any further act or formality, immediately upon the issuance of the Approval Order (as defined in the Subscription Agreement) as contemplated by the Subscription Agreement, provided that, if the Approval Order has not been received by February 19, 2010, then this Agreement shall become null and void and of no force or effect and none of the parties shall have any liability to perform its obligations under this Agreement.

4. Except as expressly modified by the terms of this Amendment, the terms of the Support Agreement shall continue to apply in full force and effect, unamended. This Amendment may not be modified or amended except by a written instrument signed by the parties hereto at the time of the execution of such written instrument.

5. Capitalized terms used but not defined in this Amendment shall have the meanings ascribed to them in the Support Agreement or Original Recapitalization Term Sheet.

6. This Amendment may be signed in counterparts, each of which, when taken together, shall be deemed an original. Execution of this Amendment is effective if a signature is delivered by facsimile transmission or electronic (e.g., pdf) transmission.

7. This Amendment shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein, without regard to principles of conflicts of law. Each party hereto submits to the jurisdiction of the courts of the Province of Ontario in any action or proceeding arising out of or relating to this Amendment.

[Remainder of this page intentionally left blank; next page is a signature page.]

SCHEDULE "A"
AMENDED AND RESTATED
RECAPITALIZATION TERM SHEET

15814380.4

CANWEST GLOBAL COMMUNICATIONS CORP.
AND
CANWEST MEDIA INC.

AMENDED AND RESTATED
RECAPITALIZATION TRANSACTION TERM SHEET

RE: 8.0% Senior Subordinated Notes due 2012 issued by Canwest Media Inc. (collectively, the "Notes", and the holders of such Notes, collectively, the "Noteholders", and the indenture under which the Notes were issued by Canwest Media Inc., as amended, modified or supplemented prior to the date hereof, the "Indenture").

The purpose of this Amended and Restated Recapitalization Transaction Term Sheet (the "**Amended Term Sheet**") is to set out the principal terms of a proposed Recapitalization Transaction (defined below) of Canwest Global Communications Corp. ("**Canwest Global**"), Canwest Media Inc. ("**CMI**"), Canwest Television Limited Partnership ("**CTLP**") and certain of their respective subsidiary entities (but specifically excluding Canwest Limited Partnership and its subsidiaries¹, CW Investments Co. and its subsidiaries and Ten Network Holdings Limited and its subsidiaries) (collectively, the "**Canwest Group**"). Schedule A of this Amended Term Sheet includes a corporate chart of the Canwest Group following completion of the transactions described in this Amended Term Sheet (collectively, the "**Recapitalization Transaction**"). The purpose of the Recapitalization Transaction is, among other things, to restructure CMI into a viable and competitive industry participant able to deal with the current issues facing the broadcasting industry and other competitive factors.

This Amended Term Sheet is a summary of the terms and conditions of the Recapitalization Transaction. This Amended Term Sheet does not create any obligations on the part of Canwest Global, CMI or any of their respective subsidiaries, any Noteholder or any other person, until such party has executed an amendment to the support agreement dated October 5, 2009 between, *inter alia*, Canwest Global, CMI, CTLP, by its general partner, Canwest Television GP Inc., the entities listed in Schedule A thereto and the Noteholders, as amended from time to time (the "**Support Agreement**" and such amendment thereto being referred to as the "**Support Agreement Amendment**") attaching this Amended Term Sheet and such Support Agreement Amendment has become effective and binding on such party in accordance with its terms, at which time this Amended Term Sheet shall be binding upon such party. Certain matters described herein may be subject to the negotiation, execution and delivery of definitive documentation.

This Amended Term Sheet shall not constitute an offer to sell, buy or exchange into, nor the solicitation of an offer to sell, buy or exchange into, any of the securities or instruments referred to herein. Furthermore, until a party has executed a Support Agreement Amendment attaching this Amended Term Sheet and such Support Agreement Amendment has become effective and binding upon such party in accordance with its terms, nothing herein constitutes a commitment

¹ Any reference to "Canwest Limited Partnership and its subsidiaries" or "Publishing LP and its subsidiaries" shall include Canwest (Canada) Inc. (the general partner of Canwest Limited Partnership).

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to exchange any debt, lend funds to Canwest Global, CMI or any of their respective subsidiaries, vote debt in a certain way, or negotiate, agree to or otherwise engage in the transactions described herein.

All dollar amounts expressed herein are in Canadian dollars except as specifically noted otherwise.

A. RECAPITALIZATION TRANSACTION

1. Summary

The Noteholders' claims pursuant to the Notes and the Indenture shall be addressed in accordance with the Recapitalization Transaction, which shall be approved or implemented as part of a plan of arrangement (the "**Plan**") to be filed pursuant to the *Companies' Creditors Arrangement Act* (the "**CCAA**") and approved and sanctioned by the Ontario Superior Court of Justice (the "**Court**") pursuant to a Court Order (the "**Sanction Order**"). Canwest Mediaworks Ireland Holdings ("**Irish Holdco**") is not and will not be a party to the CCAA filing.

2. Certain Steps

As part of the Recapitalization Transaction:

- (i) the proceeds of the shares of Ten Network Holdings Limited ("**Ten Network**") that were held by Irish Holdco and subject to the equitable mortgage held by CIBC Mellon Trust Company (collectively, the "**Irish Holdco Ten Shares**") and that have been sold have been applied as set forth in the Use of Cash Collateral and Consent Agreement entered into by, among others, CMI, Canwest Global and certain of the Noteholders dated as of September 23, 2009, as amended from time to time (the "**Cash Collateral Agreement**");
- (ii) a restructured Canwest Global or, subject to compliance with applicable laws and obtaining any necessary or desirable regulatory or third party approvals or consents, a newly incorporated company under the *Canada Business Corporations Act* (such restructured or new company is referred to in this Amended Term Sheet as "**Restructured Canwest Global**") will be a private company and will, if applicable, prior to or as soon as practicable following the Effective Time (as defined below), apply to terminate its listing on the TSX Venture Exchange and will apply to applicable securities regulatory authorities to cease to be a reporting issuer;
- (iii) Restructured Canwest Global will (A) issue to certain affected creditors (including certain Noteholders), subject to the terms and conditions set out in Section A.5 below and subject to their rights to elect to receive cash in lieu of shares as set out in Section A.5 below, Non-Voting Shares and Class B Subordinated Voting Shares, together as a stapled security, in the capital of Restructured Canwest Global, as described more fully below; provided that the foregoing is at all times in compliance with the Canadian ownership and control requirement as contained in the *Direction to the*

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CRTC (*Ineligibility of Non Canadians*)) (the "Direction") and subject to the prior approval of the Canadian Radio-television and Telecommunications Commission (the "CRTC"), as applicable, and (B) pay to certain affected creditors (including the Noteholders), subject to the terms and conditions set out in Section A.5 below and at their election (if available), cash;

- (iv) Restructured Canwest Global will issue to Shaw Communications Inc. or a direct or indirect, wholly owned subsidiary that is Canadian (as defined in the Direction) (Shaw and any such designated subsidiary being collectively referred to herein as "Shaw") Class A Voting Shares in the capital of Restructured Canwest Global, as described more fully below; provided that the foregoing is at all times in compliance with the Direction and subject to the prior approval of the CRTC, as applicable; and
- (v) existing shareholders of Canwest Global will receive a cash payment, as described more fully below, and their equity in Canwest Global as at the Plan Implementation Date shall be extinguished under the Plan.

3. Other Investor in Restructured Canwest Global

Pursuant to the subscription agreement between Shaw and Canwest Global executed as of the date hereof (the "Shaw Subscription Agreement"), subject to the terms and conditions thereof Shaw has subscribed (the "Shaw Subscription") for (a) a minimum \$95 million in the aggregate (the "Minimum Shaw Commitment") of Class A Voting Shares representing a 20% equity and 80% voting interest in Restructured Canwest Global; and (b), subject to the immediately following paragraph, an additional amount (the "Additional Commitment") of equity shares, at the same per share purchase price applicable to the Minimum Shaw Commitment, equal to the aggregate of the cash amounts paid under Sections A.5(iii), A.5(v), A.5(viii), A.5(x) and A.6.

Members of the ad hoc committee of Noteholders (the "Ad Hoc Committee") will have the right to elect to participate *pro rata* (based on the *pro forma* ratio of equity in Restructured Canwest allocated to Shaw to equity allocated to the Ad Hoc Committee) with Shaw in the funding of the Additional Commitment, at the same per share purchase price applicable to the Minimum Shaw Commitment.

The Class A Voting Shares in the capital of Restructured Canwest Global will be owned by Shaw and will represent an 80% voting interest in Restructured Canwest Global. The Non-Voting Shares and Class B Subordinated Voting Shares in the capital of Restructured Canwest Global will be owned by affected creditors (including the Noteholders) and will represent a 20% voting interest in Restructured Canwest Global.

4. Application of Proceeds from Sale of Irish Holdco Shares

All of the net proceeds of the sale of the Irish Holdco Ten Shares (the "Ten Proceeds") have been loaned to CMI and applied by CMI as follows: (i) as to the amount of \$85 million, to fund ongoing liquidity requirements of CMI and/or CTLP (including temporarily repaying the amount outstanding under the CIT Facility), (ii) to repay in full the Existing Senior Notes and (iii) as to the balance, to make a payment to the trustee under the Indenture (the "Trustee") on behalf of the Noteholders, all in the manner set forth in the Cash Collateral Agreement (as defined below).

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The portion of the Ten Proceeds referred to in (i) and (ii) above are evidenced by a secured promissory note (the "**Secured Intercompany Note**") and the portion of the Ten Proceeds referred to in (iii) above is evidenced by one or more unsecured promissory notes (the "**Unsecured Promissory Note**"). The proceeds of the Shaw Subscription described in section A.3 above shall be used to repay \$85 million of the Secured Intercompany Note, to Irish Holdco and, having regard to the guarantee of the Notes by Irish Holdco, the proceeds of such repayment shall be used by Irish Holdco to redeem \$85 million of the preferred shares held by CMI and CMI shall forthwith pay \$85 million to the Trustee (on behalf of the Noteholders).

5. **Affected Claims**

The procedure for determining the validity and amount of affected creditors' claims against Canwest Global, CMI and CTLP for purposes of voting and receiving distributions under the Plan will be governed by an order of the Court in the CCAA proceedings (the "**Claims Procedure Order**"), which order shall be satisfactory to Canwest Global, CMI, CTLP and the Ad Hoc Committee.

Affected creditors of Canwest Global and CMI with claims against Canwest Global or CMI accepted for purposes of receiving distributions under the Plan ("**CMI Proven Distribution Claims**") shall have such claims valued for purposes of receiving distributions under the Plan on the basis of the amount of each such claim relative to the total CMI Proven Distribution Claims (such percentage for any particular affected creditor is referred to as the affected creditor's "**CMI Percentage**"). Affected creditors of CTLP with claims against CTLP accepted for purposes of receiving distributions under the Plan ("**CTLP Proven Distribution Claims**") shall have such claims valued for purposes of receiving distributions under the Plan on the basis of the amount of each such claim relative to the total CTLP Proven Distribution Claims (such percentage for any particular affected creditor is referred to as the affected creditor's "**CTLP Percentage**").

Notwithstanding any legal rights or entitlements of the Noteholders or the Trustee and strictly for the purposes of the Recapitalization Transaction contemplated by this Amended Term Sheet, for purposes of receiving distributions of CMI under the Plan, having regard for the guarantee of the Notes by Irish Holdco and the Secured Intercompany Note and the Unsecured Promissory Note, CMI Proven Distribution Claims of the Noteholders shall be agreed to be an amount of US\$761 million in aggregate, together with accrued interest on the Notes up to and including the date of filing under the CCAA, and for purposes of receiving distributions of CTLP under the Plan only, CTLP Proven Distribution Claims of the Noteholders shall be agreed to be an amount of \$800 million.

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For purposes of this Amended Term Sheet:

"affected creditors" means those creditors whose claims are compromised under the Plan and include, for greater certainty, the Noteholders;

"Consenting Noteholder Percentage" means a percentage equal to US\$5 million (converted to Canadian dollars based on the exchange rate set forth in section C.10) divided by \$408 million, being the percentage of equity in Restructured Canwest Global to be allocated to the Consenting Noteholders on account of the Support Agreement Consideration (as such terms are defined in Section C.5 hereof);

"Equity Value" means \$475 million, being the implied equity value of Restructured Canwest Global based on the percentage equity interest represented by the Minimum Shaw Commitment;

"Existing Shareholder Percentage" means 0.023, being the percentage of the Equity Value to be allocated to the existing shareholders of record of Canwest Global in accordance with Section A.6 hereof;

"Initial Claims Fraction" means the decimal number resulting from taking 1 and subtracting from it (a) the Consenting Noteholder Percentage and (b) 0.20 (being the percentage equity interest in Restructured Canwest Global to be allocated to Shaw on account of the Minimum Shaw Commitment);

"Non-Participating Creditors" means those affected creditors that are not permitted hereunder or that have elected not to receive shares of Restructured Canwest under this Section A.5;

"Noteholder Percentage" means, with respect to any Noteholder, the percentage obtained by dividing the aggregate principal face value of all notes held by such Noteholder relative to the aggregate principal face value of all Notes;

"Participating Creditors" means those affected creditors that are permitted hereunder and that have elected to receive shares of Restructured Canwest Global under this Section A.5;

As part of the Recapitalization Transaction:

- (i) if an affected creditor under the Plan, including a Noteholder, would, individually on a *pro forma* basis, hold at least 5% of the outstanding equity shares of Restructured Canwest Global if it elected to receive shares of Restructured Canwest Global in full and final satisfaction of any CMI Proven Distribution Claim, any CTLP Proven Distribution Claim and any entitlement to distributions pursuant to the Noteholder Guarantee Distribution Amount (as defined below) and the Support Agreement Consideration, then such an affected creditor may elect to receive shares of Restructured Canwest Global in full and final satisfaction of all of its CMI Proven Distribution Claims, CTLP Proven Distribution Claims and entitlements, if any, in respect of the Noteholder Guarantee Distribution Amount and the Support Agreement Consideration (provided that, for

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greater certainty, if an affected creditor elects to receive shares of Restructured Canwest Global as above, it shall receive shares in respect of all such claims and not a combination of cash and shares);

- (ii) each affected creditor with a CMI Proven Distribution Claim that is permitted hereunder and elects to receive shares of Restructured Canwest Global in full and final satisfaction of its CMI Proven Distribution Claim shall receive that number of shares in Restructured Canwest Global which represents a percentage ownership of the outstanding equity shares of Restructured Canwest Global equal to such affected creditor's CMI Percentage of the number obtained by multiplying (A) the Initial Claims Fraction by (B) the number obtained by dividing \$109 million by \$283 million;
- (iii) each affected creditor with a CMI Proven Distribution Claim that is not permitted to, or otherwise elects not to, receive shares of Restructured Canwest Global in full and final satisfaction of its CMI Proven Distribution Claim shall receive a cash payment equal to such affected creditor's CMI Percentage of the amount obtained by multiplying (A) the Equity Value by (B) the number obtained by multiplying (y) the Initial Claims Fraction by (z) the number obtained by dividing \$109 million by \$283 million;
- (iv) each affected creditor with a CTLP Proven Distribution Claim that is permitted hereunder and elects to receive shares of Restructured Canwest Global in full and final satisfaction of its CTLP Proven Distribution Claim shall receive that number of shares in Restructured Canwest Global which represents a percentage ownership of the outstanding equity shares of Restructured Canwest Global equal to such affected creditor's CTLP Percentage of the number obtained by multiplying (A) the Initial Claims Fraction by (B) the number obtained by dividing \$129 million by \$283 million;
- (v) each affected creditor with a CTLP Proven Distribution Claim that is not permitted to, or otherwise elects not to, receive shares of Restructured Canwest Global in full and final satisfaction of its CTLP Proven Distribution Claim shall receive a cash payment equal to such affected creditor's CTLP Percentage of the amount obtained by multiplying (A) the Equity Value by (B) the number obtained by multiplying (y) the Initial Claims Fraction by (z) the number obtained by dividing \$129 million by \$283 million;
- (vi) having regard for the guarantee of the Notes by Irish Holdco and having regard to the Secured Intercompany Note, each of the Noteholders will be entitled to receive its *pro rata* entitlement to the amount obtained by multiplying (A) the Equity Value by (B) the number obtained by multiplying (x) the Initial Claims Fraction by (y) the number obtained by dividing \$45 million by \$283 million and then (z) subtracting the Existing

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Shareholder Percentage (the "Noteholder Guarantee Distribution Amount");

- (vii) each of the Noteholders that is permitted hereunder and elects to receive shares of Restructured Canwest Global in satisfaction of its *pro rata* entitlement to the Noteholder Guarantee Distribution Amount shall receive that number of shares in Restructured Canwest Global which represents a percentage ownership of the outstanding equity shares of Restructured Canwest Global equal to such Noteholder's Noteholder Percentage of the number obtained by multiplying (A) the Initial Claims Fraction by (B) the number obtained by dividing \$45 million by \$283 million and then (C) subtracting the Existing Shareholder Percentage;
- (viii) each of the Noteholders that is not permitted hereunder, or otherwise elects not to, receive shares of Restructured Canwest Global in satisfaction of its *pro rata* entitlement to the Noteholder Guarantee Distribution Amount shall receive a cash payment equal to the Noteholder's Noteholder Percentage of the Noteholder Guarantee Distribution Amount;
- (ix) each of the Consenting Noteholders that is a Participating Creditor will receive that number of additional shares in Restructured Canwest Global which represents a percentage ownership of the outstanding equity shares of Restructured Canwest Global equal to such Noteholder's *pro rata* entitlement to the Consenting Noteholder Percentage; and
- (x) each of the Consenting Noteholders that is a Non-Participating Creditor will receive a cash payment equal to such Noteholder's *pro rata* entitlement to the Support Agreement Consideration.

Under the Plan, the claims of (i) each affected creditor with CMI Proven Distribution Claims or CTLP Proven Distribution Claims of \$5,000 or less (such a claim is referred to as a "CMI Minimum Claim" in the case of a CMI Proven Distribution Claim and is referred to as a "CTLP Minimum Claim" in the case of a CTLP Proven Distribution Claim) and (ii) each affected creditor with CMI Proven Distribution Claims or CTLP Proven Distribution Claims in excess of the CMI Minimum Claim or CTLP Minimum Claim, as applicable, but who has elected to value such claims at the CMI Minimum Claim or CTLP Minimum Claim, as applicable, for purposes of the Plan (collectively, the "Convenience Class Claims") shall be valued for purposes of the calculations set forth in this Section A.5, for voting on the Plan and for receiving distributions under the Plan, if applicable, at an amount equal to the lesser of (a) the CMI Minimum Claim or the CTLP Minimum Claim, as the case may be, and (b) the value of the applicable CMI Proven Distribution Claim or CTLP Proven Distribution Claim.

Notwithstanding anything to the contrary in this Section A.5, each affected creditor holding one or more CMI Proven Distribution Claims or CTLP Proven Distribution Claims that are Convenience Class Claims will receive a cash payment from Canwest Global that, together with the cash payments set forth in sub-sections A.5(iii) and A.5(v) hereof, is equal to the lesser of (A) the CMI Minimum Claim or the CTLP Minimum Claim, as applicable and (B) the value of such creditor's CMI Proven Distribution Claims or CTLP Proven Distribution Claims, as the case may be, in full and final satisfaction of such claims. The Plan shall provide that each

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affected creditor whose Convenience Class Claims are paid in full shall be deemed to vote in favour of the Plan.

Each affected creditor holding one or more proven voting claims will be entitled to vote on the Plan based on the aggregate amount of its proven voting claims as stipulated by the Claims Procedure Order.

The Plan shall provide for the following two classes of creditors: (i) affected creditors with CMI Proven Distribution Claims and (ii) affected creditors with CTLP Proven Distribution Claims.

Claims against entities other than Canwest Global, CMI and CTLP, including any of the Canwest Subsidiaries (as defined below), will be dealt with in an equitable manner having regard to the assets and liabilities of each such entity.

For purposes of the Recapitalization Transaction only, and provided the condition in section B(y) is satisfied, notwithstanding any legal rights or entitlements of the Noteholders, intercompany claims among the Canwest Group (including, without limitation, claims against CMI by Canwest International Communications Inc., Canwest Irish Holdings (Barbados) Inc. and Irish Holdco), other than claims by CMI against CTLP or vice versa, shall be excluded for purposes of receiving distributions under the Plan.

If either CMI or CTLP is entitled to receive shares of Restructured Canwest Global or cash pursuant to section A.5(ii), A.5(iii), A.5(iv) and A.5(v), respectively, such shares or cash shall instead be distributed to the creditors of CMI or CTLP, as the case may be, pro rata, based on each such creditor's CMI Proven Distribution Claim or CTLP Proven Distribution Claim.

Amounts owing between Canwest Global and one or more of its subsidiaries or between subsidiaries of Canwest Global that have arisen in accordance with the terms and conditions of any arrangement or agreement for the provision of services between CMI and/or its subsidiaries and Canwest Limited Partnership and/or its subsidiaries as of the date of the Support Agreement or past practice will be settled monthly.

On the Plan Implementation Date, Restructured Canwest Global shall release the guarantees of the Canwest Subsidiaries under the Notes after acquiring such claims.

In connection with the Plan, the CMI Percentages and CTLP Percentages shall be calculated to the fourth decimal place.

For greater certainty, the CIT Facility (defined below) shall be an unaffected obligation under the Plan and CIT shall, in respect of such obligation, be an unaffected creditor.

6. Existing Shareholders and Equity Compensation Plans

Each of the shareholders of record of Canwest Global as at the Plan Implementation Date will, in exchange for their existing shares in the capital of Canwest Global, receive a cash payment equal to such shareholders' *pro rata* entitlement (based on the number of shares owned by such shareholder of Canwest Global and, for greater certainty, without taking into account the number of votes attributed to each such share) to the amount obtained by multiplying (A) the Equity Value by (B) the Existing Shareholder Percentage. The equity of the shareholders of Canwest Global shall be extinguished under the Plan.

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All equity compensation plans of Canwest Global will be terminated on closing of the Recapitalization Transaction and any outstanding options, restricted share units or other equity-based awards outstanding thereunder will be terminated and cancelled without compensation.

7. Repayment of Existing Senior Secured Indebtedness of CMI

On completion of the Recapitalization Transaction, the senior secured debt facility of CMI (the "CIT Facility") in an available amount of approximately \$100 million, will be (i) extended by way of an emergence asset backed loan facility entered into by CIT Business Credit Canada Inc. ("CIT") of approximately \$100 million or such other amount as agreed to by CIT, the Ad Hoc Committee and CMI, which shall be secured by a first ranking security interest over all of the assets of CMI and CTLP on terms acceptable to CIT, CMI and the Ad Hoc Committee, as contemplated by the indicative term sheet provided by CIT to CMI and the Ad Hoc Committee, or (ii) replaced by a new asset backed or other form of loan facility entered into with a third party lender, which shall be secured by a first ranking security interest over all of the assets of CMI and CTLP on terms acceptable to CMI and the Ad Hoc Committee.

8. Repayment of Existing Senior Notes

The 12% senior secured notes of CMI issued on May 22, 2009 (the "Existing Senior Notes") have been repaid in full by CMI with a portion of the proceeds of the loan from Irish Holdco evidenced by the Secured Intercompany Note.

9. Liquidity and Emergence Funding Matters

Overall liquidity for the restructured business and emergence costs will be funded through the CIT Facility.

10. Sources and Uses of Funds

The following table outlines the sources and uses of funds in connection with the Recapitalization Transaction:

Source	Amount	Uses
(i) CIT Facility shall have extended by way of an emergence ABL facility secured by all of the assets of CMI and CTLP on terms acceptable to CMI, CIT and the Ad Hoc Committee or (ii) a new asset backed loan facility will be entered into secured by a first ranking priority over the assets of CMI and CTLP on terms acceptable to CMI and the Ad Hoc Committee	\$100 million (or such other amount agreed to by CIT, the Ad Hoc Committee and CMI)	Repayment of CIT Facility
Retention of a portion of the Ten Proceeds to be loaned to CMI by Irish Holdco.	\$190 million	Prepayment of Existing Senior Notes and funding emergence matters and liquidity

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Source	Amount	Uses
Minimum Shaw Commitment	Minimum of \$95 million	Partial repayment of the Secured Intercompany Note and working capital purposes
Additional Commitment	Amount equal to the aggregate of the cash amounts paid under Sections A.5(iii), A.5(v), A.5(viii), A.5(x) and A.6	Cash payments to existing shareholders and certain affected creditors

11. Description of Restructured Canwest Global Shares

The share capital of Restructured Canwest Global will be comprised of the following classes of shares:

- (i) Class A Voting Shares issued to Shaw,
- (ii) Non-Voting Shares issued to affected creditors pursuant to section A.5, and
- (iii) Class B Subordinated Voting Shares issued to affected creditors pursuant to section A.5.

For purposes of this Amended Term Sheet, "equity shares" refer to, collectively, the Class A Voting Shares and the Non-Voting Shares.

B. CONDITIONS TO RECAPITALIZATION

The Recapitalization Transaction shall be subject to the satisfaction of the following conditions prior to or at the time on which the Recapitalization Transaction is implemented (the "Effective Time"), each of which is for the exclusive benefit of the Noteholders and may be waived by the Ad Hoc Committee, on behalf of the Noteholders; provided, however that the conditions in subparagraphs (a), (c), (e), (f), (j), (l) (n), (o) (p), (r), (t), (v), (z), (dd) and (ee) shall also be for the benefit of CMI and, if not satisfied on or prior to the Effective Time, can only be waived by both CMI and the Ad Hoc Committee:

- (a) the Plan, Sanction Order and the new (or amended) articles, by-laws and other constating documents of Restructured Canwest Global, as applicable, and all definitive legal documentation in connection with all of the foregoing shall be in a form agreed by CMI and the Ad Hoc Committee;
- (b) there shall not exist or have occurred any default or event of default (other than those defaults or events of default that are remedied or waived and other than an event of default arising from a breach of Section 5(b) of the Cash Collateral

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Agreement which does not result in another event of default) under the CIT Facility or the Cash Collateral Agreement;

- (c) the Plan shall have been approved by the Court and the Sanction Order shall be in full force and effect and the transactions contemplated by the Plan shall have been consummated;
- (d) there shall not exist or have occurred any orders or other matters in the CCAA proceedings relating to the Recapitalization Transaction, which, in the view of the Ad Hoc Committee, could reasonably be expected to have a material adverse effect on the Recapitalization Transaction;
- (e) all filings under applicable laws shall have been made and any material regulatory consents or approvals that are required in connection with the Recapitalization Transaction shall have been obtained, including without limitation, under the *Competition Act* (Canada) and under the *Broadcasting Act* (Canada) in the form of a final non-appealable decision on terms satisfactory to CMI and the Ad Hoc Committee, and, in the case of waiting or suspensory periods, shall have expired or been terminated;
- (f) there shall not be in effect any preliminary or final decision, order or decree by a government, government authority, court or public authority and no application shall have been made to any government, government authority, court or public authority, or action or investigation shall have been announced, threatened or commenced by any government, government authority, court or public authority, in consequence of or in connection with the Recapitalization Transaction, which restrains, impedes or prohibits (or if granted could reasonably be expected to restrain, impede or inhibit), the Recapitalization Transaction or any part thereof or requires or purports to require a variation of the Recapitalization Transaction;
- (g) [Intentionally deleted];
- (h) Canwest Global shall have applied to cease to be a "reporting issuer" and to delist its securities from the TSX Venture Exchange;
- (i) no more than 18.5% of the outstanding equity shares of Restructured Canwest Global as of the Effective Time shall be issuable to affected creditors (other than the Noteholders and the Trustee) with respect to the conversion of any compromised claims pursuant to section A.5 above;
- (j) the CIT Facility shall have been extended or replaced pursuant to section A.7 above;
- (k) the Secured Intercompany Note shall have been repaid in cash as to \$85 million and such amount shall have been distributed to the Trustee (on behalf of the Noteholders);
- (l) the terms and conditions of any arrangement or agreement for the provision of services between CMI and/or its subsidiaries and Canwest Limited Partnership ("Publishing LP") and/or its subsidiaries, including any services provided by

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Publishing LP and/or its subsidiaries to CMI and/or its subsidiaries, as of the Effective Time, either in their current form or as amended or replaced (including as replaced by an arrangement with a third party provider other than Publishing LP and/or its subsidiaries), in each case, shall be satisfactory in all respects to the Ad Hoc Committee and CMI, and there shall have been no material adverse effect on CMI's operations in connection with the disposition, recapitalization or restructuring of Publishing LP;

- (m) **[Intentionally deleted];**
- (n) the exit budget and all emergence costs (including, without limitation, as to individual amounts, the aggregate amount and uses) shall have been agreed to by CMI and the Ad Hoc Committee;
- (o) any Court imposed charge on the assets and property of Canwest Global or any of its subsidiaries (other than Publishing LP and its subsidiaries, National Post Holdings Ltd., National Post Company, CW Investments Co. and its subsidiaries and Ten Network Holdings Limited and its subsidiaries) (collectively, the "Canwest Subsidiaries"), including without limitation, any administration charge or directors and officers' charge in connection with the CCAA proceedings shall have been agreed to by CMI, the management directors (with respect to the directors and officers charge) and the Ad Hoc Committee and shall have been fully and irrevocably discharged and released;
- (p) the terms and conditions with respect to any release and discharge of the court ordered charges in (o) above shall have been satisfactory to CMI, the management directors (with respect to the directors and officers charge) and the Ad Hoc Committee;
- (q) **[Intentionally deleted];**
- (r) the Shaw Subscription shall have been completed pursuant to the terms and conditions of the Shaw Subscription Agreement and shall have been used as partial repayment of the Secured Intercompany Note;
- (s) Canwest Global and CMI shall have entered into the Plan Emergence Agreement (as defined below) on or prior to the date that is 21 days prior to the meeting of creditors in respect of the Plan;
- (t) each of the claims process, claims order, meetings order, Plan, disclosure documents, company sanction material and Sanction Order shall have been in a form agreed in advance by CMI and the Ad Hoc Committee;
- (u) there shall be no liabilities or contingent liabilities of Canwest Global or the Canwest Subsidiaries in respect of any registered pension plans, except for those registered pension plans sponsored or administered by any of Canwest Global or the Canwest Subsidiaries and any multi-employer pension plans in which Canwest Global or the Canwest Subsidiaries are required to contribute pursuant to a collective bargaining agreement;

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- (v) Restructured Canwest Global shall, at the Effective Time, own directly or indirectly, a minimum of 35.33% of the outstanding equity shares of CW Investments Co. and CW Investments Co. shall, at the Effective Time, own substantially all of the assets that it owns as at the date of the Support Agreement;
- (w) the representations and warranties of Canwest Global and CMI set forth in this Amended Term Sheet and in the Support Agreement shall be true and correct in all material respects at the Effective Time with the same force and effect as if made at and as of such time except as such representations and warranties may be affected by the occurrence of events or transactions contemplated and permitted by the Support Agreement or this Amended Term Sheet and except that representations and warranties that are given as of a specified date shall be true and correct in all material respects as of such date;
- (x) there shall not exist or have occurred any Material Adverse Effect. The term "Material Adverse Effect" shall mean a fact, circumstance, change, effect, matter, action, condition, event, occurrence or development that, individually or in the aggregate, is, or would reasonably be expected to be, material and adverse to the business, affairs, results of operations or financial condition of Canwest Global and the Canwest Subsidiaries (taken as a whole) and shall include, without limitation, any disposition by Canwest Global or any of the Canwest Subsidiaries of any material asset (other than as contemplated by this term sheet) without the prior consent of the Ad Hoc Committee; provided that a Material Adverse Effect will not include the entering into of the Support Agreement (including this Amended Term Sheet) or the performance of their terms, or the fact that Canwest Global and certain of the Canwest Subsidiaries are insolvent and/or have filed under the CCAA pursuant to, and in the manner contemplated by, this Amended Term Sheet and provided further that a Material Adverse Effect shall not include the termination of any material contracts relating to the E Network in connection with the sale or closure of the E Stations;
- (y) the Noteholders shall have received the amounts set forth in section A.4 and distributions under the Plan in the manner set forth in section A.5(vi);
- (z) the Amended and Restated Shareholders Agreement relating to CW Investments Co., as amended and restated as of January 4, 2008, and the agreements contemplated therein shall have been amended and restated or otherwise addressed in a manner agreed to by CMI and the Ad Hoc Committee, subject to CRTC approval, if required;
- (aa) the events set forth in section C.9 shall have occurred on or before the corresponding dates indicated in such section; provided, however, that if creditor approval of the Plan is not obtained on or before April 15, 2010, the Ad Hoc Committee will extend such date if and for so long as (i) Canwest Global and CMI are acting in good faith to obtain such approval as soon as practicable and (ii) the Plan Implementation Date is reasonably expected to occur by no later than the date set forth in section C.9;

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- (bb) the size and composition of the board of directors of Restructured Canwest Global shall be acceptable to the Ad Hoc Committee;
- (cc) CMI shall have complied in all material respects with each covenant in this Amended Term Sheet and in the Support Agreement that is to be performed on or before the Effective Time;
- (dd) insurance in respect of the director's and officer's insurance policy of Canwest Global shall have been put in place on terms and at a cost acceptable to CMI and the Ad Hoc Committee; and
- (ee) shares of Restructured Canwest Global shall have been issuable to fewer than 290 holders of record (as provided in Rule 12g5-1 promulgated under the U.S. Securities Exchange Act of 1934 (as amended and including any relevant rules promulgated thereunder, the "Exchange Act")) under the Recapitalization Transaction or Restructured Canwest Global shall have otherwise been exempt from the registration requirements under Section 12(g) of the Exchange Act.

C. GENERAL PROVISIONS

1. CRTC Application

CMI and the Ad Hoc Committee will each use their commercially reasonable efforts to take, or cause to be taken, all actions to assist and cooperate with each other and Shaw to obtain CRTC approval of the Recapitalization Transaction as contemplated by the Shaw Subscription Agreement. The parties shall reasonably cooperate with each other and with Shaw with respect to the preparing of the application and all related correspondence to the CRTC as contemplated by the Shaw Subscription Agreement.

2. CCAA Plan of Arrangement

The implementation of the Plan shall be subject to and conditional upon all required Court, creditor and other approvals, if and to the extent required. The successful completion (or waiver by CMI and the Ad Hoc Committee) of all of the steps and matters noted above shall be a condition precedent to the Plan. Court filings, disclosure documents and news releases announcing the Recapitalization Transaction of Canwest Global and/or CMI shall be made available to the Noteholders prior to issuance or filing thereof for review in connection with the implementation of the Plan.

3. Representations, Warranties and Covenants of Canwest Global, CMI and CTLP

Each of Canwest Global, CMI and CTLP hereby represents, warrants and covenants that:

- (i) the monitor, FTI Consulting Inc. ("FTI") has received a written Canadian legal opinion, in a form acceptable to FTI, from counsel to FTI with respect to customary matters relating to the CIT Facility,
- (ii) Canwest Global and the Canwest Subsidiaries maintain appropriate insurance coverage in amounts and on terms that are customary in the industries in which they conduct business,

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- (iii) neither Canwest Mediaworks Ireland Holdings nor Canwest Ireland Nominee Ltd. has any assets or liabilities other than (i) customary liabilities associated with a holding company, (ii) the Secured Intercompany Note and the Unsecured Promissory Note, (iii) guarantees of the Notes, (iv) intercompany obligations owed to Irish Holdco by CMI in the amount of approximately \$72,000,000 and (v) a right of redemption in favour of CMI, the holder of the preferred shares of Irish Holdco,
- (iv) it shall and shall cause the Canwest Subsidiaries to, except as contemplated by the Recapitalization Transaction, operate their businesses in the ordinary course of business, and, in any event, shall not make a public announcement in respect of, enter into any agreement or letter of intent with respect to, or attempt to consummate, any transaction or agreement that could reasonably be expected to materially adversely affect any of Canwest Global or the Canwest Subsidiaries,
- (v) except for the renewal or extension of the director's and officer's insurance currently in place and any additional insurance as contemplated by section B(dd) and except for a trust to hold the funds contributed by Canwest Limited Partnership in respect of funding a portion of the key employee retention plans of CMI, neither Canwest Global nor any of the Canwest Subsidiaries shall establish or fund any directors or employees trusts or purchase or fund any additional directors' and officers' insurance, in each case unless approved by the Ad Hoc Committee,
- (vi) upon the making of a filing under the CCAA (a "Filing"), Canwest Global and the Canwest Subsidiaries will: (i) ensure that the initial CCAA order (the "Initial Order") and all ancillary and subsequent court orders ("Other Restructuring Orders") issued in connection with a Filing at any time shall be in form and substance satisfactory to the Ad Hoc Committee; and (ii) comply with all terms of the Initial Order and all Other Restructuring Orders at all times, and
- (vii) Restructured Canwest Global, Shaw and the Participating Creditors shall enter into a definitive shareholders agreement governing their interest in and the operation of Restructured Canwest Global, in a form acceptable to Restructured Canwest Global, Shaw and the Ad Hoc Committee.

4. Plan Emergence Agreement

On or prior to the date that is 21 days prior to the meeting of creditors in respect of the Plan, Canwest Global, CMI, the Ad Hoc Committee and Shaw shall enter into a Plan emergence agreement (the "Plan Emergence Agreement") that will, among other things, include schedules that are approved by the Ad Hoc Committee and set forth:

- (i) a list of all existing management employees of Canwest Global and the Canwest Subsidiaries, who will not remain as employees of Restructured Canwest Global or any of the Canwest Subsidiaries following the Effective Time, and

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- (ii) a list of all material contracts and agreements that will not remain as ongoing obligations of Restructured Canwest Global or any of the Canwest Subsidiaries, following the Effective Time, which contracts and agreements shall be terminated, repudiated or renegotiated on terms agreed to by CMI, the Ad Hoc Committee and Shaw.

It is acknowledged and agreed that each of (i) the engagement letter entered into between Stonecrest Capital Inc. and Canwest Global dated June 30, 2009, (ii) the engagement letter entered into between Genuity Capital Markets and Canwest Global on May 29, 2009, (iii) the engagement letter entered into between RBC Dominion Securities Inc. and Canwest Global on December 10, 2008, as amended by a letter dated January 20, 2009 and as further amended by a letter dated October 5, 2009 (which amending letter has been approved by the Ad Hoc Committee), (iv) the agreements delivered by CMI to Goodmans LLP on October 5, 2009, which relate to key employee retention plans that have been offered to certain employees in the Canwest Group (the "KERP Employees"), (v) all contractual severance obligations in respect of the non-KERP Employees of the Canwest Group set forth in a schedule delivered by CMI to Goodmans LLP on September 22, 2009 and (vi) the CIT Facility, shall remain as unaffected obligations of the Canwest Group and shall not be repudiated or amended other than to the extent provided for therein, if applicable.

All material contracts and agreements of Canwest Global or one of the Canwest Subsidiaries that are not set forth in the schedule referenced in sub-paragraph (ii) above shall remain as ongoing obligations of Restructured Canwest Global or one of the Canwest Subsidiaries following the Plan Implementation Date.

5. Support Agreement

As part of the consideration for their Notes under the Recapitalization Transaction, Noteholders who entered into the Support Agreement prior to November 2, 2009 (the "Consenting Noteholders") shall receive additional consideration (the "Support Agreement Consideration"). The Support Agreement Consideration shall be received by the Consenting Noteholders at the Effective Time in the form of additional cash and/or Non-Voting Shares and Class B Subordinated Voting Shares of Restructured Canwest Global representing, in aggregate, an amount equal to the Equity Value multiplied by the Consenting Noteholder Percentage. The Support Agreement Consideration shall be received by the Consenting Noteholders in the manner set out in Section A.5 hereof.

6. DIP Financing

The debtor in possession arrangements in respect of the CIT Facility shall be agreed to by CMI and the Ad Hoc Committee, it being acknowledged by CMI and the Ad Hoc Committee that the debtor in possession arrangements agreed to pursuant to the CIT Facility are acceptable to CMI and the Ad Hoc Committee.

7. Chief Restructuring Advisor

Upon the commencement of CCAA proceedings in respect of Canwest Global, CMI and/or CTLP, Canwest Global, CMI and CTLP shall promptly engage a chief restructuring advisor acceptable to the Ad Hoc Committee on terms (including the authorities, responsibilities, remuneration and length of engagement) acceptable to the Ad Hoc Committee, it being

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acknowledged by the Ad Hoc Committee that the terms of the engagement letter entered into between Canwest Global and Stonecrest Capital Inc. are acceptable to the Ad Hoc Committee provided that upon the commencement of CCAA proceedings Stonecrest Capital Inc. becomes chief restructuring advisor as contemplated by such agreement. The chief restructuring advisor shall be discharged and released at the Effective Time.

8. Amendments

No amendments to the Plan or the Recapitalization Transaction shall be made without the prior written consent of the Ad Hoc Committee.

9. Key Dates

The date on which the Plan is implemented is currently contemplated to be no later than August 11, 2010 (the "**Outside Date**"), subject to approval of the Plan by the Court (the date on which the Plan is implemented being the "**Plan Implementation Date**"). Additional key dates related to the Recapitalization Transaction are as follows:

- Creditor approval of Plan No later than April 15, 2010
- Plan Implementation Date No later than August 11, 2010

10. Conversion of US Dollar Claims

For purposes of the Plan any claims that are in United States dollars shall be converted into Canadian dollars 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 the Plan in the CCAA proceedings.

11. Releases

At the Effective Time, pursuant to the Plan, Canwest Global and the Canwest Subsidiaries and each of their respective present and former shareholders, officers, directors, financial advisors (including RBC Capital Markets and Genuity Capital Markets), legal counsel and agents, the proposed monitor, FTI Consulting Inc. and its counsel and Stonecrest Capital Inc. (including in its capacity as the chief restructuring advisor of Canwest Global) (collectively, the "**Released Parties**") will be released and discharged from any and all demands, claims, actions, causes of action, counterclaims, suits, debts, sums of money, accounts, covenants, damages, judgments, expenses, executions, liens and other recoveries on account of any indebtedness, liability, obligation, demand or cause of action of whatever nature that any person (including any person who may claim contribution or indemnification against or from them) may be entitled to assert whether known or unknown, matured or unmatured, direct, indirect or derivative, foreseen or unforeseen, existing or hereafter arising, based in whole or in part on any act or omission, transaction, dealing or other occurrence existing or taking place at or prior to the Effective Time relating to, arising out of or in connection with any claim existing on the date hereof, any claim arising out of the restructuring, repudiation or termination after the date hereof of any contract, lease, agreement or other arrangement, whether written or oral, the business and affairs of Canwest Global and the Canwest Subsidiaries, the Plan, the CCAA proceedings or the Recapitalization Transaction, including, without limitation, any transaction referenced in this Amended Term Sheet that has already occurred, provided that nothing in this section will release

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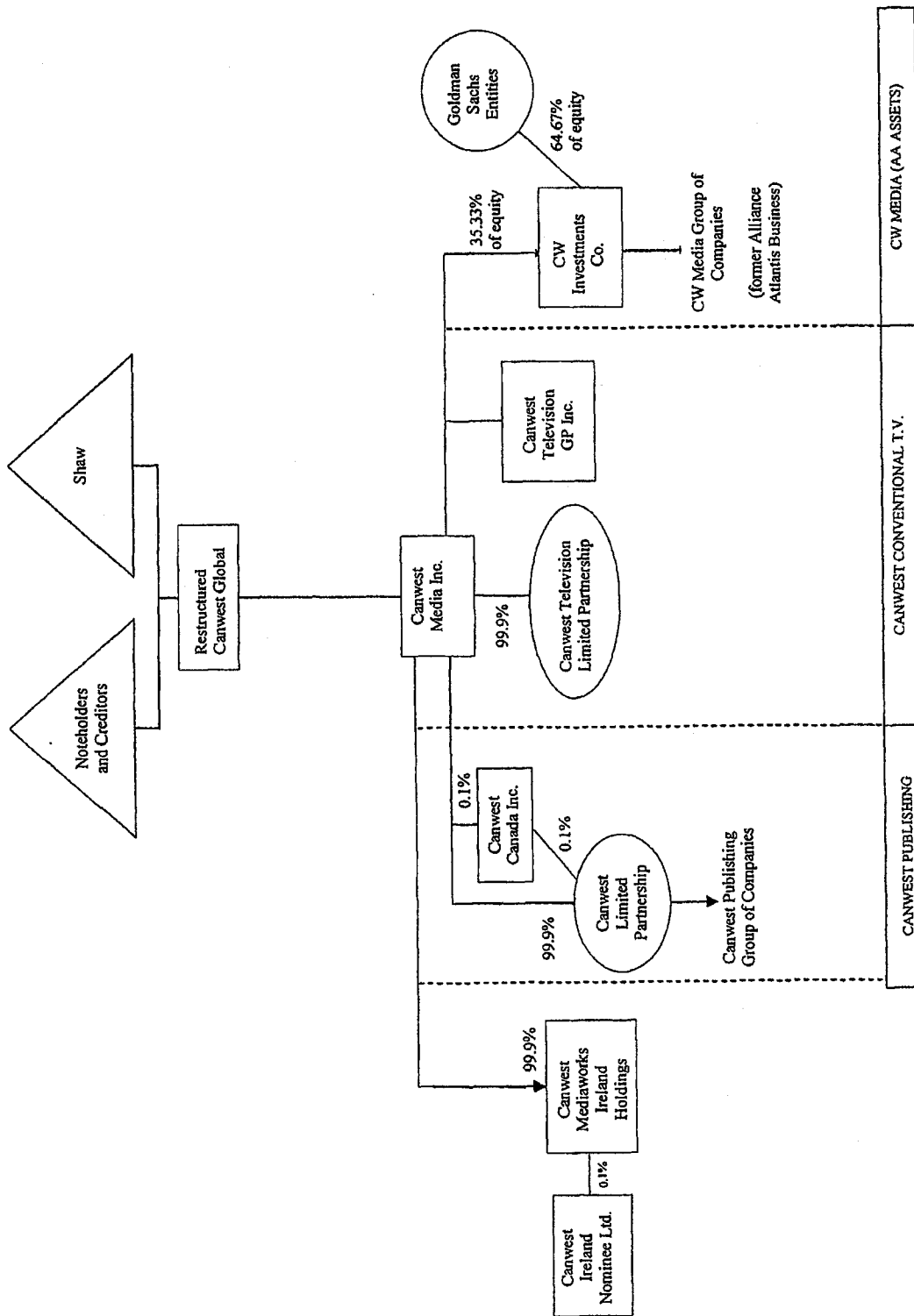
or discharge Canwest Global or any of the Canwest Subsidiaries from or in respect of (a) any unaffected claim or claim that arises after the date hereof, other than claims affected by the Recapitalization Transaction (b) its obligations under the Plan or under any order, or (c) any rights of Canwest Global or any of the Canwest Subsidiaries in respect of any affected claims assigned to it pursuant to the Plan or in respect of any claims it has against any Canwest Subsidiary, and further provided that nothing in this section will release or discharge a Released Party if the Released Party is adjudged by the express terms of a judgment rendered on a final determination on the merits to have committed fraud or willful misconduct or to have been grossly negligent or, in the case of directors, in respect of any claims referred to in section 5.1(2) of the CCAA.

At the Effective Time, pursuant to the Plan, the Noteholders, the Ad Hoc Committee, the Trustee and each of their respective present and former shareholders, officers, directors, financial advisors, legal counsel and agents (collectively, the "**Noteholder Released Parties**") will be released and discharged from any and all demands, claims, actions, causes of action, counterclaims, suits, debts, sums of money, accounts, covenants, damages, judgments, expenses, executions, liens and other recoveries on account of any indebtedness, liability, obligation, demand or cause of action of whatever nature that any person (including any person who may claim contribution or indemnification against or from them) may be entitled to assert whether known or unknown, matured or unmatured, direct, indirect or derivative, foreseen or unforeseen, existing or hereafter arising, based in whole or in part on any act or omission, transaction, dealing or other occurrence existing or taking place at or prior to the Effective Time relating to, arising out of or in connection with the Notes (including, without limitation, any guarantee obligation under the Notes or the Indenture), the Recapitalization Transaction, including, without limitation, any transaction referenced in this Amended Term Sheet that has already occurred, the CCAA proceedings, the Plan and any other actions or matters related directly or indirectly to the foregoing; provided that nothing in this paragraph will release or discharge any of the Noteholder Released Parties in respect of its obligations under the Plan.

12. Other

Canwest Global and CMI, in consultation with their legal and financial advisors and the legal and financial advisors to the Noteholders and the legal and financial advisors to Shaw, shall use their commercially reasonable efforts to structure and complete the Plan in the most tax effective manner. The restructuring of Canwest Global and CMI may include the transfer of certain assets and/or one or more of the Canwest Subsidiaries and/or Publishing LP to other Canwest Subsidiaries as agreed upon by CMI, the Ad Hoc Committee and Shaw and as subject to prior CRTC approval, if required.

SCHEDULE A



Execution Copy

SHAW SUPPORT AGREEMENT

This support agreement (the "**Agreement**") dated February 11, 2010 among (a) Canwest Global Communications Corp. ("**Canwest Global**"), (b) Shaw Communications Inc. ("**Shaw**") and (c) each of the other signatories hereto (each, a "**Consenting Noteholder**" and, collectively, the "**Consenting Noteholders**"), each being a holder of the 8.0% senior subordinated notes due 2012 issued by Canwest Media Inc. (collectively, the "**8% Notes**"), regarding the subscription by Shaw for Class A Voting Shares of Canwest Global, as restructured, or a newly incorporated company holding all of the properties and assets of Canwest Global, except for excluded assets and properties agreed to, acting reasonably, by Shaw (such restructured or newly incorporated company is referred to herein as "**Restructured Canwest Global**"), as more fully described in the Subscription Agreement (as defined below) and the term sheet attached to the Subscription Agreement (the "**Term Sheet**", with the terms set forth in the Subscription Agreement and Term Sheet being the "**Subscription Terms**").

Capitalized terms not otherwise defined herein shall have the meaning ascribed thereto in the Subscription Agreement or Term Sheet, as the case may be. The Consenting Noteholders, Canwest Global and Shaw are collectively referred to as the "**Parties**".

RECITALS

A. **WHEREAS** Shaw and Canwest Global have executed a subscription agreement on February 11, 2010 (the "**Subscription Agreement**") pursuant to which, subject to the terms and conditions thereof, Shaw has agreed to subscribe for, and Canwest Global has agreed to issue, Class A Voting Shares in respect of the Minimum Commitment, and Shaw has agreed to subscribe for, and Canwest Global has agreed to issue, additional Class A Voting Shares in respect of the Additional Commitment (collectively, the "**Subscription Transaction**");

B. **AND WHEREAS** the Consenting Noteholders wish to support the Subscription Transaction subject to the terms and conditions contained herein and in the Support Agreement;

C. **AND WHEREAS** the Parties have agreed to enter into this Agreement to provide for the support by the Consenting Noteholders of the Subscription Transaction;

NOW THEREFORE this Agreement witnesses that, in consideration of the premises and the covenants and agreement herein contained, the Parties hereto agree as follows:

1. **Effectiveness**

This Agreement shall become effective and legally binding, without any further act or formality on behalf of the Parties, immediately upon the issuance of the Approval Order as contemplated by the Subscription Agreement. If the Approval Order has not been received by February 19, 2010, then this Agreement shall become null and void and of no further force or effect as of such date and none of the Parties shall have any liability to perform its obligations under this Agreement.

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2. Acknowledgement

Each of the Parties acknowledges and agrees:

- (a) that the Subscription Terms are set forth in the Subscription Agreement and the Term Sheet;
- (b) that the Subscription Agreement and the Term Sheet shall not be amended (including, without limitation, the waiver of any provisions and extension of any time periods) without the prior written approval of the ad hoc committee of Noteholders (the "**Ad Hoc Committee**");
- (c) that the Canwest Global Term Sheet shall not be amended in a manner that materially adversely affects the Subscription Terms (including financial terms) without the prior written consent of Shaw; provided, however, that the Parties further acknowledge and agree that, for such purposes and for so long as the Equity Value (as defined in the Canwest Global Term Sheet) is not amended, any amendment that solely affects matters as between affected creditors (and not Shaw) shall not be an amendment that materially adversely affects the Subscription Terms (including financial terms);
- (d) to the terms and conditions of the Canwest Global Term Sheet;
- (e) the following provisions of the Support Agreement shall not apply to the Recapitalization Transaction:
 - (i) the proviso contained in the last eight lines of Section 4(c)(vii); and
 - (ii) the provision contained in the last eight lines of Section 5(b)(iv).

3. The Consenting Noteholders' Representations and Warranties

Each Consenting Noteholder hereby represents and warrants to Shaw and Canwest Global, severally and not jointly (and acknowledges that Shaw and Canwest Global are relying upon such representations and warranties), that:

- (a) As of February 11, 2010, it either (i) was the sole legal and beneficial owner of the principal amount of 8% Notes, as had been disclosed to Goodmans LLP ("**Goodmans**") and FTI Consulting Inc. ("**FTI**") on a confidential basis, or (ii) had the investment and voting discretion with respect to the principal amount of 8% Notes as had been disclosed to Goodmans and FTI on a confidential basis and has the power and authority to bind the beneficial owner(s) of such 8% Notes to the terms of this Agreement; and each Consenting Noteholder had authorized and instructed Goodmans to advise Canwest Global and Shaw of the aggregate holdings of the 8% Notes of all Consenting Noteholder as of such date (the "**Relevant Notes**") and, together with the aggregate amount owing in respect of the Relevant Notes, including accrued and unpaid interest and any other amount that such Consenting Noteholder is entitled to claim pursuant to the Relevant Notes under the Plan, its "**Debt**");

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(b) To the best of its knowledge after due inquiry, there is no proceeding, claim or investigation pending before any court, regulatory body, tribunal, agency, government or legislative body, or threatened against it or any of its properties that, individually or in the aggregate, would reasonably be expected to have a material adverse effect on its ability to execute and deliver this Agreement and to comply with its terms;

(c) Its Debt is not subject to any liens, encumbrances, obligations or other restrictions that could adversely affect the Consenting Noteholder's ability to perform its obligations under this Agreement;

(d) It is a sophisticated party with sufficient knowledge and experience to properly evaluate the terms and conditions of this Agreement; it has conducted its own analysis and made its own decision to enter into this Agreement and it has obtained such independent advice in this regard as deemed appropriate; and it has not relied on the analysis or the decision of any person other than its own independent advisors (it being recognized that the legal and financial advisors to the Ad Hoc Committee to which certain of the Consenting Noteholders belong as of the date hereof, are not, by virtue of advising the Ad Hoc Committee, advisors to any Noteholders, including such Consenting Noteholder, on an individual basis);

(e) The execution, delivery and performance by the Consenting Noteholder of this Agreement:

- (i) are within its corporate, partnership, limited partnership or similar power, as applicable;
- (ii) have been duly authorized by all necessary corporate, partnership, limited partnership or similar action, as applicable, including all necessary consents of the holders of its equity interests where required; and
- (iii) do not require the consent of, authorization by, approval of or notification to any Governmental Entity, other than the CRTC and the Commissioner of Competition (collectively, the "Regulatory Authorities"); and

(f) This Agreement constitutes a valid and binding obligation of such Consenting Noteholder enforceable in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally or by general principles of equity, whether asserted in a proceeding in equity or law.

4. Shaw's Representations and Warranties

Shaw hereby represents and warrants to each Consenting Noteholder and Canwest Global (and Shaw acknowledges that each Consenting Noteholder and Canwest Global are relying upon such representations and warranties) that:

- (a) the execution, delivery and performance by Shaw of this Agreement:
 - (i) are within its corporate power;

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- (ii) have been duly authorized by all necessary corporate action;
 - (iii) do not (A) contravene its articles or by-laws, (B) violate any judgment, order, notice, decree, statute, law, ordinance, rule or regulation applicable to it or any of its properties or assets, (C) conflict with or result in the breach of, or constitute a default under, any of its material contractual obligations, or (D) result in the creation or imposition of any lien or encumbrance upon any of the property of Shaw; and
 - (iv) do not require the consent of, authorization by, approval of or notification to any Governmental Entity, other than the Regulatory Authorities and the Court.
- (b) this Agreement constitutes a valid and binding obligation of Shaw enforceable in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally or by general principles of equity, whether asserted in a proceeding in equity or law;
- (c) to the best of the knowledge after due inquiry of Peter Bissonnette, Steve Wilson and Ken Stein, there is no proceeding, claim or investigation pending before any court, regulatory body, tribunal, agency, government or legislative body, or threatened against it or any of its properties that, individually or in the aggregate, would reasonably be expected to have a material adverse effect on its ability to execute and deliver this Agreement and to comply with its terms; and
- (d) the Subscriber is, and will be at all times prior to the Effective Time, a Canadian (as such term is defined in the Direction).

5. Canwest Global's Representations and Warranties

- (a) The execution, delivery and performance by Canwest Global of this Agreement:
- (i) are within its corporate power;
 - (ii) have been duly authorized by all necessary corporate action;
 - (iii) do not (A) contravene its articles or by-laws, (B) violate any judgment, order, notice, decree, statute, law, ordinance, rule or regulation applicable to it or any of its properties or assets, (C) conflict with or result in the breach of, or constitute a default under, any of its material contractual obligations, or (D) result in the creation or imposition of any lien or encumbrance upon any of the property of Canwest Global; and
 - (iv) do not require the consent of, authorization by, approval of or notification to any Governmental Entity, other than the Regulatory Authorities and the Court.

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- (b) this Agreement constitutes a valid and binding obligation of Canwest Global enforceable in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights generally or by general principles of equity, whether asserted in a proceeding in equity or law; and
- (c) to the best of the knowledge after due inquiry of Thomas Strike, John Maguire and Richard Leipsic, subject to receipt of the Approval Order, there is no proceeding, claim or investigation pending before any court, regulatory body, tribunal, agency, government or legislative body, or threatened against it or any of its properties that, individually or in the aggregate, would reasonably be expected to have a material adverse effect on its ability to execute and deliver this Agreement and to comply with its terms.

6. Consenting Noteholders' Covenants and Consents

- (a) Each Consenting Noteholder consents and agrees to the terms of, and the transactions contemplated by, this Agreement.
- (b) Each Consenting Noteholder agrees not to sell, assign, pledge or hypothecate (except with respect to security generally applying to its investments which does not adversely affect such Consenting Noteholder's ability to perform its obligations under this Agreement) or otherwise transfer (a "Transfer"), between the date of this Agreement and the date that this Agreement is terminated in accordance with the terms hereof (the "Termination Date"), any Relevant Notes (or any rights in respect thereof, including, but not limited to, the right to vote) held by such Consenting Noteholder as of the date hereof, except to a transferee, who (i) is already a signatory Consenting Noteholder hereunder (an "Existing Signatory"); or (ii) is acceptable to Shaw (such consent not to be unreasonably withheld), who contemporaneously with any such Transfer, agrees to be fully bound as a signatory Consenting Noteholder hereunder in respect of the 8% Notes that are the subject of the Transfer by executing and delivering to each of Canwest Global and Shaw a joinder to this Agreement, the form of which is attached hereto as Schedule A. For greater certainty, where the transferee is not an Existing Signatory, such transferee shall be bound by the terms of this Agreement only in respect of the Relevant Notes that are the subject of the Transfer, and not in respect of any other 8% Notes of the transferee. Each Consenting Noteholder hereby agrees to provide Shaw, Canwest Global and Goodmans with written notice (and a fully executed copy of the joinder to this Agreement) within one (1) Business Day following any Transfer to a transferee that is not an Existing Signatory of any Relevant Notes (or any rights in respect thereof, including the right to vote) held by such Consenting Noteholder as of the date hereof.
- (c) As long as this Agreement has not been terminated in accordance with the terms hereof, each Consenting Noteholder agrees that, until the Termination Date and subject to the terms and conditions of the Support Agreement and the Canwest

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Global Term Sheet, including all conditions precedent to the Consenting Noteholders commitment to support the Recapitalization Transaction, it shall:

- (i) vote (or cause to be voted) all of its Debt in all votes and in each vote in favour of the approval, consent, ratification and adoption of the Recapitalization Transaction (including the Subscription Transaction) and the Plan (and any actions required in furtherance thereof);
 - (ii) to the extent it effects a Transfer of any of its Relevant Notes in accordance with Section 6(b) hereof after 5:00 p.m. (Toronto time) on the record date for the meeting of creditors to be held to consider the Recapitalization Transaction and the Plan and is entitled to vote on the adoption and approval of the Recapitalization Transaction and the Plan, vote all of the Relevant Notes that are the subject of the Transfer on behalf of the transferee in all votes and in each vote in favour of the approval, consent, ratification and adoption of the Recapitalization Transaction (including the Subscription Transaction) and the Plan (and any actions required in furtherance thereof);
 - (iii) support the approval of the Plan as promptly as practicable by the Court (but in no case later than any voting deadline);
 - (iv) execute any and all documents and perform any and all commercially reasonable acts required by this Agreement to satisfy its obligations hereunder;
 - (v) on or prior to the time at which the Recapitalization is completed, make or assist Canwest Global and Shaw to make all necessary notifications to Governmental Entities and use commercially reasonable efforts to obtain or assist Canwest Global and Shaw to obtain any and all required Regulatory Approvals in connection with the Recapitalization Transaction in each case at Canwest Global's expense; and
 - (vi) subject to the proviso in the final paragraph of section 8(a), (i) pursue, support and use commercially reasonable efforts to complete the Recapitalization Transaction and the Plan in good faith, (ii) do all things that are reasonably necessary and appropriate in furtherance of, and to consummate and make effective, the Recapitalization Transaction and the Plan, including, without limitation, using commercially reasonable efforts to satisfy the conditions precedent set forth in this Agreement, the Support Agreement and the Canwest Global Term Sheet, and (iii) not take any action, directly or indirectly, that is materially inconsistent with, or is intended or is likely to interfere with the consummation of, the Recapitalization Transaction and the Plan.
- (d) Upon the request of the Monitor from time to time, each Consenting Noteholder agrees to confirm to the Monitor its aggregate holdings of Relevant Notes on a

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confidential basis. Each Consenting Noteholder agrees to advise the Monitor as promptly as reasonably practicable if it becomes aware that Consenting Noteholders hold less than two-thirds of the aggregate principal amount of outstanding Notes. The Monitor will be authorised to disclose to Canwest Global and Shaw from time to time the total percentage of outstanding Notes held by the Consenting Noteholders at that time or to advise Canwest Global and Shaw at any time if the Consenting Noteholders hold less than two-thirds of the aggregate principal amount of outstanding Notes.

- (e) Each Consenting Noteholder covenants and agrees that, to the extent eligible to do so, it will elect to be designated a Participating Creditor and receive shares of Restructured Canwest Global as contemplated by Section 3(i) of the Term Sheet; provided, however, that, notwithstanding the foregoing or Section 3(i) of the Term Sheet, a Consenting Noteholder who is a member of the Ad Hoc Committee shall be entitled to elect to receive cash and/or shares of Restructured Canwest Global if and to the extent that Consenting Noteholders, in the aggregate, have elected to receive shares in respect of at least 66 2/3% of the aggregate principal amount of the outstanding 8% Notes.

7. Shaw's Covenants and Consents

As long as this Agreement has not been terminated in accordance with the terms hereof, Shaw covenants and agrees, in favour of each of the Consenting Noteholders and Canwest Global, that, until the Termination Date, it shall:

- (a) (i) pursue, support and use commercially reasonable efforts to complete the Recapitalization Transaction and the Plan in good faith, (ii) do all things that are reasonably necessary and appropriate in furtherance of, and to consummate and make effective, the Recapitalization Transaction and the Plan, including, without limitation, using commercially reasonable efforts to satisfy the conditions precedent set forth in this Agreement, the Subscription Agreement, the Term Sheet and the Canwest Global Term Sheet, and (iii) not take any action, directly or indirectly, that is materially inconsistent with, or is intended or is likely to interfere with the consummation of, the Recapitalization Transaction and the Plan.
- (b) on the Closing, and subject to the terms and conditions set out in the Subscription Agreement, subscribe for and purchase the Securities from Restructured Canwest Global; and
- (c) perform its covenants set out in the Subscription Agreement.

8. CW Investments Co. Shareholders Agreement

- (a) Shaw, Canwest Global and the Consenting Noteholders acknowledge and agree that, subject to the proviso below, it is a condition of each such Party's obligations to consummate the Subscription Transaction that:

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- (i) the CW Investments Agreement shall have been amended and restated or otherwise addressed in a manner agreed to by Shaw, Canwest Global and the Ad Hoc Committee, subject to CRTC approval, if required; or
- (ii) the CW Investments Agreement shall have been disclaimed or resiliated in accordance with the provisions of the CCAA and the Order dated October 24, 2009 relating to the procedure for the determination of claims against Canwest Global and certain of its affiliates (the "**Claims Procedure Order**") and, if applicable, the Court shall have issued an order that such agreement be disclaimed or resiliated and such order shall not have been amended, varied or stayed and all appeal periods and any periods for leave to appeal with respect to such order shall have expired without an appeal or application for leave to appeal having been commenced or, in the event of an appeal or application for leave to appeal, a final determination denying leave to appeal or dismissing such appeal and affirming such order shall have been made by the applicable appellate court with no further right of appeal,

provided, however, that, such condition (x) as it relates to Shaw, shall be satisfied if, subject to Section 8(d) below, either (i) or (ii) above is satisfied, and (y) as it relates to Canwest Global and the Consenting Noteholders, shall be satisfied if, subject to Section 8(d) below, at each of their election, (i) or (ii) above is satisfied and provided further that, notwithstanding any other provision of this Agreement, the Subscription Agreement or the Term Sheet and subject to Sections 8(b) and 8(d) below, neither the Consenting Noteholders nor Canwest Global shall be obligated to pursue satisfaction of condition 8(a)(ii) above.

- (b) In order to satisfy the condition set out in Section 8(a)(i), Shaw, Canwest Global and the Ad Hoc Committee agree to jointly pursue in good faith an amendment and restatement of the CW Investments Agreement with GS Capital Partners VI Fund, L.P. and its affiliates (collectively, the "**Goldman Parties**") as contemplated by Section 8(a)(i), which may include, without limitation, a proposal to (i) vend-in the shares of the partners of CTLP, the partnership interests in CTLP or the assets of CTLP into CW Investments Co. in exchange for the issuance of shares of CW Investments Co. to Restructured Canwest Global or its subsidiaries, or (ii) vend-in of the shares or assets of CW Investments Co. into CTLP, CMI or Canwest Global in exchange for the issuance of shares of CTLP, CMI or Canwest Global, as applicable, to the Goldman Parties (a proposal in respect of such amendment and restatement of the CW Investments Agreement, a "**GS Proposal**" and any definitive agreement with the Goldman Parties in respect of such amendment and restatement being the "**GS Amending Agreement**"). Shaw, Canwest Global and the Ad Hoc Committee agree to cooperate with each other in the joint pursuit of the GS Amending Agreement (including, in the case of Shaw, a reasonable opportunity to participate in any negotiations with the Goldman Parties), and each such party shall keep the other parties fully and timely informed concerning the development and progress of any GS Proposal, and each party shall use commercially reasonable efforts to promptly share with

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the other parties all material information coming into its possession on or after the date hereof regarding any GS Proposal and the process being conducted in respect thereof; provided, however, that subject to the obligations described above to keep Shaw fully and timely informed and to share all material information regarding any GS Proposal, Canwest Global and the Ad Hoc Committee shall be entitled to exclude Shaw from negotiations with the Goldman Parties to the extent Canwest Global and the Ad Hoc Committee determine in good faith that it is necessary to do so in order to achieve a resolution of disputes with the Goldman Parties.

- (c) Subject to Section 8(d) below, if Shaw, Canwest Global and the Ad Hoc Committee determine that it is advisable for Canwest Global to enter into the GS Amending Agreement with the Goldman Parties, each of them shall, immediately prior to or concurrently with the execution and delivery of the definitive agreements relating to the GS Amending Agreement, execute and deliver to each other a side letter pursuant to which each of them confirms that the condition in Section 8(a) (and each related condition in the Canwest Global Term Sheet, Term Sheet and the Subscription Agreement) has been satisfied.
- (d) The decision with respect to whether it is advisable for Canwest Global to enter into any GS Amending Agreement with the Goldman Parties shall be made jointly by mutual agreement of the Parties hereto; provided, however, that, notwithstanding the foregoing or anything else contained herein, Canwest Global and the Ad Hoc Committee may, at any time, notify Shaw that the form of the GS Amending Agreement is acceptable to each of Canwest Global and the Ad Hoc Committee, respectively. If Shaw by notice to Canwest Global and the Ad Hoc Committee given within 2 business days of receiving such notice together with the substantially final form of the proposed GS Amending Agreement, notifies Canwest Global and the Ad Hoc Committee that such GS Amending Agreement is not acceptable to it, Canwest Global may enter into such GS Amending Agreement with the Goldman Parties, provided that immediately prior to entering into such GS Amending Agreement Canwest Global shall immediately terminate this Agreement and the Subscription Agreement pursuant to the provisions of Section 4.5(c)(i) thereof and, upon a termination pursuant to this Section 8(d), such termination shall be deemed to be a Termination Payment Event and Canwest Global shall pay Shaw the Termination Fee and the expense reimbursement under Section 4.6 of the Subscription Agreement.

9. **Restructured Canwest Global Shareholders Agreement**

Contemporaneously with the implementation of the Plan, Restructured Canwest Global, Shaw and each of the Consenting Noteholders that is a Participating Creditor (as contemplated by Section 6(e) hereof and Section 3(i) of the Term Sheet) shall enter into a shareholders agreement (the "**Shareholders Agreement**") containing provisions for the post-closing governance of Restructured Canwest Global and other arrangements regarding their ownership of shares of Restructured Canwest Global after completion of the Recapitalization Transaction substantially on the terms set out in section 8 of the Term Sheet and with such other

terms as are reasonably acceptable to Canwest Global, Shaw and each such Consenting Noteholder. Canwest Global, Shaw and each such Consenting Noteholder shall reasonably cooperate to finalize the definitive form of the Shareholders Agreement as promptly as practicable after the date hereof.

10. **Public Disclosure**

- (a) No press release or other public disclosure concerning the transactions contemplated herein shall be made by Shaw or Canwest Global (the "**Disclosing Party**") without the prior consent of the Ad Hoc Committee and Canwest Global or Shaw, as the case may be (such consent not to be unreasonably withheld) except as, and only to the extent that, the disclosure is required by Applicable Law or by any stock exchange rules on which the Disclosing Party's securities or those of any of its affiliates are traded, by any other regulatory authority having jurisdiction over the Disclosing Party, or by any court of competent jurisdiction; provided, however, that the Disclosing Party shall provide the Ad Hoc Committee and Canwest Global or Shaw, as the case may be, with a copy of such disclosure in advance of any release and an opportunity to consult with the Disclosing Party as to the contents and to provide comments thereon; and provided further that each Disclosing Party shall, after providing the Ad Hoc Committee and Canwest Global or Shaw, as the case may be, with copies of the press release or other public disclosure (and all related documents) in advance and an opportunity to consult with the Disclosing Party as to the contents and permitting the Ad Hoc Committee and Canwest Global or Shaw, as the case may be, to provide comments thereon to the Disclosing Party, make prompt disclosure of the material terms of this Agreement.
- (b) Notwithstanding the foregoing, no information with respect to each of the Consenting Noteholder's specific ownership of Relevant Notes, the principal amount of Relevant Notes held by a Consenting Noteholder or the identity of any individual Consenting Noteholder shall be disclosed by Shaw or Canwest Global, except as may be required by applicable law or by any stock exchange rules on which its securities or those of any of its affiliates are traded, by any other regulatory authority having jurisdiction over Shaw or Canwest Global, or by any court of competent jurisdiction; provided, however, that the aggregate amount of Relevant Notes held by the Ad Hoc Committee and the Consenting Noteholders may be disclosed.
- (c) Each Consenting Noteholder agrees that, except as otherwise specified in this Agreement, in a Noteholder Confidentiality Agreement, prior to making any public announcement or statement or issuing any press release or any other public disclosure with respect to this Agreement, the Subscription Transaction or any negotiations, terms or other facts with respect thereto, it shall, to the extent practicable under the circumstances, provide Shaw and Canwest Global with a copy of such disclosure in advance of any release and an opportunity to consult with the Ad Hoc Committee as to the contents and to provide comments thereon.

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11. Further Assurances

Each Party shall do all such things in its control, take all such actions as are commercially reasonable, deliver to the other Parties such further information and documents and execute and deliver to the other Parties such further instruments and agreements as another Party shall reasonably request to consummate or confirm the transactions provided for in this Agreement, to accomplish the purpose of this Agreement or to assure to the other Party the benefits of this Agreement.

12. Consenting Noteholder Termination Event

This Agreement may be terminated by the delivery to Canwest Global, Shaw and the Ad Hoc Committee of a written notice by Consenting Noteholders holding no less than a majority of the aggregate principal amount of the Relevant Notes held at such time by the Consenting Noteholders (unless otherwise provided in this Section 12), in the exercise of their sole discretion, upon the occurrence and, if applicable, continuation of any of the following events:

- (a) if the Subscription Transaction shall not have been consummated on or before the Outside Date or such later date as the Parties may determine from time to time; provided, however, that the Consenting Noteholders shall not be entitled to terminate this Agreement if the Subscription Transaction has not occurred on or before the Outside Date, directly or indirectly, as a result of a Consenting Noteholder's breach of, or non-compliance with, the terms and conditions of this Agreement;
- (b) if the Ad Hoc Committee determines, acting reasonably, that any of the conditions precedent in this Agreement or the Canwest Global Term Sheet that are in its favour cannot reasonably be expected to be satisfied; provided, however, that the right to terminate this Agreement pursuant to this Section 12(b) shall not be available to the Consenting Noteholders where a breach of this Agreement by the Consenting Noteholders has been the cause of, or has resulted in, the event or condition or failure to meet a condition precedent giving rise to a right to terminate this Agreement pursuant to this Section 12(b);
- (c) if the Subscription Agreement is terminated in accordance with its terms; or
- (d) if Canwest Global grants or provides any waiver or consent under the Subscription Agreement or Term Sheet without the prior written consent of the Ad Hoc Committee.

If this Agreement is terminated by the Consenting Noteholders pursuant to this Section 12, this Agreement shall be automatically and simultaneously terminated as to any other Party that is a signatory to this Agreement.

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13. **Shaw Termination Event**

- (a) This Agreement may be terminated by the delivery to the Consenting Noteholders and Canwest Global of a written notice by Shaw, in the exercise of its sole discretion, upon the occurrence and, if applicable, continuation of any of the following events:
- (i) if Shaw determines, acting reasonably, that any of the conditions precedent in this Agreement, the Subscription Agreement or the Term Sheet that are in its favour, cannot reasonably be expected to be satisfied; provided, however, that the right to terminate this Agreement pursuant to this Section 13(a) shall not be available to Shaw where a breach of any such agreement by Shaw has been the cause of, or has resulted in, the event or condition or failure to meet a condition precedent giving rise to a right to terminate this Agreement pursuant to this Section 13(a);
 - (ii) failure by any Consenting Noteholder to comply in all material respects with, or default by any Consenting Noteholder in the performance or observance of, any covenant or agreement set forth herein, which is not cured within five Business Days after the receipt of written notice of such failure or default and which results in Consenting Noteholders holding less than two-thirds of the aggregate principal amount of outstanding Notes; provided that if within 10 Business Days after receipt of such written notice, additional holders of 8% Notes become Consenting Noteholders pursuant to Section 19(d) hereof, and including such additional Consenting Noteholders, Consenting Noteholders hold at least two-thirds of the aggregate principal amount of outstanding Notes, a termination right under this Section 13(a)(ii) shall not arise; or
 - (iii) if the Subscription Agreement is terminated in accordance with its terms;

If this Agreement is terminated by Shaw pursuant to this Section 13(a), this Agreement shall be automatically and simultaneously terminated as to any other Party that is a signatory to this Agreement; provided that if such event is also a Termination Payment Event under the Subscription Agreement, Canwest Global shall pay Shaw the Termination Fee and expense reimbursement pursuant to Section 4.6 of the Subscription Agreement.

- (b) This Agreement may be terminated as to a breaching Consenting Noteholder (the "**Breaching Noteholder**") only, by the delivery to such Breaching Noteholder of a written notice by Shaw, in the exercise of its sole discretion and provided that Shaw is not in default hereunder, upon the occurrence and continuation of any of the following events:
- (i) failure by the Consenting Noteholder to comply in all material respects with, or default by the Consenting Noteholder in the performance or observance of, any material term, condition, covenant or agreement set

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forth in this Agreement which is not cured within five Business Days after the receipt of written notice of such failure or default;

- (ii) if any representation, warranty or other statement of the Consenting Noteholder made or deemed to be made in this Agreement shall prove untrue in any material respect as of the date when made.

14. Canwest Global Termination Event

- (a) This Agreement may be terminated by the delivery to the Consenting Noteholders and Shaw of a written notice by Canwest Global, in the exercise of its sole discretion, upon the occurrence and, if applicable, continuation of any of the following events:

- (i) if Canwest Global determines, acting reasonably, that any of the conditions precedent in this Agreement, the Subscription Agreement or the Term Sheet that are in its favour, cannot reasonably be expected to be satisfied; provided, however, that the right to terminate this Agreement pursuant to this Section 14(a) shall not be available to Canwest Global where a breach of any such agreement by Canwest Global has been the cause of, or has resulted in, the event or condition or failure to meet a condition precedent giving rise to a right to terminate this Agreement pursuant to this Section 14(a);
- (ii) failure by any Consenting Noteholder to comply in all material respects with, or default by any Consenting Noteholder in the performance or observance of, any covenant or agreement set forth herein, which is not cured within five Business Days after the receipt of written notice of such failure or default and which results in Supporting Consenting Noteholders holding less than two-thirds of the aggregate principal amount of outstanding Notes; provided that if within 10 Business Days after receipt of such written notice, additional holders of 8% Notes become Consenting Noteholders pursuant to Section 19(d) hereof, and including such additional Consenting Noteholders, Consenting Noteholders hold at least two-thirds of the aggregate principal amount of outstanding Notes, a termination right under this Section 14(a)(ii) shall not arise; or
- (iii) if the Subscription Agreement is terminated in accordance with its terms.

If this Agreement is terminated by Canwest Global pursuant to this Section 14(a), this Agreement shall be automatically and simultaneously terminated as to any other Party that is a signatory to this Agreement; provided, however, that if such event is also a Termination Payment Event under the Subscription Agreement, Canwest Global shall pay Shaw the Termination Fee and expense reimbursement pursuant to Section 4.6 of the Subscription Agreement.

- (b) This Agreement may be terminated as to a Breaching Noteholder only, by the delivery to such Breaching Noteholder of a written notice by Canwest Global, in the exercise of its sole discretion and provided that Canwest Global is not in default hereunder, upon the occurrence and continuation of any of the following events:
- (i) failure by the Consenting Noteholder to comply in all material respects with, or default by the Consenting Noteholder in the performance or observance of, any material term, condition, covenant or agreement set forth in this Agreement which is not cured within five Business Days after the receipt of written notice of such failure or default; or
 - (ii) if any representation, warranty or other statement of the Consenting Noteholder made or deemed to be made in this Agreement shall prove untrue in any material respect as of the date when made.

15. Mutual Termination

This Agreement, and the obligations of all Parties hereunder, may be terminated by mutual agreement among (a) Canwest Global, (b) Shaw and (c) the Consenting Noteholders holding at least two-thirds in principal amount of the Relevant Notes held at such time by the Consenting Noteholders.

16. Effect of Termination

- (a) Upon termination of this Agreement under Sections 12, 13(a), 14(a) or 15, this Agreement shall be of no further force and effect and each Party hereto shall be released from its commitments, undertakings, and agreements under or related to this Agreement, except for the obligations under Sections 18 and 19, all of which shall survive the termination, and each Party shall have the rights and remedies that it would have had it not entered into this Agreement, and shall be entitled to take all actions, whether with respect to the Recapitalization Transaction or otherwise, that it would have been entitled to take had it not entered into this Agreement.
- (b) Upon termination of this Agreement by Shaw or Canwest Global under Section 13(b) or 14(b), as applicable, this Agreement shall be of no further force and effect with respect to the Breaching Noteholder, and the Breaching Noteholder shall be released from its commitments, undertakings, and agreements under or related to this Agreement, except for its obligations under Sections 18 and 19, all of which shall survive the termination, and it shall have the rights and remedies that it would have had it not entered into this Agreement, and shall be entitled to take all actions, whether with respect to the Recapitalization Transaction or otherwise, that it would have been entitled to take had it not entered into this Agreement. For greater certainty, any Breaching Noteholder shall not be entitled to receive its *pro rata* share of the Consenting Noteholder Amount which would otherwise be payable to it as set out in the Term Sheet, and the *pro rata* share of

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such Breaching Noteholder shall be allocated *pro rata* amongst the Consenting Noteholders so that the total amount of the Support Agreement Consideration is paid to all the Consenting Noteholders.

- (c) Upon the occurrence of any termination of this Agreement, any and all consents, tendered prior to such termination by (i) the Consenting Noteholders with respect to termination pursuant to Sections 12, 13(a), 14(a) or 15, or (ii) the Breaching Noteholder(s) with respect to termination pursuant to Section 13(b) or 14(b), shall be deemed, for all purposes, to be null and void from the first instance and shall not be considered or otherwise used in any manner by the Parties in connection with the Recapitalization Transaction and this Agreement or otherwise.

17. Termination Upon Closing

This Agreement shall terminate automatically without any further required action or notice on the day on which the Plan is implemented (immediately following the Effective Time).

18. Confidentiality

Shaw agrees, on its own behalf and on behalf of its Representatives, to maintain the confidentiality of the identity and, to the extent known, specific holdings of the Consenting Noteholders; provided, however, that such information may be disclosed: (a) to Shaw's respective directors, trustees, executives, officers, auditors, and employees and financial and legal advisors or other agents (collectively referred to herein as the "**Representatives**" and individually as a "**Representative**") provided further that each such Representative is informed of, and agrees to abide by, this confidentiality provision; and (b) to Persons in response to, and to the extent required by, (i) any subpoena, or other legal process, including, without limitation, by the Court or applicable rules, regulations or procedures of the Court, (ii) any Governmental Entity, or (iii) Applicable Law. If Shaw or its Representatives receive a subpoena or other legal process as referred to above in connection with this Agreement, the Subscription Agreement or the Plan, Shaw shall provide the relevant Consenting Noteholder with prompt written notice of any such request or requirement, to the extent permissible and practicable under the circumstances, so that the relevant Consenting Noteholder may seek a protective order or other appropriate remedy or waiver of compliance with the provisions of this Agreement. Notwithstanding the provisions in this Section 18 or elsewhere in this Agreement: (x) Shaw may disclose the identity of a Consenting Noteholder in any action to enforce this Agreement against such Consenting Noteholder (and only to the extent necessary to enforce this Agreement against such Consenting Noteholder); and (y) Shaw may disclose, to the extent consented to in writing by a Consenting Noteholder (or by the Consenting Noteholder's duly authorised advisor), such Consenting Noteholder's identity and holdings. Subject to the terms of Section 10, nothing in this Agreement shall obligate Shaw or Canwest Global to make any public disclosure of this Agreement or the Subscription Transaction.

19. **Miscellaneous**

- (a) Subject to Section 19(c) hereof, notwithstanding anything herein to the contrary, this Agreement applies only to the Debt and to the Consenting Noteholders solely with respect to their legal and beneficial ownership of, or their investment and voting discretion of, their Debt (and not, for greater certainty, any other securities, loans or obligations that may be held, acquired or sold by the Consenting Noteholders; including any 8% Notes acquired after the date of this Agreement which are not Relevant Notes) and, without limiting the generality of the foregoing, shall not apply to:
- (i) any securities, loans or other obligations that may be held, acquired or sold by, or any activities, services or businesses conducted or provided by, any group or business unit within or affiliate of any Consenting Noteholder (A) that has not been involved in and is not acting at the direction of or with knowledge of Canwest Global's affairs provided by any person involved in the Recapitalization Transaction discussions or (B) is on the other side of an information firewall with respect to the officers, partners and employees of such Consenting Noteholder who have been working on the Recapitalization Transaction and is not acting at the direction of or with knowledge of Canwest Global's affairs provided by any officers, partners and employees of such Consenting Noteholder who have been working on the Recapitalization; or
 - (ii) any securities, loans or other obligations that may be beneficially owned by non-affiliated clients of the Consenting Noteholders.
- (b) Subject to Section 19(a), nothing in this Agreement is intended to preclude any of the Consenting Noteholders from engaging in any securities transactions, subject to the agreements set forth in Section 6 hereof with respect to the Relevant Notes and other Debt.
- (c) This Agreement shall in no way be construed to preclude any Consenting Noteholder from acquiring additional 8% Notes ("Additional Notes"). If a Consenting Noteholder acquires Relevant Notes after the date hereof from another Consenting Noteholder in reliance on clause (i) of Section 6(b), the acquiring Consenting Noteholder shall be bound by the terms of this Agreement in respect of such Relevant Notes. If a Consenting Noteholder acquires Additional Notes after the date that it becomes a party hereto that are not Relevant Notes, any and all rights and claims obtained by such Consenting Noteholder with respect to, on account of or pursuant to such Additional Notes, including accrued and unpaid interest and any other amount that such Consenting Noteholder is entitled to claim pursuant to such Additional Notes under the Plan, shall not be subject to this Agreement, unless agreed to by the Consenting Noteholders.
- (d) At any time, a holder of 8% Notes who is not a Consenting Noteholder may become a party to this Agreement by executing and delivering to each of Canwest

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Global and Shaw a joinder to this Agreement substantially in the form of Schedule "A".

- (e) The headings of the Sections of this Agreement have been inserted for convenience of reference only, are not to be considered a part hereof, and shall in no way modify or restrict any of the terms or provisions hereof.
- (f) Unless the context otherwise requires, words importing the singular shall include the plural and vice versa and words importing any gender shall include all genders.
- (g) Unless otherwise specifically indicated, all sums of money referred to in this Agreement are expressed in lawful money of Canada.
- (h) This Agreement constitutes the entire agreement and supersedes all prior agreements and understandings, both oral and written, among the Parties with respect to the subject matter hereof.
- (i) Each of Canwest Global and Shaw acknowledges and agrees that any waiver or consent that the Consenting Noteholders may make on or after the date hereof has been made by the Consenting Noteholders in reliance upon, and in consideration for, the covenants, agreements, representations and warranties of Canwest Global and Shaw hereunder.
- (j) The agreements, representations and obligations of the Consenting Noteholders under this Agreement are, in all respects, several (as to the percentage of the outstanding 8% Notes represented by a Consenting Noteholder's Relevant Notes) and not joint and several. Each Consenting Noteholder acknowledges and agrees that any waiver or consent that Canwest Global or Shaw may make on or after the date hereof has been made by Canwest Global or Shaw, as the case may be, in reliance upon, and in consideration for, the covenants, agreements, representations and warranties of such Consenting Noteholder hereunder.
- (k) Any person signing this Agreement in a representative capacity (i) represents and warrants that he/she is authorized to sign this Agreement on behalf of the Party he/she represents and that his/her signature upon this Agreement will bind the represented Party to the terms hereof, and (ii) acknowledges that the other Parties hereto have relied upon such representation and warranty.
- (l) For the purposes of the Subscription Agreement, the Term Sheet and this Agreement, any matter requiring the consent or approval of the Ad Hoc Committee shall require (a) the unanimous consent or approval of members of the Ad Hoc Committee, or (b) if the Ad Hoc Committee has not unanimously consented to or approved the particular matter, the consent or approval of Consenting Noteholders then representing at least two-thirds of the aggregate principal amount of Relevant Notes held by all Consenting Noteholders. Canwest Global and Shaw shall rely on written confirmation from the counsel to the Ad Hoc Committee that either (a) the Ad Hoc Committee has consented to or

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approved the particular matter unanimously, or, in the alternative, (b) the matter, to the knowledge of counsel to the Ad Hoc Committee based on information provided to it by Consenting Noteholders as of the date of such consent or approval, has been consented to or approved by Consenting Noteholders representing at least two-thirds of the aggregate principal amount of Relevant Notes held by all Consenting Noteholders as of the date of such consent or approval, pursuant to this Agreement.

- (m) Solely for the purpose of determining whether the holders of the requisite percentage of the aggregate principal amount of Relevant Notes then outstanding approved or consented to any amendment, waiver or consent to be given under this Agreement or under any documents related thereto, or have directed the taking of any action provided herein or in any of the documents related thereto to be taken upon the direction of the holders of a specified percentage of the aggregate principal amount of Relevant Notes then outstanding, Relevant Notes directly or indirectly owned by any of Canwest Global or Shaw or their respective affiliates shall be deemed not to be outstanding.
- (n) This Agreement may be modified, amended or supplemented as to any matter by an instrument in writing signed by Canwest Global, Shaw and Consenting Noteholders representing at least two-thirds of the aggregate principal amount of Relevant Notes held by all Consenting Noteholders, provided, however, that any Consenting Noteholder that has objected in writing to any material modification, amendment or supplement that becomes effective pursuant to this Section 19(n) without their consent may terminate its obligations under this Agreement upon five Business Days' written notice to the other Parties to this Agreement.
- (o) Any date, time or period referred to in this Agreement shall be of the essence, except to the extent to which the Parties agree in writing to vary any date, time or period, in which event the varied date, time or period shall be of the essence.
- (p) All notices and other communications which may be or are required to be given pursuant to any provision of this Agreement shall be given or made in writing and shall be deemed to be validly given if served personally or by facsimile transmission, in each case addressed to the particular Party:

If to Canwest Global, at:

Canwest Media Inc.
31st Floor
Canwest Global Place
201 Portage Ave
Winnipeg, Manitoba R3B 3L7

Attention: General Counsel
Facsimile: 204-947-9841

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With a required copy by email or fax (which shall not be deemed notice) to:

Osler, Hoskin & Harcourt LLP
Box 50
1 First Canadian Place
Toronto, Ontario M5X 1B8

Attention: Edward Sellers
Email: esellers@osler.com
Facsimile: 416-862-6666

If to Shaw, at:

Shaw Communications Inc.
Suite 900, 630 – 3rd Avenue SW
Calgary, Alberta T2P 4L4

Attention: Chief Financial Officer
Email: steve.wilson@sjrb.ca
Facsimile: 403-750-7469

With a required copy by email or fax (which shall not be deemed notice) to:

Shaw Communications Inc.
Suite 900, 630 – 3rd Avenue SW
Calgary, Alberta T2P 4L4

Attention: Vice President, Law
Email: peter.johnson@sjrb.ca
Facsimile: 403-716-6544

If to the Consenting Noteholders, at the address set forth for each Consenting Noteholder at the address shown for it beside its signature.

With a required copy by email or fax (which shall not be deemed notice) to:

Goodmans LLP
Bay-Adelaide Centre
333 Bay Street, Suite 3400
Toronto, Ontario M5H 2S7

Attention: Robert Chadwick
Email: rchadwick@goodmans.ca
Facsimile: 416-979-1234

or at such other address of which any Party may, from time to time, advise the other Parties by notice in writing given in accordance with the foregoing. The

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date of receipt of any such notice shall be deemed to be the date of delivery or transmission thereof.

- (q) If any term or other provision of this Agreement is invalid, illegal or incapable of being enforced by any rule of law or public policy, all other conditions and provisions of this Agreement shall nevertheless remain in full force and effect. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in a mutually acceptable manner in order that the terms of this Agreement remain as originally contemplated to the fullest extent possible.
- (r) This Agreement shall be binding upon and enure to the benefit of the Parties hereto and each of their respective successors, assigns, heirs and personal representatives, provided that no Party may assign, delegate or otherwise transfer any of its rights, interests or obligations under this Agreement without the prior written consent of the other Parties hereto, except that a Consenting Noteholder is permitted to assign, delegate or otherwise transfer any of its rights, interests or obligations under this Agreement as set forth in Section 6(b).
- (s) This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein, without regard to principles of conflicts of law. Each Party submits to the jurisdiction of the courts of the Province of Ontario in any action or proceeding arising out of or relating to this Agreement.
- (t) The Parties waive any right to trial by jury in any proceeding arising out of or relating to this Agreement or any of the transactions contemplated by this Agreement, present or future, and whether sounding in contract, tort or otherwise. Any Party may file a copy of this provision with any court as written evidence of the knowing, voluntary and bargained for agreement between the Parties irrevocably to waive trial by jury, and that any proceeding whatsoever between them relating to this Agreement or any of the transactions contemplated by this Agreement shall instead be tried by a judge or judges sitting without a jury.
- (u) It is understood and agreed by the Parties that money damages would be an insufficient remedy for any breach of this Agreement by any Party and each non-breaching Party shall be entitled, without the requirement of posting a bond or other security, to specific performance and injunctive or other equitable relief as a remedy of any such breach including, without limitation, an order of the Court or other court of competent jurisdiction requiring any Party to comply promptly with any of its obligations hereunder.
- (v) All rights, powers, and remedies provided under this Agreement or otherwise in respect hereof at law or in equity shall be cumulative and not alternative, and the exercise of any right, power, or remedy thereof by any Party shall not preclude the

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simultaneous or later exercise of any other such right, power, or remedy by such Party.

- (w) Unless expressly stated herein, this Agreement shall be solely for the benefit of the Parties, and no other person or entity shall be a third-party beneficiary hereof.
- (x) This Agreement may be signed in counterparts, each of which, when taken together, shall be deemed an original. Execution of this Agreement is effective if a signature is delivered by facsimile transmission or electronic (e.g., pdf) transmission.

[Remainder of this page intentionally left blank; next page is signature page]

SCHEDULE A
FORM OF JOINDER

This joinder is made as of the date below (the "Joinder") by the undersigned (the "Joining Party") in connection with the support agreement dated February 11, 2009 (the "Support Agreement") between Canwest Global Communications Corp., Shaw Communications Inc., and the holders of certain of the 8% senior subordinated notes due 2012 (collectively, the "8% Notes") issued by Canwest Media Inc. ("CMI"). Capitalized terms used herein have the meanings assigned in the Support Agreement unless otherwise defined herein.

RECITALS:

- A. Section 6(b) of the Support Agreement requires that, contemporaneously with a Transfer of 8% Notes by a Consenting Noteholder to a transferee who is not an Existing Signatory, such transferee shall execute and deliver this Joinder.
- B. The Joining Party wishes to be a transferee of 8% Notes to be transferred to it by a Consenting Noteholder and is required to be bound by the terms of the Support Agreement on the terms and subject to the conditions set forth in this Joinder.

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Joining Party agrees as follows:

- 1. The Joining Party hereby agrees to be fully bound as a Consenting Noteholder in respect of the 8% Notes that are the subject of the Transfer. For greater certainty, the Joining Party agrees to be bound by the terms of the Support Agreement only in respect of the 8% Notes that are the subject of the Transfer and not in respect of any other 8% Notes held, managed or administered by the Joining Party that were not subject of the Transfer.
- 2. Except as expressly modified hereby, the Support Agreement shall remain in full force and effect, in accordance with its terms.
- 3. This Joinder shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein, without regard to principles of conflicts of law.

[Remainder of this page intentionally left blank; next page is signature page.]

DATED as of _____

By: _____

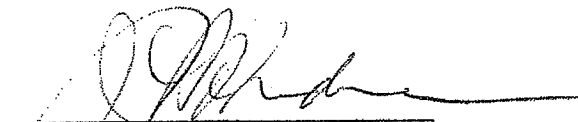
Name:

Title:

15814565

TAB “C”

This is Exhibit "C" referred to in the
Affidavit of Thomas C. Strike sworn before
me this 17th day of March, 2010.



A Commissioner for taking affidavits

**JANICE AUDREY ANDERSON
A NOTARY PUBLIC
IN AND FOR THE PROVINCE OF MANITOBA,
APPOINTMENT EXPIRES MAY 14, 2010.**



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

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE)

FRIDAY, THE 19th DAY

MADAM JUSTICE PEPALL)

OF FEBRUARY, 2010

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

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

Applicants

**ORDER
(Approval of Subscription Agreement)**

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

ON READING the Notice of Motion of the CMI Entities, the Affidavit of Thomas C. Strike sworn February 12, 2010 (the "Strike Affidavit"), the Tenth Report of FTI Consulting Canada Inc. in its capacity as Court-appointed monitor of the CMI Entities (the "Monitor"), including the Confidential Supplement thereto (the "Confidential Supplement"), and on hearing from counsel for the CMI Entities, the Monitor, the *ad hoc* committee of holders of 8% senior subordinated notes issued by Canwest Media Inc., CIT Business Credit Canada

Inc., Shaw Communications Inc. ("Shaw") and such other counsel as were present, no one else appearing although duly served as appears from the affidavit of service, filed.

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

2. **THIS COURT ORDERS** that

- (a) the Subscription Agreement and the Subscription Term Sheet attached as Schedule "A" thereto (collectively, the "Subscription Agreement") dated February 11, 2010 between Canwest Global and Shaw,
- (b) the Amended Support Agreement (as defined in the Strike Affidavit) dated February 11, 2010 between the CMI Entities and certain holders of 8% Senior Subordinated Notes issued by Canwest Media Inc. (the "Consenting Noteholders"), and
- (c) the Shaw Support Agreement (as defined in the Strike Affidavit) dated February 11, 2010 between Canwest Global, Shaw, and the Consenting Noteholders,

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

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

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

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

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

47. **THIS COURT ORDERS** that the deposit accounts containing cash collateral pledged to The Bank of Nova Scotia and referred to in Section 6.11 of the Collateral Agency Agreement (as defined below) as the "Cash Management Collateral Account" (the "Excluded Accounts") shall not form part of the CMI Property, shall be excluded from the CMI DIP Charge, the KERP Charge, the Directors' Charge, and the Administration Charge and the Investor Charge (as defined in the Order of this Court made in these proceedings on February 19, 2010), except as provided in paragraph 48 hereof, and shall remain subject to the existing liens in favour of The Bank of Nova Scotia in connection with the CMI Entities' obligations to The Bank of Nova Scotia in connection with overdrafts and related liabilities arising from cash consolidation, electronic funds transfer arrangements, treasury, depository and cash management services or in connection with any automated clearing house transfers of funds in an aggregate amount not to exceed \$2,500,000 (the "BNS Cash Management Obligations").

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

48. **THIS COURT ORDERS AND DECLARES** that notwithstanding any stay of proceedings imposed by this Order, The Bank of Nova Scotia shall be entitled to seize and dispose of any collateral on deposit in the Excluded Accounts and apply such proceeds to any and all outstanding BNS Cash Management Obligations, provided that, notwithstanding anything herein, upon payment and satisfaction of the BNS Cash Management Obligations in full and the return of any remaining collateral in the Excluded Accounts to the CMI Entities, such collateral shall then form part of the CMI Property charged by the Directors' Charge, the Administration Charge, the KERP Charge, and the DIP Lender's Charge and the Investor Charge.

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

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

First – CMI Administration Charge;

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

Third – CMI DIP Charge; and

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

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

Sixth – Investor Charge.

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

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

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

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

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

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

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

59. **THIS COURT ORDERS** that the Charges and the CMI DIP Definitive Documents shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Charges (collectively, the "Chargees"), the rights and remedies of the CMI DIP Lender under the CMI DIP Definitive Documents, the rights and remedies of Irish Holdco under the Secured Note, and the rights and remedies of the Consenting Noteholders under the Use of Collateral and Consent Agreement and the Support Agreement, the rights and remedies of Shaw Communications Inc. under the Subscription Agreement and the rights and remedies of Shaw Communications Inc. and the Consenting Noteholders under the Shaw Support Agreement (as those terms are defined in the Order of this Court made in these proceedings on February 19, 2010) shall not otherwise be limited or impaired in any way, subject to the provisions of paragraph 53 herein, by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to the BIA, or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an "Agreement") which binds the CMI Entities, or any of them, and notwithstanding any provision to the contrary in any Agreement:

(a) neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of the CIT Credit Agreement, the CMI DIP Definitive Documents, the Use of Collateral and Consent Agreement, the Support Agreement, the Secured Note, or the Unsecured Note, the Subscription Agreement or the Shaw Support Agreement shall create or be deemed to constitute a breach by any of the CMI Entities of any Agreement to which they are a party;

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

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

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

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

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

Joanne Nicoara

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

FEB 22 2010

PER / PAR: JSN

Joanne Nicoara
Registrar, Superior Court of Justice

Schedule "A"**Applicants**

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

24. 30109, LLC

25. CanWest MediaWorks (US) Holdings Corp.

Schedule "B"**Partnerships**

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

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C., 1985, c.C-36,
SCHEDULE "A"
IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF CANWEST
AL COMMUNICATIONS CORP., AND THE OTHER APPLICANTS LISTED ON
SCHEDULE "A"

APPLICANTS

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST.**

Proceeding commenced at Toronto

ORDER
(Approval of Subscription Agreement)

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

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

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

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


Fax: (416) 862-6666

Lawyers for the Applicants

F.

Tab “D”

This is Exhibit "D" referred to in the
Affidavit of Thomas C. Strike sworn before
me this 17th day of March, 2010.


A Commissioner for taking affidavits

**JANICE AUDREY ANDERSON
A NOTARY PUBLIC
IN AND FOR THE PROVINCE OF MANITOBA,
APPOINTMENT EXPIRES MAY 14, 2010.**

CITATION: Re: Canwest Global Communications Corp., 2010 ONSC 1176
COURT FILE NO.: CV-09-8396-00CL
DATE: 20100301

**ONTARIO
 SUPERIOR COURT OF JUSTICE
 COMMERCIAL LIST**

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

**AND IN THE MATTER OF A PROPOSED PLAN OF COMPROMISE OR
 ARRANGEMENT OF CANWEST GLOBAL COMMUNICATIONS CORP. AND THE
 OTHER APPLICANTS**

2010 ONSC 1176 (CanLI)

COUNSEL: *Lyndon Barnes, Jeremy Dacks and Shawn Irving* for the CMI Entities
Mario Forte for the Special Committee of the Board of Directors
David Byers and Maria Konyukhova for the Monitor, FTI Consulting Canada Inc.
Hilary Clarke for the Administrative Agent of the Senior Secured Lenders'
 Syndicate
Benjamin Zarnett and Logan Willis for the Ad Hoc Committee of Noteholders
Robin B. Schwill and Vincent A. Mercier for Shaw Communication Inc.
Kevin McElcheran and Malcolm Mercer for the GS Parties
Gavin Finlayson and S.R. Orzy for Catalyst Capital Group Inc.
Edmond Lamek for Leonard Asper et al.
Steve Weisz for CIT Business Credit Canada Inc.
Hugh O'Reilly for Canwest Retirees/ Canadian Media Guild

REASONS FOR DECISION

PEPALL J.

Introduction

[1] When the CMI Entities filed for *Companies' Creditors Arrangement Act*¹ protection, their stated intention was to pursue a recapitalization transaction. The anticipated plan of arrangement or compromise would implement the recapitalization transaction and creditors compromised, including the 8% Senior Subordinated Noteholders, would receive shares in a restructured Canwest Global Corporation Corp. ("Canwest Global"). To that end, in November, 2009, the CMI Entities commenced an equity solicitation process. RBC Capital Markets

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("RBC") assisted them with that process. The extensive process resulted in a bid from Shaw Communications Inc. ("Shaw") that was acceptable to the CMI Entities and others. The CMI Entities now seek approval of the subscription agreement dated February 11, 2010 between Shaw and Canwest Global and other related documents (the "Shaw Definitive Documents") and other ancillary relief. The approval motion was served on February 12, 2010 returnable February 19, 2010. If not approved by the court, the Shaw bid expired on February 19, 2010. The Monitor served its 10th Report on February 14, 2010. In its Report, the Monitor expressed support for the relief requested by the CMI Entities.

[2] A condition of completion of the Shaw transaction is amendment or disclaimer of the CW Investments Shareholders' Agreement to which GS Capital Partners VI Fund L.P. and its affiliates (collectively the "GS Parties") and Canwest Media Inc. ("CMI") are parties. The GS Parties oppose any such amendment or disclaimer.

[3] The GS Parties served materials opposing the relief sought in the late afternoon of February 18, 2010. In addition, in the wee hours of the morning of February 19, 2010 (3:38 a.m. to be exact according to the Monitor), counsel for Catalyst Capital Group Inc. ("Catalyst") served an affidavit enclosing a competing bid to that of Shaw. The Catalyst bid required no amendment or disclaimer of the CW Investments Shareholders' Agreement and was supported by the GS Parties.

[4] Given the afternoon and twilight hour service of the GS Parties' and Catalyst materials, the CMI Entities and the Ad Hoc Committee of 8% Senior Subordinated Noteholders ("the Ad Hoc Committee") then responded with service of numerous affidavits and materials of their own including an affidavit of Richard Grudzinski of RBC and a factum from the CMI Entities. These were emailed to the court commencing at about 5:30 the morning of the motion. Such was the state of play when court commenced at 10 o'clock. Some might call this real time litigation; others surreal time litigation. In my view, this late breaking flurry of activity was unnecessary.

¹ R.S.C. 1985, c. C. 36, as amended.

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[5] Perhaps not surprisingly, the GS Parties and Catalyst requested an adjournment of the CMI Entities' approval motion for at least two weeks. The adjournment would allow the Monitor, the court and interested parties to review the terms of the Catalyst proposal with a view to determining whether the terms contained therein were superior to the terms of the Shaw subscription agreement. The CMI Entities, the Special Committee, the Ad Hoc Committee and Shaw all opposed the adjournment request. The Monitor took no position. I heard extensive argument on the request for an adjournment². As mentioned, the Shaw bid was conditional on court approval by February 19, 2010, the date of the hearing. Shaw was not prepared to extend its deadline. The issue was expressly raised with Shaw in court but Shaw maintained its position. I refused the adjournment request but in the absence of evidence of the Monitor's position, asked the Monitor to provide evidence on its position with respect to the Catalyst proposal. Counsel could then make inquiries and submissions once the Monitor had done so. In a certain sense, so-called real time litigation begets more real time litigation.

[6] The Monitor proceeded to prepare a supplementary Report. Perhaps in keeping with the subject matter of this CCAA proceeding, the supplementary Report contained more "late breaking news" including correspondence from Quebecor Media Inc. to the effect that it would be prepared to consider an alternative proposal if the solicitation process was reordered and transparent.

[7] Following receipt of the Monitor's supplementary Report and completion of argument, I granted the relief requested with reasons to follow. These are they.

[8] I do not propose to embark on a review of the history of the CMI Entities' CCAA proceeding nor the players all of which has been discussed in detail in past decisions. By way of introduction, it will be recalled that the CMI Entities entered into a Support Agreement with members of the Ad Hoc Committee and that Agreement had attached to it the Restructuring Term Sheet that set out the summary terms and conditions of a consensual recapitalization transaction. The Support Agreement provided that the CMI Entities would pursue a Plan on the

² During which time counsel not yet retained by certain noteholders who are not represented by the Ad Hoc Committee appeared to advise the court that his potential clients might not agree with the position of the Ad Hoc Committee.

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terms set out in the Restructuring Term Sheet in order to implement the recapitalization transaction as part of the CCAA proceeding. An equity investment of at least \$65 million was to be pursued. This brings me to the equity solicitation process.

Equity Solicitation

[9] On November 2, 2009, RBC commenced the equity solicitation process to identify potential new investors. They had to be Canadian so as to satisfy the ownership requirements that apply to parent corporations of a corporation that is in receipt of a television license from the Canadian Radio-Television and Telecommunications Commission. It was contemplated that the new investment would amount to at least \$65 million. The process was run by RBC, not the Monitor, although the Monitor did receive periodic updates during the process. RBC had been working with Canwest Global since December 10, 2008, and therefore had developed detailed and intimate knowledge of the business of the CMI Entities.

[10] The process proceeded in two phases. In the first phase, RBC contacted about 90 potential investors to inquire whether they would be interested in making a minimum 20% equity investment. During the course of initial discussions with potential investors, it was recognized that alternative proposals would be considered. The list of potential investors included both strategic and financial investors and qualified high net worth individuals in Canada and was generated by RBC through its own internal sources and in consultation with the CMI Entities, the CMI CRA, and the Ad Hoc Committee. 52 potential investors expressed interest and were sent "teaser" documents. These included an overview of the investment opportunity and a form of non-disclosure agreement ("NDA") to sign. According to Mr. Grudzinski of RBC, the form of NDA was standard for a process such as this equity solicitation and restrictions on discussions with entities involved in the business are commonplace. Ultimately, 22 potential investors executed NDAs, a take up Mr. Grudzinski viewed as being generally in line with similar investment processes. They then received a more comprehensive confidential information memorandum and access to an internet-based data room containing further confidential information. Those investors were then invited to submit non-binding proposals along with a markup of a proposed equity investment term sheet by December 2, 2009. By that date, six

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potential investors had submitted initial proposals, five of whom were invited to participate in phase two of the process.

[11] Catalyst, a private equity firm specializing in investments in distressed companies, submitted a commitment letter on December 2, 2009. It reflected a \$65 million investment representing 25% of the total equity of a restructured Canwest Global. Catalyst was prepared to increase the equity investment up to \$165 million for an additional pro rata equity percentage acceptable to Catalyst in conjunction with potential transactions related to CW Investments Co. The cover email described the spirit of the deal as being "a fully funded, fully executable proposal in order to get the Estate out of insolvency protection as soon as possible" and that its transaction had "no due diligence requirement, no financing conditions and no CW Investments Co. condition." This latter reference presumably referred to the CW Investments Shareholders' Agreement with the GS Parties. The commitment was also stated to be in accordance with the Support Agreement negotiated between the CMI Entities and the Ad Hoc Committee. The cover e-mail enclosing the commitment letter stated: "We also understand and adopt the terms and the fact that the Board, management and the other stakeholders have set up a process and the terms of a Plan which we certainly support." The proposal was to be considered withdrawn if Catalyst had not received an executed counterpart to the commitment letter by December 8, 2010.

[12] Catalyst had not executed an NDA. Gabriel De Alba of Catalyst states that notwithstanding Catalyst's attempts to open a dialogue with RBC, its proposal expired and other than an acknowledgement of receipt, Catalyst was not contacted.

[13] On December 21, 2009, Mr. Grudzinski of RBC advised Catalyst that it would not be permitted to participate further in the process unless it executed an NDA. Catalyst states that it would not agree to this for two reasons. Firstly, its proposal was not conditional on due diligence and as it did not need confidential information, there was no reason for it to execute an NDA. Secondly, the NDA included "offensive and problematic provisions that did not appear appropriate as conditions precedent to submitting a bid including one that would have precluded Catalyst from having discussions with a number of parties, including the GS parties. Given the GS parties' importance to any deal involving Canwest Global, that provision was highly

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inappropriate in this context and would have severely limited the ability of Catalyst"... "to complete a transaction."

[14] RBC commenced phase two shortly after receipt of the non-binding initial proposals. As part of phase two, RBC and the senior management team of CMI Entities met with and provided each phase two participant with a detailed management presentation and confidential information and ongoing access to business and legal due diligence sessions. RBC also advised the phase two participants that they would have the opportunity to meet with members of the Ad Hoc Committee before submitting their proposals. One of the five participants withdrew. On January 20, 2010, RBC advised the remaining four that formal binding offers were required by January 27, 2010, and provided them with a proposed equity subscription agreement and attached term sheet. RBC also advised the phase two participants of criteria Canwest Global and RBC would consider in evaluating offers. These included confirmation that the proposed investor would be willing to proceed with its investment on the basis that the CW Shareholders' Agreement with the GS Parties would be amended on terms acceptable to the proposed investor.

[15] Two bids were received by January 27, 2010, and RBC and the CMI Entities had discussions with those bidders.

[16] Mr. De Alba of Catalyst states that Catalyst directly and through counsel complained to RBC about the process. He states that because the process was not being overseen by the court, Catalyst had no recourse until the next time the process was referred to the court which was this motion.

[17] Ultimately, the CMI Entities selected Shaw's bid as the best overall offer received. The bid contemplates that:

- Canwest Global will be a private company the shareholders of which will be Shaw or its subsidiary and those noteholders and other creditors who elect to receive equity shares and who would hold at least 5% of the equity shares following completion of the transaction.

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- Creditors holding less than 5% of the equity shares on completion of the recapitalization transaction (the "non-participating creditors") and existing shareholders would receive cash to extinguish their interests to be effected pursuant to the Plan. The cash the non-participating creditors would receive would be equal to the value of the equity they would have received under the originally proposed recapitalization transaction but using the higher implied equity value contained in Shaw's bid.
- Shaw will subscribe for Class A voting shares representing a 20% minimum equity subscription in the capital of a restructured Canwest Global and an 80% voting interest. A portion of the proceeds will be distributed to the noteholders pursuant to the Plan in partial payment of the secured intercompany note and the balance will be for working capital purposes.
- In addition to this amount, Shaw would subscribe for an additional commitment of shares at the same price per share to fund the cash payments to the non-participating creditors and the existing shareholders subject to the right of members of the Ad Hoc Committee to elect to participate *pro rata* with Shaw in funding this additional commitment.
- Shaw meets the Canadian requirement, has adequate financial resources on hand to complete the recapitalization transaction, and there are no financing conditions in favour of Shaw.
- A \$5 million termination fee may be paid by Canwest Global to Shaw in certain circumstances. It is payable in the event that the Shaw subscription agreement is terminated by Shaw if the closing has not occurred on or before August 11, 2010, solely because of a failure to satisfy certain closing conditions. It is also payable if the agreement is terminated by Canwest Global prior to the implementation of the recapitalization transaction in order to enter into a definitive amendment and restatement of the CW Investment Shareholders' Agreement with the GS Parties that is acceptable to both Canwest Global and the Ad Hoc Committee but that is

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not acceptable to Shaw. In the event that a termination event has occurred, the Shaw subscription agreement provides that in addition to the termination fee, Canwest Global will reimburse Shaw in an amount of up to \$2.5 million for any out-of-pocket fees and expenses relating to negotiation of the transaction. The subscription agreement contemplates that the termination fee and expense reimbursement fee will be secured by a charge over all of the assets, property and undertaking of the CMI Entities ranking after the existing charges.

[18] RBC advised the CMI Entities that the bid submitted by Shaw was the best overall offer received considering various criteria. The bid provided significant value to Canwest Global in exchange for the equity investment, gave affected creditors the opportunity to get cash rather than shares, and provided a long-term solution and stability for a restructured Canwest Global through the involvement of a strategic investor with significant experience in the media industry.

[19] The Special Committee of the Board of Directors of Canwest Global considered the bids having regard to the best interests of Canwest Global and recommended for approval the Shaw Definitive Documents to the Board of Directors of Canwest Global. The Board provided approval. All of the CMI Entities' senior management, the CMI CRA, and the Ad Hoc Committee supported the entering into of the Shaw Definitive Documents.

[20] Catalyst's late February 19, 2010 offer arose outside the process adopted by RBC and the CMI Entities. Catalyst's bid this time was stated to contemplate a fully funded unconditional investment of \$120 million representing 32% of the total equity of a restructured Canwest Global. The proposal again did not require any amendment or disclaimer of the CW Investments Shareholders' Agreement.

[21] In court on February 19, 2010, counsel for the CMI Entities, the Special Committee and the Ad Hoc Committee all expressed continued support for the Shaw Definitive Documents. Counsel for the Monitor advised that the CMI CRA also was in favour. In addition, an affidavit of Mr. Grudzinski of RBC was filed stating, amongst other things, that the Shaw transaction represented the best transaction available to Canwest Global in the circumstances. The material non-financial terms of the Shaw Definitive Documents were disclosed in the materials before the

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court but the Definitive Documents themselves were filed on a confidential basis. The CMI Entities were of the view that disclosure would be extremely detrimental if the approval order was not provided.

Absence of Standstill Agreement

[22] There had been recent without prejudice negotiations between the Ad Hoc Committee and the GS Parties. The GS Parties thought that the negotiations were subject to a standstill agreement which provided that absent seven days' notice, neither the Ad Hoc Committee nor the GS Parties would initiate or encourage any other person including Canwest Global to initiate any proceeding with respect to the insolvency proceeding of Canwest Global. Negotiations between the GS Parties and the Ad Hoc Committee were ongoing when the GS Parties were served with the CMI Entities' motion on February 12, 2009. In argument, counsel for the GS Parties did not press this point. It appeared from the materials filed by counsel for the Ad Hoc Committee that due to a computer glitch, agreement was not reached on any seven day standstill. It is fair to conclude from all of the evidence on this issue that firstly, the Ad Hoc Committee had not agreed to a seven day standstill and secondly, the GS Parties reasonably believed that it had. In any event, the GS Parties knew by February 12, 2010 that the CMI Entities were seeking approval of the Shaw Definitive Documents on February 19, 2010.

Monitor's 10th Report

[23] The Monitor reported extensively on the Shaw transaction in its 10th Report. Dealing firstly with the subject of the CW Investments Shareholders' Agreement, the Monitor noted that Shaw, Canwest Global, and the Ad Hoc Committee had agreed to jointly pursue in good faith an amendment to the CW Investments Shareholders' Agreement with the GS Parties and to cooperate with each other in those negotiations. The Monitor also observed that a resolution of outstanding issues with the GS Parties is a material condition of the CMI Entities' successful emergence from CCAA protection on a going concern basis and that the introduction of other stakeholders may be a complicating factor.

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[24] Secondly, the Monitor stated that RBC had circulated to phase two participants a proposed form of subscription agreement that contained a fiduciary out provision that would allow Canwest Global to accept an offer that it determined in good faith to be superior to the offer submitted by the winning bidder and, following payment of a \$2.5 million topping fee, be released from its obligations to the winning bidder under the subscription agreement. The Monitor observed that the Shaw subscription agreement did not include this fiduciary out provision.

[25] The Monitor reported that the Shaw transaction if completed would satisfy one of the major requirements of the original recapitalization transaction, assist with the CMI Entities' successful emergence from CCAA protection, and allow them to continue operating on a going concern basis thereby preserving, *inter alia*, enterprise value for their numerous stakeholders.

[26] The Monitor concluded by stating that it supported approval of the transaction agreements reflecting the Shaw proposal. At the time of the filing of the 10th Report, the February 19, 2010, Catalyst proposal had of course not yet been received by the Monitor.

Monitor's Supplementary Report

[27] In its supplementary Report, the Monitor stated that its support of the Shaw transaction was unaffected by the Catalyst proposal.

[28] The Monitor observed that the Shaw subscription agreement including the amount of the proposed equity investment had a higher implied equity value than did the Catalyst proposal. On the other hand, the Catalyst proposal did not require an amendment or disclaimer of the CW Investments Shareholders' Agreement which is a condition of the Shaw transaction. The Monitor noted that the Catalyst proposal was subject to the negotiation and entering into of definitive documentation.³ The Catalyst proposal was subject to approval pursuant to a Plan which must be approved by the majority of the CMI Entities' creditors and the Ad Hoc Committee had informed the Monitor that it would not support any Plan that included Catalyst's proposal. The Monitor noted that no Plan can be approved by the creditors of the CMI Entities

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without the support of the Ad Hoc Committee because, amongst other things, it holds a blocking vote. The GS Parties have stated that the amount of their claim that would result from any disclaimer would result in the GS Parties holding a blocking vote in any vote on the Plan proposed by the CMI Entities. No request for the Monitor's consent to a disclaimer has been forthcoming and the Monitor was not in a position to estimate the quantum of any such claim by the GS Parties. The Monitor also reported that the Ad Hoc Committee disagrees with the GS Parties' assessment in this regard.

[29] The Monitor also reported on the concerns it had expressed about the removal of the fiduciary out provision in the Shaw subscription agreement. Although each of the Ad Hoc Committee, RBC and the CMI Entities had used their best efforts to include such a provision in the Shaw subscription agreement, Shaw had refused to include such a provision. In spite of its absence, RBC, the CMI Entities' Board of Directors, the Special Committee and the Ad Hoc Committee all concluded that the Shaw subscription agreement was the best that had resulted from the process. The form of subscription agreement with a fiduciary out provision was only provided to the four phase two participants so there could be no suggestion of reliance on same by Catalyst or the GS Parties. The Monitor noted Mr. Grudzinski's representation that the potential market for Canadian equity investors to invest had been fully canvassed. The Monitor also observed that the NDA requested to be executed by potential bidders was customary for an equity solicitation process. In spite of these factors, the Monitor continued to be supportive of the Shaw Definitive Documents.

Issues

[30] The issues for me to consider were:

- a) Should I grant the adjournment requested?
- b) What is the applicable legal test for approval of the Shaw Definitive Documents?
- c) Should I approve the Shaw Definitive Documents and the request for ancillary relief?

³ In argument, this condition was waived by Catalyst.

Adjournment

[31] Having heard extensive submissions, I decided not to grant the adjournment requested by Catalyst and the GS Parties. Firstly, it was clear from the evidence before me that there was no meeting of the minds with respect to any standstill agreement between the GS Parties and the Ad Hoc Committee. As such, the Ad Hoc Committee was not obliged to give seven days' notice before the CMI Entities brought the approval motion. I also note that legitimately, counsel for the GS Parties did not press this argument. While the GS Parties might reasonably have believed that there was a seven day standstill, once the materials were served on February 12, 2010, it was obvious that at least one party did not consider itself bound to any such agreement. Inexplicably, the GS Parties waited until the afternoon of February 18 to serve their materials and Catalyst waited until the wee hours of February 19 to serve its materials. It seems to me that the mayhem of the moment and the false urgency was largely created by the GS Parties and Catalyst.

[32] Furthermore, Catalyst opted not to participate in RBC's and the CMI Entities' process. I do not find Catalyst's rationale for not having done so to be very persuasive. I do not accept that it had no recourse to address process. The late breaking offer scenario could easily have been avoided by Catalyst. Additionally an adjournment could put the Shaw bid at risk. I concluded that an adjournment was not merited in the circumstances. At the court's request, the Monitor provided evidence to address the Catalyst proposal. In my view, this was a satisfactory approach to the conditions largely created by Catalyst. The court did have some concerns with the deadline imposed by Shaw and agreed to by the CMI Entities and the Ad Hoc Committee. In future, absent compelling reasons, court hearings should not be scheduled for the same day that court approval is required.

Legal Standard

[33] The next issue to consider is the standard applicable to the relief requested. The CMI Entities submit in their factum that I should approve the Shaw subscription agreement and the related documents on the basis that they are fair and reasonable, benefit the stakeholders of the CMI Entities as a whole, and do not result in any confiscation of rights held by the GS Parties. In oral argument, without acknowledging that there has been any confiscation of rights, counsel

for the CMI Entities refined the standard to the first two elements. In essence the CMI Entities submit that the court should approach the analysis from the perspective of approval of an agreement during a CCAA process. In that regard, they rely on *Re: Air Canada*⁴, *Re: Calpine*⁵ and *Re: Sammi Atlas Inc.*⁶.

[34] In contrast the GS Parties and Catalyst submit that although *RBC v. Soundair Corp.*⁷ dealt with an asset sale, the principles set forth in that case are applicable. Specifically, a court should consider:

- a) whether the CMI Entities have made a sufficient effort to get the best price and have not acted improvidently;
- b) the interests of all parties;
- c) the efficacy and integrity of the process by which offers are obtained; and
- d) whether there has been unfairness in the working out of the process.

[35] In addition the GS Parties submit that approval should also be tested against the factors enumerated by Morawetz J. in *Nortel Networks Corp.*⁸ dealing with approval of a sale process under the CCAA, namely:

- a) Is a sale transaction warranted at this time?
- b) Will the sale benefit the whole "economic community"?
- c) Do any of the debtors' creditors have a *bona fide* reason to object to a sale of the business?
- d) Is there a better viable alternative?

[36] The cases referred to by counsel did not deal with equity solicitations. Given the nature and extent of the equity solicitation in this case, it seems to me that a fair and reasonable test is too limited and the principles enunciated in *Soundair* are more appropriate. To these principles I

⁴ (2004), 47 C.B.R. (4th) 169 (Ont. S.J.).

⁵ 2007 A.B.Q.B. 504.

⁶ (1998), 3 C.B.R. (4th) 171.

⁷ (1991), 4 O.R. (3rd) 1.

⁸ (2009) 55 C.B.R. (5th) 229 at para. 49.

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would add that the court should consider the position of the Monitor. This is a factor to be considered when approval of an asset sale outside the ordinary course of business is sought pursuant to s. 36 of the CCAA. In my view, this is a useful factor to consider in circumstances such as those before me in this case. I do not believe that the *Nortel* process approval factors need be addressed. They are either largely subsumed by the *Soundair* principles or are unhelpful where the result of the equity solicitation process is before the court for approval not the process itself. That said, even if I were to consider the *Nortel* process approval factors, I would reach the same conclusion.

Approval

(a) Parties' Positions

[37] In brief, the parties' positions were as follows. The CMI Entities submit that the Shaw transaction is fair and reasonable and that it is beneficial to the stakeholders of the CMI Entities, viewed as a whole. It is the product of a comprehensive equity investment solicitation process conducted by a sophisticated financial advisor and reflects the exercise of the business judgment of the Board of Directors of Canwest Global on the recommendation of the Special Committee and the CMI CRA as to the best interests of the CMI Entities. The CMI Entities state that the GS Parties have no contractual or legal right to dictate the terms of the equity solicitation process and they are advancing objections to obtain further negotiating leverage. They are not creditors and none of their rights will be affected or confiscated if the Shaw Definitive Documents are approved. Those Documents expressly provide that the parties will jointly pursue any consensual amendment to the Shareholders' Agreement; the parties are not required to pursue disclaimer of the Shareholders' Agreement; and the Ad Hoc Committee and the CMI Entities can pursue an agreement to amend the Shareholders' Agreement with the GS Parties that is not agreed to by Shaw. The Shaw transaction satisfies a crucial step in the restructuring. The members of the Ad Hoc Committee are the CMI Entities' largest creditor group and if the CMI Entities hope to emerge from this restructuring successfully, the members of the Ad Hoc Committee must necessarily vote in favour of the Plan. There was nothing unfair or unbalanced about the process and all potential bidders had equal access to information.

[38] The Special Committee, the Ad Hoc Committee, and Shaw all supported the position of the CMI Entities.

[39] The GS Parties submit that approval is being sought on an incomplete record and in circumstances where there are significant issues about the integrity of the process and whether the best available transaction has emerged. It is premature to conclude that the Shaw transaction represents the best available agreement taking into account the interests of all stakeholders. They complain about the absence of a fiduciary out-provision. Furthermore, they state that they were completely shut out from the process even though any restructuring transaction must ultimately contend with their rights in CW Investments Co. The transaction structure appears to have been controlled by the Ad Hoc Committee to serve its own interests. The GS Parties state that the Shaw transaction enables the Ad Hoc Committee to extract certain minimum cash levels immediately. They also complain that the treatment of the noteholders' claims is proposed to be very different than the treatment of other affected creditors. There are powerful incentives for the CMI Parties to adhere to the terms of the agreements negotiated with the Ad Hoc Committee and in these circumstances, deference should not be given to the exercise of business judgment.

[40] The GS Parties state that lack of disclosure and discussions have substantially impaired their ability to place an alternative to the Shaw transaction before the court. The process was never approved by the court and the Monitor's involvement has been limited to periodic updates. As such, the process and the result are not entitled to deference and should be carefully scrutinized. Others were not prepared to sign the NDA and this constraint and others limited participation in the process. They were also prohibited from engaging in discussion with the GS Parties as a condition of participation. The GS Parties state that they have a limited interest in who ultimately controls Canwest Global given that control of Canwest Global results in control of CWI and the specialty television business. This interest has been ignored. Furthermore, it is a condition of the Shaw transaction that the CW Investments Agreement be disclaimed or amended in a manner agreed to by Canwest Global, the Ad Hoc Committee and Shaw. The exclusion of the GS Parties from the process, the targeting of the rights and interests of the GS Parties under the CWI Agreement, and the prohibition of discussions between the GS Parties and

Shaw before court approval are all fundamental failures to consider the legitimate interest of the GS Parties.

[41] Catalyst supported the position of the GS Parties.

(b) Discussion

[42] It is clear that the CMI Entities did make a sufficient effort to obtain the best offer. RBC established and published a process with which the GS Parties and Catalyst now take issue. There was nothing stopping either of them from challenging the process at an earlier stage or alternatively, participating in it. Indeed, as evident from the email enclosing its first bid, Catalyst stated that: "We also understand and adopt the terms and the fact that the Board management and other stakeholders have set up a process and the terms of a Plan which we certainly support." RBC fully canvassed the market. It is unnecessary for the court to be given the identity of prospective investors in the face of the overwhelming evidence of an extensive market canvass.

[43] As noted by the Monitor and many others, no Plan can be approved by the creditors of the CMI Entities without the support of the Ad Hoc Committee which holds a blocking vote. That said, I am also satisfied that the interests of all parties were considered. While one may reasonably question whether the strategy of postponement of the issues relating to the CW Investments Shareholders' Agreement and the GS Parties is or is not wise, the CW Investments Shareholders' Agreement is unaffected by the Shaw Definitive Documents. The GS Parties are in no worse position with respect to the CW Investments Shareholders' Agreement. The GS Parties are not creditors. In addition, the Definitive Documents provide that the parties will jointly pursue any consensual amendment to the Shareholders' Agreement; the parties are not required to pursue disclaimer of the Shareholders' Agreement; and the Ad Hoc Committee and the CMI Entities can pursue an agreement to amend the Shareholders' Agreement with the GS Parties that is not agreed to by Shaw. The evidence before me suggests that the CMI Entities did turn their minds to the interests of others and the Board of Directors concluded that the Shaw Definitive Documents were in the best interests of Canwest Global and by inference, given that it was an equity solicitation, its stakeholders.

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[44] As to the efficacy and integrity of the process by which offers were obtained, there was a fair and thorough canvass of the market and a level playing field. As to whether there has been unfairness in the working out of the process, while the Monitor favoured inclusion of a fiduciary out provision and while one may argue that ideally the fiduciary out provision would not have been negotiated away, this did not constitute unfairness in the working out of the process or a lack of efficacy or integrity in the process. The evidence before me suggests that there were good faith efforts made by RBC, the CMI Entities and the Ad Hoc Committee to maintain that provision but Shaw successfully negotiated for its omission. On balance, all of them were of the view that the merits of the Shaw transaction outweighed the benefit of insisting on the inclusion of the fiduciary out provision. It should also be noted that the Catalyst proposal does not include a fiduciary out provision. Furthermore, in spite of the lack of a fiduciary out provision, the Monitor is supportive of the Shaw Definitive Documents and was not critical of the process. Additionally, there is support from the Special Committee of the Board, the Board of Directors of Canwest Global, the CMI CRA and the Ad Hoc Committee.

[45] I should also stress that there appears to be a reasonable basis for this support. Amongst other things, Shaw is experienced in the media industry, financing is not an issue, the offer is for a substantial amount and has a substantially higher implied equity value than that proposed by Catalyst. One should also not overlook the fact that the transaction is necessary at this time. The CMI Entities do not have unlimited time within which to conduct the equity solicitation process and, subject to closing, a major objective underpinning the initial CCAA filing has now been accomplished. The transaction provides some confidence that the CMI Entities will be able to continue as going concerns. I reiterate my view that the Shaw Definitive Documents should be approved and the ancillary relief granted. With respect to the latter, the amounts of the termination fee and the expense fee and the proposed charge itself are fair and reasonable in the circumstances. They are also consistent with giving the CMI Entities leeway to address outstanding issues with the GS Parties but in a manner that is fair to Shaw's commercial interests.

[46] Lastly, among other representations and warranties given by Canwest Global to Shaw, Canwest Global has covenanted to use its commercially reasonable efforts to cause its affiliates

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to terminate the participation of any employee of Canwest LP, CCI and their subsidiaries in a pension or benefit plan of Canwest Global or its other subsidiaries and to terminate all intercompany plan participation agreements between a specified affiliate and Canwest Global and one of its subsidiaries. This covenant is intended to cause the CMI Entities to use commercially reasonable efforts to realign certain employees of the specified affiliates who, for various reasons, participate in a pension plan which is sponsored by the CMI Entities and enable those employees to participate in a pension plan which is sponsored by the specified affiliate. Counsel for the CMI Entities confirmed that they had no intention of terminating pension benefits; this was merely to realign the plans with the appropriate entities.

Conclusion

[47] For these reasons, I granted the relief requested. A major question continues to revolve around the CW Investments Shareholders' Agreement and the relationship between the CMI Entities and the GS Parties. As is evident from paragraph 75 of their factum and their counsels' submissions, the GS Parties' key concern is that the CCAA proceeding is designed by the Ad Hoc Committee to achieve a disclaimer of the CW Investment Shareholders' Agreement and to take value away from the GS Parties. I continue to be of the view that a commercial and negotiated resolution of that issue is in the best interests of all concerned. I have approved the Shaw Definitive Documents and ancillary relief. The parties must now move forward and have a reasonable dialogue.

Pepall J.

DATE: March 1, 2010

CITATION: Re: Canwest Global Communications Corp., 2010 ONSC 1176
COURT FILE NO.: CV-10-8533-00CL
DATE: 20100301

ONTARIO

**SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

**IN THE MATTER OF THE COMPANIES'
CREDITORS ARRANGEMENT ACT,
R.S.C. 1985, C-36, AS AMENDED
AND IN THE MATTER OF A PROPOSED PLAN
OF COMPROMISE OR
ARRANGEMENT OF CANWEST GLOBAL
COMMUNICATIONS CORP. AND THE OTHER
APPLICANTS**

2010 ONSC 1176 (CanLII)

REASONS FOR DECISION

Pepall J.

Released: March 1, 2010

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

Court File No: M38600

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

Double Click on mouse to Add space for Third Party 

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at Toronto

**AFFIDAVIT OF THOMAS C. STRIKE
(Sworn March 17, 2010)**

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Lawyers for the Applicants

F. 1114233

TAB 3

Court of Appeal File No. M38600

COURT OF APPEAL FOR ONTARIO

THE HONOURABLE) WEDNESDAY, THE 24th DAY
)
 JUSTICE) OF MARCH, 2010

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

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

Applicants

ORDER**(Motion to Expedite a Motion for Leave to Appeal and the Proposed Appeal)**

THIS MOTION, made by Canwest Global Communications Corp. ("Canwest Global") and the other Applicants listed on Schedule "A" hereto (collectively, the "Applicants") and the Partnerships listed on Schedule "B" hereto (the "Partnerships" and, together with the Applicants, the "CMI Entities"), pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "CCAA"), was heard this day at Osgoode Hall, 130 Queen Street West, Toronto, Ontario.

ON READING the Motion Record, Factum and Authorities of the CMI Entities, and on hearing from counsel for the CMI Entities, the Monitor, the *ad hoc* committee of holders of 8% senior subordinated notes issued by Canwest Media Inc., and GS Capital Partners VI Fund L.P., GSCP VI AA One Holding S.ar.l and GS VI AA One Parallel Holding S.ar.l (collectively, "GSCP") and such other counsel as were present, no one else appearing although duly served as appears from the affidavit of service, filed.

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record is hereby abridged so that this Motion is properly returnable today and any further service of the Notice of Motion and the Motion Record is hereby dispensed with.
2. **THIS COURT ORDERS** that the motion for leave to appeal brought by GSCP in File No. M38600 of this Court shall be heard on an expedited basis.
3. **THIS COURT ORDERS** that GSCP's Reply Factum, if any, shall be filed no later than March 29, 2010.
4. **THIS COURT ORDERS** that, should leave to appeal be granted, the Registrar is directed to set an expedited hearing date in respect of the Appeal.
5. **THIS COURT ORDERS** that, should leave to appeal be granted, the time periods prescribed by the Ontario *Rules of Civil Procedure* for the filing of materials in respect of the appeal shall be abridged, based on a schedule to be agreed upon by the parties to the appeal set in accordance with the expedited hearing date that is scheduled by the Registrar.
6. **THIS COURT ORDERS** that, should leave to appeal be granted and the parties to the appeal are unable to agree upon a schedule for the delivery of appeal materials, the parties shall be entitled to appear before a single judge of this Court in order to fix such a schedule.
7. **THIS COURT ORDERS** that service of the leave and, if required, appeal materials may be served electronically without the requirement for acknowledgement of receipt.

Draft

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.

Draft

Schedule "B"**Partnerships**

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

Draft

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C., 1985, c.C-36,
AS AMENDED
AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF CANWEST
GLOBAL COMMUNICATIONS CORP., AND THE OTHER APPLICANTS LISTED ON
SCHEDULE "A"

Court File No: M38600

APPLICANTS

Double Click on mouse to Add space for Third Party

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at Toronto

**MOTION RECORD
(Returnable March 24, 2010)**

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