

ONTARIO

SUPERIOR COURT OF JUSTICE

COMMERCIAL LIST

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF
HOLLINGER CANADIAN PUBLISHING HOLDINGS CO.

Applicant

FIFTH REPORT OF THE MONITOR
DATED NOVEMBER 5, 2010

INTRODUCTION

1. On December 10, 2009 Hollinger Canadian Publishing Holdings Co. ("**HCPH**" or the "**Applicant**") filed for and obtained protection under the *Companies' Creditors Arrangement Act* ("**CCAA**"). Pursuant to the Order of this Honourable Court dated December 10, 2009 (the "**Initial Order**"), Ernst & Young Inc. ("**EYI**") was appointed as the Monitor of the Applicant (the "**Monitor**") in the CCAA proceeding. The Initial Order also appointed Mr. Dennis Byrd as the Chief Restructuring Officer (the "**CRO**") of the Applicant and appointed the law firm of Koskie Minsky LLP as representative counsel (the "**Representative Counsel**") for all members and beneficiaries of the OPEBs (defined below) in respect of issues affecting such members and/or beneficiaries in the HCPH CCAA proceedings. By order dated July 27, 2010, Representative Counsel was also appointed as counsel for members and beneficiaries of the Pension Plans (defined below) for or in respect of any issues affecting such members and/or beneficiaries in respect of the Pension Plans in the HCPH CCAA proceedings.
2. The Initial Order provided for a stay of proceedings through to January 8, 2010. The stay of proceedings was subsequently extended to April 15, 2010, then August 16, 2010, then

October 29, 2010, and then, pursuant to an Order of this Honourable Court dated October 14, 2010, it was further extended to January 31, 2011 (the “**Stay Period**”).

PURPOSE

3. The purpose of this Fifth Report of the Monitor (the “**Fifth Report**”) is to report to this Honourable Court with respect to:
 - i) the status of the Applicant’s survey process to update its information with respect to its former employees and retirees (the “**Retiree Audit Survey Process**”) and the Applicant’s motion for an order:
 - a. authorizing HCPH, the Monitor and Representative Counsel (the “**Parties**”) to utilize and rely upon certain survey forms (the “**Personal Information Statements**”) that are received, supplemented or updated to November 12, 2010, which have been signed and substantially completed and for which requisite supporting documentation, with certain specified exceptions (as set out in greater detail below), has been received (collectively the “**Final Personal Information Statements**”), without any further requirement to complete, verify, confirm or update any unverified information contained therein, or request further supporting documentation;
 - b. deeming the information contained in the records of HCPH correct if there is an inconsistency between HCPH’s records and any Final Personal Information Statements where such Final Personal Information Statements are not supported with relevant supporting documentation (with certain exceptions specified herein);
 - c. declaring that the Final Personal Information Statements and supporting documentation may be disclosed to and relied upon by HCPH’s actuaries and third party service providers; and
 - d. ordering and declaring that the Parties along with HCPH’s third party service providers shall have no liability in connection with using and relying upon the Final Personal Information Statements or the information

contained in HCPH's records in accordance with the order sought and other orders in these CCAA proceedings;

- ii) the completion of the sale of the Applicant's Asset Based Commercial Paper holdings (the "**ABCP**");
- iii) the status of discussions relating to the Order previously sought relating to the release of the Postmedia Networks Inc. ("**Postmedia**") liability in respect of the administration and investment of certain transferred pension assets prior to the date of such transfer; and
- iv) the conduct and activities of the Monitor as described herein.

TERMS OF REFERENCE

4. In preparing this Fifth Report and in making the comments herein relied upon, EYI has been provided with unaudited financial information, the Applicant's books and records, financial information prepared by the Applicant, and has had discussions with management of the Applicant. EYI has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of such information and, accordingly, EYI expresses no opinion or other form of assurance in respect of such information contained in this Fifth Report. Some of the information referred to in this Fifth Report consists of forecasts and projections. An examination or review of the financial forecast and projections, as outlined in the Canadian Institute of Chartered Accountants Handbook, has not been performed. Future oriented financial information referred to in this report was prepared based on management's estimates and assumptions. Readers are cautioned that since projections are based upon assumptions about future events and conditions that are not ascertainable, the actual results may vary from the projections, even if the assumptions materialize, and the variations could be significant.
5. Unless otherwise stated all monetary amounts contained herein are expressed in Canadian Dollars.
6. Capitalized terms not defined in this Fifth Report are defined in the Initial Order or previous reports of the Monitor.

BACKGROUND

7. HCPH is a wholly owned direct and indirect subsidiary of Sun-Times Media Group Inc. (“**STMG**”). Further to Chapter 11 proceedings, on October 26, 2009, substantially all of STMG’s U.S. assets were sold. Following this sale, STMG began the process of liquidation in accordance with U.S. bankruptcy law procedures.
8. Several years ago, HCPH sold its various newspaper businesses and, for some period of time, it has had no ongoing business activity. The ongoing operation of HCPH consists primarily of the administration of two unfunded retirement plans and certain other post-employment benefits plans (collectively with the unfunded retirement plans, the “**OPEBs**”) and six registered pension plans (the “**Pension Plans**”) for in excess of 3,000 former employees (the OPEB members and the Pension Plan members are collectively referred to as the “**Plan Members**”). Further details with respect to the OPEBs and Pension Plans are described in the Affidavit of Thomas L. Kram dated December 8, 2009 (the “**Kram Affidavit**”).

STATUS OF THE RETIREE AUDIT SURVEY PROCESS

9. On April 15, 2010, this Honourable Court granted an Order (the “**April 15 Order**”) establishing the Retiree Audit Survey Process. The purpose of this process was to enable HCPH to update its records such that its actuary Mercer (Canada) Ltd. (“**Mercer**”) would have more accurate information to complete its valuation analysis of HCPH’s OPEB and Pension Plans.
10. As set out in the Third Report of the Monitor dated July 26, 2010 (the “**Third Report**”), on May 6, 2010, the Monitor sent a Personal Information Statement to 3,271 Plan Members (the “**Known Plan Members**”) based on a list of such Known Plan Members provided by HCPH, which contained information obtained from HCPH’s records. Subsequently, Personal Information Statements were sent to certain additional persons based on requests made to the Monitor. For ease of reference and to assist this Honourable Court, a copy of a blank Personal Information Statement is attached as Appendix A to this Fifth Report.

11. Further, as required by the April 15 Order, the Monitor posted a copy of the notice substantially in the form attached as Schedule “B” to the April 15 Order (the “**Retiree Survey Process Notice**”) on its website. In addition, the Monitor published the Retiree Survey Process Notice in the National Post newspaper on May 11, 2010 and in the national edition of the Globe and Mail newspaper on May 12, 2010.
12. Pursuant to the April 15 Order, a Plan Member who wished to dispute any of the information set out in the Personal Information Statement or provide further information requested on the Personal Information Statement had until 5:00 p.m. (Toronto time) on June 18, 2010 to provide such information to the Monitor. The deadline of June 18, 2010 was extended to July 27, 2010 by an Order of this Honourable Court dated July 27, 2010 (the “**Retiree Audit Bar Date**”). Further details with respect to the Retiree Audit Survey Process are described in the Fourth Report of the Monitor dated October 13, 2010 (the “**Fourth Report**”). A copy of the Fourth Report is attached as Appendix B to this Fifth Report.
13. As of October 31, 2010, the Monitor has received 2,203 Personal Information Statements including certain Personal Information Statements that were received after the Retiree Audit Bar Date. The Applicant’s motion requests that this Honourable Court authorize the Parties to use and rely upon Personal Information Statements received up to November 12, 2010. The Monitor is of the view that since HCPH, Representative Counsel and the Monitor continue to review and seek additional supporting documentation from the Plan Members, there is no prejudice to accepting the Personal Information Statements received after the Retiree Audit Bar Date up to November 12, 2010.
14. HCPH, with the assistance of the Monitor, and Representative Counsel, has been diligently reviewing all Personal Information Statements returned to the Monitor and attempting to verify the information set out therein. HCPH, with the assistance of the Monitor is also compiling the verified information to be provided to Mercer for its analysis.
15. The April 15 Order provides that if HCPH and the Monitor are not able to verify

information contained in the Personal Information Statements, they may request additional information from, and attempt to resolve any discrepancies, with the applicable Plan Member and Representative Counsel. As set out in the Fourth Report, the Monitor has found a significant number of Personal Information Statements that did not include documentation to support information presented therein, as required by the form of Personal Information Statement approved in the April 15 Order. Further, the Monitor noted that a significant number of Personal Information Statements received were not signed and/or witnessed.

16. As described in the Fourth Report, the Monitor has, with the assistance of Representative Counsel, contacted the applicable Plan Members to communicate the inconsistencies noted and/or the relevant supporting documentation required. In many instances, the Monitor contacted certain Plan Members more than once when the Plan Member sent the Monitor only part of the information requested in the first call made by the Monitor. Further, Representative Counsel is contacting the applicable Plan Members to follow up on prior requests for relevant supporting documentation and/or discuss and resolve inconsistencies noted. Further to the e-mails, letters and calls made by the Monitor and Representative Counsel, many Plan Members have been providing the Monitor and/or Representative Counsel with supporting documentation required to verify information reported by Plan Members on their Personal Information Statements. In addition, the Monitor encouraged Plan Members to contact Representative Counsel if they are unable to obtain the required supporting documentation, to discuss the specific issues they face.
17. Accordingly, Plan Members were sent the Personal Information Statements in accordance with the April Order, and then, if a Plan Member returned the Personal Information Statements incomplete or lacking supporting documentation, the Plan Member was given additional opportunities to complete the Personal Information Statement or provide the relevant supporting documentation, first in response to the Monitor's request(s) and second, if necessary, in response to request(s) from Representative Counsel. A significant number of unsigned or otherwise incomplete or unsupported Personal Information Statements have been rectified through this follow up process. However, despite the best reasonable efforts of the Parties over many months, not all of these issues have been

resolved to date.

18. The following is an overview of the issues encountered with respect to certain of the Personal Information Statements along with the proposed recommendation, subject to authorization of this Honourable Court, as to how to address certain deficiencies and missing information from a number of the submitted PIS forms:

Unsigned Personal Information Statements

19. Despite repeated requests made to certain Plan Members to sign the Personal Information Statements, as of October 31, 2010, there were 36 Personal Information Statements that remain unsigned (the “**Unsigned Personal Information Statements**”). Further, there are 13 Personal Information Statements which have been completed and signed by a power of attorney (the “**POA**”), however, no document evidencing the power of attorney was provided as requested in section E of the Personal Information Statement. (Please refer to Section E of the blank Personal Information Statement attached as Appendix A to this Fifth Report).
20. Such Unsigned Personal Information Statements, which continue to remain unsigned or for which a POA document is not received by November 12, 2010 will be disregarded entirely due to the potential unreliability of such information. Instead, as contemplated in the draft order, the information contained in the records of HCPH in respect of those Personal Information Statements will be provided to Mercer to complete its valuation analysis of HCPH’s OPEB and Pension Plans.

Multiple Amendments, some but not all supported

21. As of October 31, 2010, approximately 19% of the Final Personal Information Statements include at least one amendment to the Personal Information Statement that has not been verified. Primarily, this is due to Plan Members not providing relevant supporting documentation to the Monitor to verify inconsistencies identified between the Final Personal Information Statements and HCPH’s records. In many instances, such Personal Information Statements also include certain amendments that *have* been verified by supporting documentation. The amendments on the Final Personal Information

Statements that have been verified by supporting documentation have been accepted by HCPH and HCPH's records have been updated accordingly.

22. HCPH, in consultation with the Monitor and Representative Counsel, is requesting the authorization of this Honourable Court to utilize and rely upon the verified information included in the Final Personal Information Statements even in circumstances in which other amendments are made on the same Personal Information Statement that are not verified and therefore not accepted (provided the Personal Information Statement is properly signed). As such, authority is sought to rely on the verified information without any further requirement to complete, verify, confirm or update the information contained in such Final Personal Information Statements or request any further information from the applicable Plan Members.

No Witness Signature

23. As of October 31, 2010, there were 67 Final Personal Information Statements that have not been witnessed (the "**Not Witnessed Personal Information Statements**") as required by the Personal Information Statement. Representative Counsel has requested HCPH and the Monitor to consider accepting any information presented in such Not Witnessed Personal Information Statements that has been otherwise verified by HCPH and the Monitor.
24. Representative Counsel is of the view that many of the Plan Members reside alone and it would be inconvenient and time consuming for such Plan Members to find a person to witness their signature. The Monitor recognises this possibility. Accordingly, HCPH is requesting that this Honourable Court authorize the Parties to utilize and rely upon any information included in the Not Witnessed Personal Information Statements for which the Plan Member has provided the appropriate supporting documentation and signed the Personal Information Statement.

Boxes Not Checked

25. As of October 31, 2010, there were 201 Final Personal Information Statements in which the boxes set out in Section F of the Personal Information have not been checked or

appropriately checked (the “**Box Not Checked Personal Information Statement**”) as required by the Personal Information Statement (Please refer to Section F of the blank Personal Information Statement attached as Appendix A to this Fifth Report).

26. Representative Counsel has requested HCPH and the Monitor to consider accepting any information presented on such Box Not Checked Personal Information Statements that has been verified by HCPH and the Monitor. Based on discussions with HCPH, the Monitor is of the view that the acceptance of verified information presented on such Box Not Checked Personal Information Statements will not prejudice the Retiree Audit Survey Process. Accordingly, HCPH is requesting that this Honourable Court authorize the Parties to utilize and rely upon any information included in the Box Not Checked Personal Information Statements for which the Plan Member has provided the appropriate supporting documentation.

Social Insurance Number Supporting Documentation

27. In addition, as of October 31, 2010, there were 2 Final Personal Information Statements which included Plan Member Social Insurance Numbers (“**SIN**”) that were not verified and 172 Final Personal Information Statements which included Plan Member’s spouses SINs that were not verified (the “**Unverified SINs**”). In each of these cases, Plan Members did not deliver supporting documentation to verify the Social Insurance Numbers provided in the Final Personal Information Statements. (Please refer to Section B and Section C of the blank Personal Information Statement attached as Appendix A to this Fifth Report).
28. Representative Counsel has requested HCPH and the Monitor to consider accepting any Unverified SINs without the need for Plan Members to provide supporting documentation. Based on discussions with HCPH and Mercer, the Monitor is of the view that the acceptance of Unverified SINs will not prejudice the Retiree Audit Survey Process as Mercer has advised it uses SINs primarily as unique identifiers of each of the Plan Members and spouses, where applicable, and not as part of the valuation calculation. Accordingly, HCPH is requesting that this Honourable Court authorize the Parties to utilize and rely upon any SINs that have been provided without supporting

documentation.

29. The Monitor is of the view that the proposals outlined above for accepting information without demanding compliance with certain requirements originally set out on the Personal Information Statements will not prejudice the Retiree Audit Survey Process and will prevent delay in delivering information to the actuaries and other service providers for purposes of completing the valuation analysis.

STATUS OF THE SALE OF THE APPLICANT'S ABCP

30. As described in the Kram Affidavit, HCPH held investments in certain ABCP. HCPH's ABCP holdings comprise multiple types and classes of MAV ABCP Notes (the "**ABCP Notes**") with a total face value of U.S. \$14.4 million.
31. In the July 27 Order, this Honourable Court authorized HCPH to sell all or a part of its ABCP Notes in accordance with the procedure described in the Third Report. Further to the sales process set out in detail in the Fourth Report, HCPH selected the firm bid from the highest bidder, Chapdelaine Credit Partners, a division of Chapdelaine & Co. ("**Chapdelaine**") who bid on all of HCPH's ABCP holdings for US\$ 7,002,525.
32. The sale of HCPH's ABCP Notes settled on October 13, 2010, following which the Monitor filed a Monitor's Certificate (the "**Monitor's Certificate**") setting out the name of the purchaser, the ABCP sold and the purchase price and certifying that the purchase price has been received. Upon the filing of the Monitor's Certificate, all of HCPH's rights, title and interest in the ABCP Notes vested in the purchaser free and clear of encumbrances.
33. On November 1, 2010, HCPH converted the proceeds received from the sale of its ABCP notes from U.S. currency to Canadian currency to immunize the proceeds from currency fluctuations. As a result, the proceeds are now held in the same currency as the majority of HCPH's liabilities.

POSTMEDIA LIABILITY RELEASE

34. As described in the Fourth Report, in order to address a concern raised by Postmedia that

it not have liability for investment or management of certain transferred plan assets prior to the date of their transfer, HCPH sought an order from this Honourable Court that, subject to the consent of Financial Services Commission of Ontario for and following the transfer of assets from HCPH to Postmedia, Postmedia shall have no liability for any claims relating to the administration or investment of the transferred employees' account balances prior to the date of such transfer. At the hearing on October 14, 2010, the motion with respect to that paragraph of the Order (the “**Adjourned Order**”) was adjourned to November 8, 2010 to allow time for further discussions between Communication s Workers of America (“**CWA**”) counsel and Representative Counsel.

The Monitor understands that a meeting took place between CWA counsel and Representative Counsel on November 1, 2010. As of the date of this Report, the Monitor understands that discussions are ongoing between CWA counsel and Representative Counsel and that HCPH is requesting that the Adjourned Order be granted by this Honourable Court on November 8, 2010.

RECOMMENDATIONS

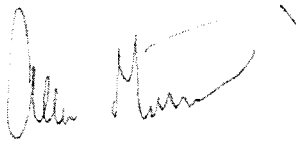
35. The Monitor supports the relief sought by the Applicant and recommends that the following orders be made, if this Honourable Court sees fit:
- i) an order authorizing the Parties to utilize and rely upon the Final Personal Information Statements received up to November 12, 2010, without any further requirement to complete, verify, confirm or update any verified information contained therein, or request further supporting documentation;
 - ii) an order deeming the information contained in the records of HCPH correct if there is an inconsistency between HCPH’s records and any Final Personal Information Statements where such Final Personal Information Statements are not supported with relevant supporting documentation (with certain exceptions described in this Report);
 - iii) an order declaring that the Final Personal Information Statements and supporting documentation may be disclosed to and relied upon by HCPH’s actuaries and third party service providers;

- iv) an order declaring that the Parties along with HCPH's third party service providers shall have no liability in connection with using and relying upon the Final Personal Information Statements or the information contained in HCPH's records in accordance with the order sought and the other orders in these CCAA proceedings;
- v) an order that Postmedia has no further liability in respect of the administration and investment of certain transferred pension assets following the pension asset transfer from the Hollinger Canadian Publishing Holdings Co. Pension Plan for the Employees of Newspapers Formerly Owned by Thomson Newspapers, Registration No. 1033786 to the CanWest Pension Plan for Vancouver Island Employees, B.C. Registration No. 086435; and
- vi) an order approving this Fifth Report and the conduct and activities of the Monitor as reported on herein.

All of which is respectfully submitted this 5th day of November, 2010.

ERNST & YOUNG INC.
in its capacity as Court Appointed Monitor of
Hollinger Canadian Publishing Holdings Co.

Per:



Alex Morrison
Senior Vice President

Simone Carvalho
Vice President

APPENDIX A

Name and Address

IN THE MATTER OF HOLLINGER CANADIAN PUBLISHING HOLDINGS CO.
CCAA PROCEEDINGS
PERSONAL INFORMATION STATEMENT

Personal Information Statement for:

Name and Address

Please review the information below and mark any information that is incorrect. Please return this document to the Monitor with either your confirmation or changes by email, fax or mail to the address below, by no later than June 18, 2010 at 5:00 p.m. (EST). If you have any questions, please contact the Monitor at 1-888-274-4344 or email at hcpm.monitor@ca.ey.com.

**Ernst & Young Inc.
Court-appointed Monitor of Hollinger Canadian Publishing Holdings Co.
222 Bay Street
P.O. Box 251
Toronto, ON M5K 1J7
Fax: 416 943 3300
Attention: Franca Mazzulla**

(A) Plans:

HCPH's records indicate that you are a recipient of or entitled to benefits under the following HCPH Plans.

Please provide supporting documentation (such as copy of bank statement or correspondence attached to benefit payments received from a plan provider) for any corrections or additions, if applicable:

	Plan Name and Number	Plan Description	Corrections, if any
RPP			
OPEB			
OPEB			

Personal Information Statement
Last Name, First Name

Hollinger Canadian Publishing Holdings Co.
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(B) Personal Data:

	Per HCPH's records	Mark an «X» if you agree	Provide Correction to Personal Data with supporting documentation if HCPH's records are incorrect
Name			
Address			
Phone Number			
Email			
Date of Birth			
Social Insurance Number			
Gender			
Designated Beneficiary per HCPH's records (Pension)			
Designated Beneficiary per HCPH's records (Life Insurance)			

(C) Spousal Information (to be completed if you have a spouse who is entitled to receive benefits under one or more of the above-noted Plans as a surviving spouse):

	Per HCPH's records	Mark an «X» if you agree	Provide Correction to Spousal information with supporting documentation if HCPH's records are incorrect
Name of Spouse, if any			
Spouse's Date of Birth			
Surviving Spouse Benefit (Y/N)			
Spouse's Address			
Spouse's Email			
Spouse's Social Insurance Number			

(D) Work History:

	Per HCPH's records	Mark an «X» if you agree	Provide Correction to Work History with supporting documentation information if HCPH's records are incorrect
Employment Status (retired, active, LTD)			
Date of retirement			
Name of Employer at the time of retirement			

Personal Information Statement

Hollinger Canadian Publishing Holdings Co.

Last Name, First Name

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(E) Section to be completed only if you are a Power Of Attorney ("POA"):

If, as a holder of a valid power of attorney, you have completed and signed this questionnaire on behalf of the retiree, please print below your full name, address, telephone number, and e-mail address. In addition to this questionnaire, please send us a copy of the power of attorney.

Name	
Address	
Phone Number	
E-mail Address	

(F) Confirmation of Personal Information:

I have read this Personal Information Statement and I confirm that (*check all that apply*):

- ☐ the information shown above under sections (A), (B), (C) and (D) are accurate;
OR
☐ I have indicated any required corrections above, in sections (A), (B), (C) and (D);
- ☐ if I have provided or confirmed personal information of any spouse or beneficiary on this Personal Information Statement, I have the consent of the spouse or beneficiary to provide the personal information.

Signature

Date

Status (e.g. retiree, surviving spouse, POA, other)

Signature of witness (other than the spouse
or children)

Name of witness (print)

()
Telephone
number of
witness

**ONE COPY OF THIS FORM MUST BE RETURNED
TO THE MONITOR, BY NO LATER THAN 5:00 P.M. (EASTERN
STANDARD TIME) ON JUNE 18, 2010**

APPENDIX B

ONTARIO

SUPERIOR COURT OF JUSTICE

COMMERCIAL LIST

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF
HOLLINGER CANADIAN PUBLISHING HOLDINGS CO.

Applicant

FOURTH REPORT OF THE MONITOR
DATED OCTOBER 13, 2010

INTRODUCTION

1. On December 10, 2009 Hollinger Canadian Publishing Holdings Co. ("**HCPH**" or the "**Applicant**") filed for and obtained protection under the *Companies' Creditors Arrangement Act* ("**CCAA**"). Pursuant to the Order of this Honourable Court dated December 10, 2009 (the "**Initial Order**"), Ernst & Young Inc. ("**EYI**") was appointed as the Monitor of the Applicant (the "**Monitor**") in the CCAA proceeding. The Initial Order also appointed Mr. Dennis Byrd as the Chief Restructuring Officer (the "**CRO**") of the Applicant and appointed the law firm of Koskie Minsky LLP as representative counsel (the "**Representative Counsel**") for all members and beneficiaries of the OPEB Plans (defined below) in respect of issues affecting such members and/or beneficiaries in the HCPH CCAA proceedings. By order dated July 27, 2010, Representative Counsel was also appointed as counsel for members and beneficiaries of the Pension Plans (defined below) for or in respect of any issues affecting such members and/or beneficiaries in respect of the Pension Plans in the HCPH CCAA proceedings.
2. The Initial Order provided for a stay of proceedings through to January 8, 2010. The stay of proceedings was subsequently extended to April 15, 2010, then August 16, 2010, and

then, pursuant to an Order of this Honourable Court dated July 27, 2010, it was further extended to October 29, 2010 (the “**Stay Period**”).

PURPOSE

3. The purpose of this Fourth Report of the Monitor (the “**Fourth Report**”) is to report to this Honourable Court with respect to:

- i) the status of the Applicant’s survey process to update its information with respect to its former employees and retirees (the “**Retiree Audit Survey Process**”);
- ii) the status of the Applicant’s claims process (the “**Claims Procedure**”) to identify claims other than pension and benefit claims;
- iii) the status of the Applicant’s process to sell all or part of the Applicant’s Asset Based Commercial Paper holdings (the “**ABCP**”);
- iv) the Applicant’s motion for an Order:
 - a. authorizing the Applicant to make certain commuted value payments from certain of the Pension Plans in respect of death benefits (defined below);
 - b. authorizing the winding up of the Pension Plans with a proposed effective date of December 31, 2010;
 - c. that Postmedia Networks Inc. (“**Postmedia**”) has no liability in respect of the administration and investment of certain transferred pension assets in respect of the period prior to the pension asset transfer from the Hollinger Canadian Publishing Holdings Co. Pension Plan for the Employees of Newspapers Formerly Owned by Thomson Newspapers, Registration No. 1033786 to the CanWest Pension Plan for Vancouver Island Employees, B.C. Registration No. 086435, which is administered by Postmedia;
- v) actual receipts and disbursements of the Applicant from July 12, 2010 to October 3, 2010 as well as the Applicant’s cash flow projection from October 4, 2010 to February 6, 2011;
- vi) the motion by the Applicant to extend the Stay Period to January 31, 2011; and
- vii) the Applicant’s motion to approve this Fourth Report and the conduct and

activities of the Monitor as set forth herein.

TERMS OF REFERENCE

4. In preparing this Fourth Report and in making the comments herein relied upon, EYI has been provided with unaudited financial information, the Applicant's books and records, financial information prepared by the Applicant, and has had discussions with management of the Applicant. EYI has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of such information and, accordingly, EYI expresses no opinion or other form of assurance in respect of such information contained in this Fourth Report. Some of the information referred to in this Fourth Report consists of forecasts and projections. An examination or review of the financial forecast and projections, as outlined in the Canadian Institute of Chartered Accountants Handbook, has not been performed. Future oriented financial information referred to in this report was prepared based on management's estimates and assumptions. Readers are cautioned that since projections are based upon assumptions about future events and conditions that are not ascertainable, the actual results may vary from the projections, even if the assumptions materialize, and the variations could be significant.
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primarily of the administration of two unfunded retirement plans and certain other post-employment benefits plans (collectively with the unfunded retirement plans, the “**OPEBs**”) and six registered pension plans (the “**Pension Plans**”) for in excess of 3,000 former employees (the OPEB members and the Pension Plan members are collectively referred to as the “**Plan Members**”). Further details with respect to the OPEBs and Pension Plans are described in the Affidavit of Thomas L. Kram dated December 8, 2009 (the “**Kram Affidavit**”).

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Monitor.

13. As described in the Third Report, as of July 26, 2010, the Monitor had received 2,171 Personal Information Statements including 64 Personal Information Statements that were received after the June 18, 2010 deadline. Further to the request from HCPH, on July 27, 2010, this Honourable Court authorized and directed the Monitor to accept and receive such Personal Information Statements up to July 27, 2010.
14. HCPH, with the assistance of the Monitor, and Representative Counsel, is completing the review of all Personal Information Statements returned to the Monitor and verifying the information set out therein. HCPH, with the assistance of the Monitor and Representative Counsel, is also compiling the verified information to be provided to Mercer for its analysis.
15. The April 15 Order provides that if HCPH and the Monitor are not able to verify information contained in the Personal Information Statements, they may request additional information from, and attempt to resolve any discrepancies with the applicable Plan Member and Representative Counsel. Based on the review to date, the Monitor has found a significant number of Personal Information Statements that did not include supporting documentation to support information presented therein, as required by the form of Personal Information Statement approved in the April 15 Order. Further, the Monitor notes that a significant number of Personal Information Statements received were not signed and/or witnessed.
16. The Monitor has, with the assistance of Representative Counsel, contacted the applicable Plan Members to communicate the inconsistencies noted and/or the relevant supporting documentation required. In many instances, the Monitor contacted certain Plan Members more than once when the Plan Member sent the Monitor only part of the information requested in the first call made by the Monitor. Further, Representative Counsel is contacting the applicable Plan Members to follow up on prior requests for relevant supporting documentation and/or discuss and resolve inconsistencies noted. Further to the calls made by the Monitor and Representative Counsel, Plan Members have been providing the Monitor and/or Representative Counsel with supporting documentation

required to verify information reported by Plan Members on their Personal Information Statements, but not all such supporting documentation has been received as of the date of this Fourth Report. In addition, the Monitor encouraged Plan Members to contact Representative Counsel if they are unable to obtain the required supporting documentation, to discuss the specific issues they face.

STATUS OF THE CLAIMS PROCEDURE

17. In the Claims Procedure Order, granted on April 15, 2010, this Honourable Court established a Claims Procedure to identify any creditor claims other than claims in respect of the OPEB and Pension Plans and claims secured by charges in the Initial Order or any further charge ordered by this Honourable Court.
18. Pursuant to the Claims Procedure Order, the Monitor sent a claims package including a copy of an instruction letter and a proof of claim form (the “**Claims Package**”) to all Known Creditors (as defined in the Claims Procedure Order) identified by HCPH. Subsequently, Claims Packages were sent to certain additional persons based on requests made to the Monitor.
19. Further, as required by the Claims Procedure Order, the Monitor posted a copy of the notice substantially in the form attached as Schedule “A” to the Claims Procedure Order (the “**Notice to Creditors**”) on its website. In addition, the Monitor published the Notice to Creditors in the National Post newspaper on May 17, 2010 and in the national edition of the Globe and Mail newspaper on May 18, 2010.
20. Pursuant to the Claims Procedure Order a creditor asserting a claim, including a Restructuring Claim (as defined in the Claims Procedure Order) arising prior to May 15, 2010 was required to do so by delivering a proof of claim to the Monitor by 5:00 p.m. (Toronto time) on June 18, 2010 (the “**Claims Bar Date**”). Further the Claims Procedure Order set out that any person asserting a Restructuring Claim arising after May 15, 2010 is required to do so by the “Restructuring Claims Bar Date”, which is defined in the Claims Procedure Order as 5:00 p.m. (Eastern Standard Time) on the date established for such purposes by further order of this Court” (the “**Restructuring Claims Bar Date**”).

21. Pursuant to the Order of this Honourable Court dated July 27, 2010 (the “**July 27 Order**”), the Restructuring Claims Bar Date was set at 5:00 p.m. (Eastern Standard Time) on the 30th day following the date on which an applicable notice of the restructuring, termination, disclaimer, or repudiation of any contract is sent by HCPH to the applicable creditor.
22. To date, the Monitor has received 13 claims totalling approximately \$38.5 million. The Monitor is reviewing the claims received and will, in consultation with HCPH and the CRO, analyse these claims based on the books and records of HCPH. No claims have been accepted by the Monitor to date.

STATUS OF THE SALE OF THE APPLICANT’S ABCP

23. As described in the Kram Affidavit, HCPH held investments in certain ABCP. HCPH’s ABCP holdings comprise multiple types and classes of MAV ABCP Notes (the “**ABCP Notes**”) with a total face value of U.S. \$14.4 million.
24. In the July 27 Order, this Honourable Court authorized HCPH to sell all or a part of its ABCP Notes in accordance with the procedure described in the Third Report. As described in the Third Report, the Applicant proposed a two step process to sell its ABCP Notes. The first step was to gain more information as to the market value and marketability of the ABCP Notes and the second step was for HCPH, in consultation with the Monitor to select an option that would maximize recovery to the stakeholders and either (i) elect to retain an investment advisor for the sale of the ABCP or (ii) proceed to sell ABCP directly to one or more interested investors if, in the view of HCPH and the Monitor there was sufficient interest from investors and recovery for HCPH’s stakeholders would be maximized by proceeding with a direct sale, or (iii) report further to this Court.
25. Further to the July 27 Order, HCPH, with the assistance of the Monitor contacted seven interested parties who are known brokers or purchasers of ABCP notes in the established “over-the counter” market for ABCP. The interested parties included brokers and direct purchasers of ABCP notes. In order to gain more information as to the market value and

marketability of its ABCP Notes, HCPH provided the interested parties with an inventory of its ABCP Notes and requested the interested parties to provide indicative bids for the ABCP Notes. The indicative bids received by HCPH ranged from US\$ 5.1 million to US\$ 6.6 million. Further, HCPH, with the assistance of the Monitor investigated the possibility of engaging a broker for the possible sale of the ABCP Notes, including interviewing and evaluating well-known brokers of ABCP. Further to such interviews with prospective brokers, HCPH, in consultation with the Monitor determined that there was sufficient interest from investors and the recovery for HCPH's stakeholders would be maximized by proceeding with a direct sale.

26. Further to the receipt of the indicative bids, on October 7, 2010, HCPH invited firm bids from all seven interested parties previously contacted. HCPH received five bids which included three bids for all of HCPH's holdings, and two bids for part of HCPH's holdings. The three bids which included all of HCPH's holdings ranged from approximately US\$ 6.8 million to US\$ 7.0 million. HCPH, with the assistance of the Monitor analysed the firm bids received and based on the analysis of the firm bids received, HCPH selected the firm bid from the highest bidder, Chapdelaine Credit Partners, a division of Chapdelaine & Co. ("**Chapdelaine**") who bid on all of HCPH's ABCP holdings for US\$ 7,002,525. The sale of HCPH's ABCP notes is expected to settle on or about October 13, 2010.
27. As set out in the July 27 Order, HCPH, in consultation with the Monitor may elect to effect the sale of HCPH's ABCP Notes by the filing of a Monitor's Certificate (the "**Monitor's Certificate**") setting out the name of the purchaser, the ABCP sold and the purchase price and certifying that the purchase price has been received. Upon the filing of the Monitor's Certificate, all of HCPH's rights, title and interest shall vest in the purchaser free and clear of encumbrances.
28. Accordingly, once the Monitor receives confirmation that HCPH has received the funds from the sale of its ABCP Notes to Chapdelaine, the Monitor will file the Monitor's Certificate with this Honourable Court.

PAYMENT OF CERTAIN COMMUTED VALUE AMOUNTS FROM CERTAIN OF THE PENSION PLANS IN RESPECT OF DEATH BENEFITS

29. As described in the First Report of the Monitor dated January 5, 2010 (the “**First Report**”), the Initial Order required the Applicant together with any person or entities performing administrative or payment functions in respect of the OPEBs and the Pension Plans to continue to make such payments to the Plan Members as prescribed by the terms of the Pension Plans and OPEBs (the “**Pension and Benefits Payments and Contributions**”). The Monitor is not aware of any interruption to such Pension and Benefits Payments and Contributions.
30. Subsequent to the Initial Order, the April 15 Order permitted the payment of certain amounts described in the Second Report of the Monitor dated April 14, 2010 (the “**Second Report**”). Such payments included the return of contributions to members who are non-vested members of the Pension Plans, the retroactive payment of certain missed pension payments to certain members of the Pension Plans and payment of the present value of pension benefits (“**Commuted Value**”) of a member’s pension in respect of Plan Members who are entitled to a Commuted Value payment where the amount of the Plan Members’ benefit does not exceed the statutory threshold permitted for such commutation of benefits (“**Small Pensions Amounts**”). However, the April 15 Order prohibits HCPH from making any commuted value payments unless such commuted value payments are in respect of statutory Small Pension Amounts, without further Order of this Honourable Court.
31. As stated in the affidavit of Mr. Dennis Byrd dated October 12, 2010 (the “**Byrd Affidavit**”), HCPH has received and expects to receive a small number of requests from the survivors of members or former members of the Pension Plans for payment of pre-retirement lump sum benefits in the normal course of operation of the Pension Plans. Accordingly, HCPH seeks the authorization of this Honourable Court to proceed with the payment of such pre-retirement death lump sum benefits where such form of payment is mandated or permitted by the terms of the Pension Plans and applicable pension legislation, in order to facilitate final settlements to such survivors, whether prior to or

following the date of this Order.

WINDING UP OF THE PENSION PLANS

32. As set out earlier in this Report, HCPH manages the administration of six registered Pension Plans. Further details with respect to the Pension Plans are described in the Kram Affidavit.
33. As set out in the Byrd Affidavit, HCPH, in consultation with the Monitor and Representative Counsel, has determined that a complete wind down of the Pension Plans is necessary in order to establish the value of the respective entitlements of the members and beneficiaries of the Pension Plans and the related liabilities of the Pension Plans.
34. After consideration of factors relevant to determine the effective date for the winding up of the Pension Plans, HCPH, in consultation with Representative Counsel and the Monitor, has determined that a proposed effective date of December 31, 2010 is appropriate for the wind up of the Pension Plans. Further details with respect to the winding up of the Pension Plans are described in the Byrd Affidavit.
35. The wind up of the Pension Plans is governed by the requirements of applicable pension legislation and is subject to a detailed regulatory approval process which includes the issuance and transmittal of notices of the proposed wind ups to members and beneficiaries of the Pension Plans and other persons required under applicable legislation, the preparation by the actuaries and filing of wind up reports and other wind up documentation with the applicable pension regulators, and the issuance of individual wind up statements to affected wind up members.
36. The Monitor concurs with HCPH's view and the Monitor understands that Representative Counsel also agrees with HCPH's decision to wind up the Pension Plans and HCPH's proposed wind up date, subject to further order of this Honourable Court.

POSTMEDIA'S LIABILITY WITH RESPECT TO CERTAIN PENSION ASSETS

37. The July 27 Order authorized HCPH to apply to the Superintendent of Financial Services of Ontario ("FSCO") for consent to transfer certain assets from the Hollinger Canadian

Publishing Holdings Co. Pension Plan for the Employees of Newspapers Formerly Owned by Thomson Newspapers to the CanWest Global Communications Corporation (“CanWest”) Pension Plan for Vancouver Island Employees, B.C. Registration No. 086435.

38. As described in the Byrd Affidavit, the Monitor understands that the obligation of CanWest has been assumed by Postmedia, which has assumed sponsorship of the CanWest Plan following a restructuring of CanWest. As further described in the Byrd Affidavit, in order to address a concern raised by Postmedia that it not have liability for investment or management of such plan assets prior to the date of their transfer, HCPH requests that this Honourable Court order that, subject to the consent of FSCO for and following the transfer of assets from HCPH to Postmedia, Postmedia shall have no liability for any claims relating to the administration or investment of the transferred employees' account balances prior to the date of such transfer

ACTUAL CASH RECEIPTS AND DISBURSEMENTS

39. A summary of the actual receipts and disbursements of the Applicant as compared to the projection set out in the Third Report is attached as Appendix “A” to this Fourth Report.
40. The Applicant’s actual consolidated net cash outflow for the period from July 12, 2010 to October 3, 2010 was \$2.34 million. The actual net cash outflow was higher than projected by approximately \$128,000 primarily due to higher than anticipated restructuring costs. The higher restructuring costs are primarily due to the follow up required to resolve inconsistencies in the Retiree Audit Survey Process. A detailed variance analysis is set out in Appendix A to this Fourth Report.

UPDATED CASH FLOW PROJECTION

41. HCPH, with the assistance of the Monitor, has prepared a cash flow projection (the “Cash Flow Forecast”) for the period from October 4, 2010 to February 6, 2011 (the “Projection Period”), a copy of which is attached as Appendix “B” to this Fourth Report. The Cash Flow Forecast has been prepared by management of HCPH, using probable and hypothetical assumptions set out in notes 1 to 11 attached to the Cash Flow

Forecast. The Cash Flow Forecast reflects receipts and disbursements to be received or paid over the Projection Period in Canadian dollars.

42. The Applicant is projecting a net cash inflow of approximately \$4.6 million during the Projection Period primarily due to the sale of HCPH's ABCP Notes.
43. The Cash Flow Forecast projects that the Applicants will have sufficient liquidity to operate during the proposed Stay Period.
44. Based on the Monitor's review of the Cash Flow Forecast, the assumptions developed by management are suitably supported and provide a reasonable basis for the Cash Flow Forecast. Further, the Cash Flow Forecast reflects these assumptions and is consistent with the plans of HCPH.

STAY EXTENSION

45. The current stay of proceedings under the Initial Order expires on October 29, 2010. The Applicant is seeking an extension of the stay period to January 31, 2011 in order to permit HCPH the time to complete the Retiree Audit Survey Process, the Claims Procedure, continue to share information with Representative Counsel, provide updated information obtained through the Retiree Audit Survey Process to Mercer and begin the process of analyzing long term alternatives with respect to addressing its liabilities.
46. It is the Monitor's view that the Applicant has acted in accordance with the Initial Order and that the Applicant is acting in good faith and with due diligence.

RECOMMENDATIONS

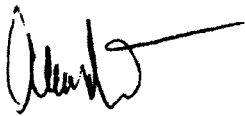
47. The Monitor supports the relief sought by the Applicant and recommends that the following orders be made, if this Honourable Court sees fit:
 - i) an order authorizing the Applicant to make certain commuted value payments from certain of the Pension Plans in respect of death benefits;
 - ii) an order authorizing the winding up of the Pension Plans with a proposed effective date of December 31, 2010;

- iii) an order that Postmedia has no further liability in respect of the administration and investment of certain transferred pension assets following the pension asset transfer from the Hollinger Canadian Publishing Holdings Co. Pension Plan for the Employees of Newspapers Formerly Owned by Thomson Newspapers, Registration No. 1033786 to the CanWest Pension Plan for Vancouver Island Employees, B.C. Registration No. 086435;
- iv) an order extending the Stay Period to January 31, 2011; and
- v) an order approving this Fourth Report and the conduct and activities of the Monitor as reported on herein.

All of which is respectfully submitted this 13th day of October, 2010.

ERNST & YOUNG INC.
in its capacity as Court Appointed Monitor of
Hollinger Canadian Publishing Holdings Co.

Per:



Alex Morrison
Senior Vice President

Simone Carvalho
Vice President

APPENDIX A

Hollinger Canadian Publishing Holding Co
Cumulative Consolidated Receipts and Disbursements
For the Period July 12, 2009 to October 3, 2010

	Actual	Projection	Variance	Note
OPENING BANK BALANCE (In \$CDN)	20,698	20,697	1	
RECEIPTS				
MAV II ABCP Note Payments Received	7	-	7	
Interest Income	25	12	13	
Other	53	-	53	1
Total Receipts	85	12	74	
DISBURSEMENTS				
Payroll	(71)	(64)	(7)	
Consultants	(10)	(12)	2	
Registered Pension Plan Contributions	(24)	(38)	14	
Unfunded Pension Plan Payments	(488)	(500)	12	
Post Employment and Post Retirement Benefits	(481)	(445)	(36)	
General & Administrative Costs	(37)	(44)	7	
Restructuring Costs	(1,313)	(1,121)	(192)	2
Total Disbursements	(2,425)	(2,224)	(201)	
NET CASH INFLOW/(OUTFLOW)	(2,340)	(2,211)	(128)	
CLOSING BANK BALANCE	18,357	18,485	(128)	
MAVII ABCP Notes (Book Value)	14,400	14,400	-	
Indemnity Trust (not available to HCPH)	8,956	8,969	(13)	
(Note: This trust is irrevocable and the assets within the trust cannot be used of the benefit of HCPH until the termination of the trust.)				

**Hollinger Canadian Publishing Holding Co. (“Applicant”)
Combined Actual Receipts and Disbursements
For the Period July 12, 2010 to October 3, 2010
Variance Analysis**

The actual receipts and disbursements are denominated in Canadian dollars. U.S. dollars are converted to Canadian dollars at the month end exchange rate as published by the Bank of Canada. In the projection, U.S. dollars are converted to Canadian dollars at the exchange rate of US\$1.00=CDN\$1.07.

1. **Other Income** – The positive variance is primarily due to the receipt of funds as a result of the settlement with HIPI [define] with respect to the cancellation of a previous letter of credit.
2. **Restructuring costs** – The unfavourable variance is primarily due to higher than anticipated restructuring costs primarily due to additional follow up required with respect to the Retiree Audit Survey process as described further in the Fourth Report of the Monitor dated October 13, 2010.

APPENDIX B

Hollinger Canadian Publishing Holdings Co. ("Applicant") Cash Flow Projection
For The Period From October 4, 2010 to February 6, 2011
(In Thousands of Canadian Dollars)

Week Ending	Notes	10-Oct	17-Oct	24-Oct	31-Oct	7-Nov	14-Nov	21-Nov	28-Nov	5-Dec	12-Dec	19-Dec	26-Dec	2-Jan	9-Jan	16-Jan	23-Jan	30-Jan	6-Feb	Total
Operating Bank Balance	1	18,357	18,267	25,276	25,079	24,886	24,632	24,638	24,456	24,287	24,077	24,080	23,898	23,878	23,495	23,500	23,436	23,267	23,062	18,357
Receipts																				
MAV II ABCP Note Payments Received	2	-	7,206	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7,206
Interest Income	3	7	7	-	7	-	9	-	9	-	9	-	9	-	9	-	8	-	-	84
Total Receipts		7	7,213	-	7	-	9	-	9	-	9	-	9	-	9	-	8	-	-	7,289
Disbursements																				
Payroll	4	(8)	(17)	-	-	-	(6)	(17)	-	(6)	(6)	(17)	-	(6)	-	(6)	(11)	(6)	-	(100)
Consultants	5	-	(2)	-	(2)	-	(2)	-	-	(2)	-	(2)	-	(2)	-	-	(2)	-	(2)	(18)
Registered Pension Plan Contributions	6	-	(3)	-	(27)	-	-	-	-	(8)	-	-	(5)	-	-	-	-	(9)	-	(80)
Unfunded Pension Plan Payments	7	-	-	-	-	-	(162)	-	-	(162)	-	-	-	(162)	-	-	-	-	(162)	(648)
Post Employment and Post Retirement Benefits	8	(20)	(58)	(88)	-	(27)	19	(111)	-	(27)	19	(111)	-	(27)	21	(44)	(105)	(27)	21	(566)
General & Administrative Costs	9	(9)	(2)	(5)	(2)	(2)	(2)	(2)	(5)	(2)	(5)	(2)	(5)	(2)	(5)	(2)	(2)	(5)	(2)	(67)
Restructuring Costs	10	(60)	(171)	(54)	(169)	(54)	(18)	(53)	(163)	(13)	(18)	(53)	(18)	(13)	(18)	(13)	(58)	(158)	(18)	(1,260)
Total Disbursements		(98)	(253)	(147)	(200)	(254)	(3)	(182)	(178)	(210)	(210)	(6)	(182)	(29)	(383)	(64)	(177)	(205)	(162)	(2,738)
Net Weekly Cash Flows		(91)	6,959	(147)	(193)	(254)	6	(182)	(169)	(210)	3	(182)	(20)	(383)	5	(64)	(168)	(205)	(154)	4,551
Closing Bank Balance		18,267	25,226	25,079	24,886	24,632	24,638	24,456	24,287	24,077	24,080	23,898	23,878	23,495	23,500	23,436	23,267	23,062	22,908	22,908

MAV II ABCP Notes (Book Value) 2 14,400

Indemnity Trust (not available to HCPH) 11 8,956
Note: This trust is irrevocable and the assets within the trust cannot be used for the benefit of HCPH until the termination of the trust.

**In the Matter of the CCAA of Hollinger Canadian Publishing Holdings Co.
("HCPH" or the "Applicant")
Notes to the Unaudited Cash Flow Projection**

Disclaimer:

In preparing this cash flow projection (the "**Cash Flow Forecast**"), the Applicant have relied upon unaudited financial information and the Applicant have not attempted to further verify the accuracy or completeness of such information. The Cash Flow Forecast includes estimates concerning the contributions to the registered pension plans, the unfunded pension plans and the post retirement and post employment benefit plans. Since the Cash Flow Forecast is based on assumptions about future events and conditions that are not ascertainable, the actual results achieved during the Cash Flow Forecast period will vary from the Cash Flow Forecast, even if the assumptions materialize, and such variation may be material. There is no representation, warranty or other assurance that any of the estimates, forecasts or projections will be realized.

Overview:

The Applicant has prepared the Cash Flow Forecast based primarily on historical payments. Receipts and disbursements are denominated in Canadian dollars.

Assumptions:

1) Opening Balance:

The opening cash balance of the Applicant and includes funds held in Canadian dollars and U.S. dollars that were converted into Canadian dollars at US\$ 1 = CDN\$ 1.029 exchange rate.

2) ABCP Note Receipts:

As discussed in the Fourth Report, the Applicant has entered into an agreement to sell all of the MAV II ABCP Notes for cash consideration of approximately US\$7.0 million, which is expected to be received in the week ending October 17, 2010. In the Cash Flow Forecast the sale value is converted to CDN\$ at the exchange rate of US\$ 1 = CDN\$ 1.029.

3) Interest Income:

Interest income on available cash is earned at a projected rate of 1% and projected to be received bi-weekly.

4) Payroll:

Payroll represents projected salaries and benefit costs to three employees who are based in HCPH's Toronto office and the cost of a Sun Times Media Productions employee in Chicago.

5) Consultants:

Consultants represent projected costs to certain legal and other advisors assisting HCPH with non-restructuring issues.

6) Registered Pension Plan Contributions:

HCPH has certain registered pension plans for its former employees. Further details of such plans are presented in the affidavit of Thomas L. Kram filed in connection with the application for an initial order pursuant to the Companies' Creditors Arrangement Act (the "**Kram Affidavit**"). The projected payments included in this Cash Flow Forecast represent funding payments to the pension plans based on the most recent valuation reports received by HCPH from Mercer. The projected payments are calculated based on the minimum employer contributions identified by Mercer for each of the plans.

7) Unfunded Pension Plan Payments:

HCPH has two unfunded pension plans that provide retirement and certain death benefits for certain former employees based on individual arrangements with each of the employees included in these plans. Further details of such plans are presented in the Kram Affidavit. The projected payments included in this Cash Flow Forecast are based on historical run rates.

8) Post Employment and Post Retirement Benefits:

HCPH has several post employment and post retirement benefit programs for its former employees. Further details of such programs are presented in the Kram Affidavit. The projected payments included in this Cash Flow Forecast are based on historical run rates for each of the benefit plans.

9) General and Administrative Costs:

General and Administrative costs represent projected costs for rent for HCPH's Toronto office, utilities, office supplies and storage costs.

10) Restructuring Costs:

Restructuring costs include projected costs related to the fees of the Chief Restructuring Officer, HCPH's counsel, the Monitor and its counsel and representative counsel for the post employment and post retirement plan members.

11) Indemnity Trust (not available to HCPH):

The Indemnity Trust balance represents cash held in a trust indenture (the "**Trust**") for certain indemnities and trust payments. As described in Kram Affidavit, this Trust is irrevocable and the assets within the Trust cannot be used for the benefit of HCPH until the termination of the Trust. Upon the termination of the Trust, any residual amount returns to HCPH. The restricted cash is reduced on a monthly basis for withdrawals related to professional fees for certain defamation actions not related to these CCAA proceedings as further described in the Kram Affidavit. The amount of the cash that will remain in the Trust at the end of the Cash Flow Forecast period cannot be determined.