Court File No.: 09-8503-00CL

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

SIXTH REPORT OF THE MONITOR DATED DECEMBER 31, 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 Sixth Report of the Monitor (the "**Sixth 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 wind up of five of the Pension Plans (defined below);

   iii) the status of the Applicant's claims process (the "**Claims Procedure**") to identify claims other than pension and benefit claims, and the Applicant's motion for an Order approving the settlement of the claim of 783783 Alberta Ltd. carrying on business as Vue Weekly ("**Vue Weekly**") on a without costs basis;

   iv) the Applicant's motion for an Order authorizing the Applicant to make a commuted value payment from one of the Pension Plans (defined below) in accordance with the Order of the Queen's Bench of Alberta Judicial District of Medicine Hat dated May 27, 2010 (the "**Alberta Order**");

   v) actual receipts and disbursements of the Applicant from October 4, 2010 to December 12, 2010 as well as the Applicant's cash flow projection from December 13, 2010 to May 8, 2011;

   vi) the motion by the Applicant to extend the Stay Period to May 2, 2011; and

   vii) the Applicant's motion to approve this Sixth Report and the conduct and activities of the Monitor as set forth herein.

TERMS OF REFERENCE

4. In preparing this Sixth 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 and the chief restructuring officer. 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 Sixth 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 Sixth 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 summarized in the Fifth Report of the Monitor dated November 5, 2010 (the "**Fifth Report**"), the Monitor complied with the process set out in the April 15 Order, including sending a survey questionnaire (a copy of which is attached as Appendix A to the Fifth Report (the "**Personal Information Statement**")) to 3,271 Plan Members identified on a list provided by HCPH based on information from HCPH's records, posting a notice in the requisite form on its website, and publishing notices in the National Post and Globe and Mail newspapers.

11. 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**").

12. By an Order of this Honourable Court dated November 8, 2010 (the "**November 8 Order**") this Honourable Court, among other things:

    i) authorized HCPH, the Monitor and Representative Counsel (the "**Parties**") to utilize and rely upon Personal Information Statements delivered to November 12, 2010 that were substantially completed, even if not witnessed or if certain boxes were not checked (and with certain other exceptions), for which the Plan Member provided the appropriate supporting documentation and signed the Personal Information Statement, with supporting documentation not required for social insurance numbers listed on such Personal Information Statements;

ii) deemed the information contained in the records of HCPH to be correct, with certain exceptions, where information provided on a Personal Information Statement is inconsistent with HCPH's records and not verified or confirmed by supporting documentation or otherwise to the satisfaction of HCPH and the Monitor in consultation with Representative Counsel; and

iii) ordered that supporting documentation and information derived from the audit survey process and otherwise contained in the records of HCPH, as described in the November 8 Order, may be provided to and relied upon by actuaries and others retained by HCPH for the purpose of determining liabilities in connection with the Pension Plans, with nothing preventing HCPH, the Monitor and Representative Counsel from updating such information if deemed necessary or advisable by HCPH and the Monitor in consultation with Representative Counsel.

13. 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**") and the Fifth Report.

14. As of November 12, 2010, the Monitor had received 2,203 Personal Information Statements. The Monitor received an additional three Personal Information Statements after November 12, 2010. Further, the Monitor continued to receive additional supporting documentation after November 12, 2010 primarily through Representative Counsel.

15. HCPH, with the assistance of the Monitor compiled the information received and verified up to November 30, 2010 (the "**Plan Member Information**") and sent the Plan Member Information to Mercer on December 2, 2010 for its analysis and for the wind up valuation of the Pension Plans. The Monitor expects to continue to receive additional information and intends to report to this Court further with respect to information received by HCPH and the Monitor after November 12, 2010 that may be verified and compiled by HCPH with the assistance of the Monitor and sent to Mercer prior to Mercer commencing its

valuation of the Pension Plans.

16. Mercer has advised that it has commenced its analysis of the Plan Member Information and it expects to complete its analysis by February, 2011. The Plan Member Information once analysed will be used by Mercer for the wind up valuation of the Pension Plans as described below. The Monitor has recently been advised that certain information required by Mercer for the valuation of the Pension Plans is neither contained in HCPH's records nor included in the additional information received from the Retiree Audit Survey Process either due to Plan Members not responding to the audit survey or not providing the required information. Such missing information includes dates of birth of the Plan Member and the Plan Member's spouse, the date of retirement and other spousal information. The Monitor will provide this Honourable Court with details related to the missing information in a future report.

WIND UP OF THE PENSION PLANS

17. HCPH, the Monitor and Representative Counsel have engaged in discussions with respect to the restructuring of the Pension Plans and OPEBs. On October 14, 2010, this Honourable Court granted an Order (the "**October 14 Order**"), authorizing the wind up of the Pension Plans with a proposed effective date of December 31, 2010. Discussions continued after the issuance of the October 14, 2010 Order and, further to those discussions, HCPH, in consultation with Representative Counsel and the Monitor commenced the process to wind up five of the Pension Plans. The Journal Publishing Company Limited Pension Plan is not part of the wind up process. The five Pension Plans that are part of the wind up process as of December 31, 2010 are as follows:

Ontario Registered Plans

i) Hollinger Canadian Publishing Holdings Co. Retirement Plan – Ontario and Canada Revenue Agency Registration Number 0526967;

ii) Sterling Newspaper Company Pension Plan for Employees of Newspapers Formerly Owned By Thomson Newspapers – Ontario and Canada Revenue Agency Registration Number 1024744;

iii) Hollinger Canadian Publishing Holdings Co. Pension Plan for the Employees of Newspapers Formerly Owned By Thomson Newspapers – Ontario and Canada Revenue Agency Registration Number 1033786;

iv) Hollinger Canadian Publishing Holdings Co., Windsor Star Employees' Pension Plan – Ontario and Canada Revenue Agency Registration Number 0208355; and

British Columbia Registered Plan

v) Hollinger Canadian Publishing Holdings Co. Plan for the Employees of Newspapers Formerly Owned By Sterling Newspapers – British Columbia Registration Number P085060, Canada Revenue Agency Registration Number 399444.

18. On December 21, 2010, HCPH, with the assistance of the Monitor sent notices to Plan Members whose addresses are known to HCPH, advising of the wind up of the Pension Plans (the "**Wind up Notices**") as required under the Pension Benefits Act (Ontario) and the Pension Benefits Standards Act (British Columbia). The Superintendent of Financial Services of Ontario and the Superintendent of Pensions of British Columbia have also been advised of the wind up of the respective Pension Plans. Copies of the Wind up Notices are posted on the website of the Monitor and also attached as Appendix A to this Sixth Report.

19. The Monitor understands that HCPH intends to publish a notice in early January in a national newspaper advising of the wind up of the Pension Plans in order to advise Plan Members whose addresses are not known to HCPH.

STATUS OF THE CLAIMS PROCEDURE

20. On April 15, 2010, this Honourable Court granted an Order (the "**Claims Procedure Order**") establishing the 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. The process followed to notify creditors is described in the Fourth Report.

21. The bar date for claims arising prior to May 15, 2010 was 5:00 p.m. (Toronto time) on June 18, 2010 (the "**Claims Bar Date**"). The bar date for persons asserting a Restructuring Claim (as defined in the Claims Procedure Order) arising after May 15, 2010 was defined in the order of this Honourable Court dated July 27, 2010 as 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. The Fourth Report of the Monitor sets out that the Monitor received 13 claims totalling approximately $38.5 million. These claims include a claim received from Vue Weekly (totalling $5.0 million) and a claim received from the Electronic-Rights Defence Committee (the "**ERDC**") (totalling $33.4 million), discussed below. The Monitor is reviewing the remainder of the claims received and will, in consultation with HCPH and the CRO, analyse these claims based on the books and records of HCPH.

Vue Weekly Claim

23. As described in the affidavit of Dennis Byrd dated December 23, 2010 (the "**Byrd Affidavit**"), HCPH is a defendant in *Vue Weekly v. The Attorney General of Canada et al.* identified as Court File No. 0503 in the Court of Queen's Bench of Alberta (the "**Vue Weekly Litigation**"). The Monitor has been advised that negotiations between counsel for Vue Weekly and counsel for HCPH have resulted in a proposed settlement of the Vue Weekly Litigation as against HCPH (the "**Settlement**").

24. Pursuant to the Settlement, in exchange for foregoing costs in the action, HCPH will agree to a consent dismissal on a without costs basis. If the Settlement is approved, the proof of claim dated June 8, 2010 filed by Vue Weekly in these proceedings will be withdrawn with prejudice. The Monitor understands that the potential costs that HCPH will not be able to recover as a result of the Settlement are minimal. The Monitor is of the view that the Settlement deals with the Vue Weekly Litigation in an efficient manner. Accordingly, HCPH is requesting this Honourable Court approve the Settlement on a without costs basis.

ERDC Claim

25. The ERDC filed a claim in these CCAA proceedings (the "**ERDC Claim**") with respect to an outstanding class action litigation (the "**Class Action**") advanced against various entities including HCPH. The Monitor understands from ERDC's website that the Class Action has been settled against all but one defendant, which is not HCPH. In order to update the creditor claim records, the Monitor has written to ERDC to request that it formally withdraw its claim.

COMMUTED VALUE PAYMENT RELATED TO THE ALBERTA ORDER

26. 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 and applicable legislation, as amended by the Initial Order or subsequent orders.

27. Subsequent to the Initial Order, the April 15 Order permitted the payment of certain amounts described therein. Such payments included the return of contributions to members entitled to such a refund who are non-vested members of the Pension Plans, the retroactive payment of certain missed pension payments to certain members of the Pension Plans entitled to such payments, and payment of the present value of pension benefits ("**Commuted Value**") to entitled members where the amount of the benefit does not exceed the statutory threshold permitted for such commutation of benefits ("**Small Pension 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.

28. Subsequently, the October 14 Order permitted the payment of the Commuted Value of certain pre-retirement death benefits where such form of payment is mandated or permitted by the terms of the Pension Plans and applicable pension legislation. Such payments would facilitate final settlements to survivors of members or former members of the Pension Plans.

29. As stated in the Byrd Affidavit, HCPH has received a copy of the Alberta Order, which is a matrimonial property order providing for the division of pension and benefits earned by the defendant Plan Member (the "**Alberta Order Pension Plan Member**") during the marriage. The Alberta Order provides for the payment of fifty percent of the Total Pre-Division Benefit (defined therein) (the "**Alberta Order Payment**") to the Alberta Order Pension Plan Member's spouse. The Alberta Order Payment is in essence a Commuted Value payment of fifty percent of the pension benefits accrued during the period of the marriage. The Alberta Order Payment has been calculated by Mercer in accordance with the Alberta Order. Representative Counsel advised the Monitor that it does not object to the proposed payment. As set out in the Byrd Affidavit, HCPH is not aware of any other such request from a Plan Member and based on consultations with Representative Counsel and the Monitor, HCPH is seeking the authorization of this Honourable Court to proceed with the Alberta Order Payment.

ACTUAL CASH RECEIPTS AND DISBURSEMENTS

30. A summary of the actual receipts and disbursements of the Applicant as compared to the projection set out in the Fourth Report is attached as Appendix B to this Sixth Report.

31. The Applicant's actual consolidated net cash inflow for the period from October 4, 2010 to December 12, 2010 was $5.2 million. A detailed variance analysis is set out in Appendix B to this Sixth Report.

UPDATED CASH FLOW PROJECTION

32. HCPH, with the assistance of the Monitor, has prepared a cash flow projection (the "**Cash Flow Forecast**") for the period from December 13, 2010 to May 8, 2011 (the "**Projection Period**"), a copy of which is attached as Appendix C to this Sixth Report. The Cash Flow Forecast has been prepared by management of HCPH, using probable and hypothetical assumptions set out in notes 1 to 10 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.

33. The Applicant is projecting a net cash outflow of approximately $3.3 million during the

Projection Period. The Cash Flow Forecast projects that the Applicants will have sufficient liquidity to operate during the proposed Stay Period.

34. 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

35. The current stay of proceedings under the Initial Order expires on January 31, 2011. The Applicant is seeking an extension of the stay period to May 2, 2011 in order to permit HCPH the time to continue to administer the Pension Plans and work towards a conclusion of the CCAA proceeding. This includes completing the wind up of the Pension Plans, completing the Claims Procedure, continuing to share information with Representative Counsel, and continuing the process of analyzing long term alternatives with respect to addressing its liabilities.

36. 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

37. 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 approving the settlement of the Vue Weekly claim on a without costs basis;

    ii) an order authorizing the Applicant to make the Alberta Order Payment in accordance with the Alberta Order;

    iii) an order extending the Stay Period to May 2, 2011; and

    iv) an order approving this Sixth Report and the conduct and activities of the Monitor as reported on herein.

All of which is respectfully submitted this 31st day of December, 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

NOTICE OF PROPOSAL OF WIND-UP OF THE HOLLINGER CANADIAN PUBLISHING HOLDINGS CO. RETIREMENT PLAN
Ontario and CRA Registration Number 0526947

TO:	**Members, Pensioners and Other Persons Entitled to Benefits under the Hollinger Canadian Publishing Holdings Co. Retirement Plan**
AND TO:	**The Superintendent of Financial Services of Ontario**
FROM:	**Hollinger Canadian Publishing Holdings Co. ("HCPH")**
DATE:	**December 21, 2010**

Further to a Court order dated October 14, 2010 in the matter of HCPH's proceedings under the *Companies' Creditors Arrangement Act* ("CCAA"), the Hollinger Canadian Publishing Holdings Co. Retirement Plan (the "Plan") will be fully terminated and wound up effective as of December 31, 2010. This notice of full wind-up is being given pursuant to Section 68 of the *Pension Benefits Act* (Ontario) (the "Act").

Although the Plan will be terminated, if you are currently in receipt of a pension, your monthly pension benefits will continue to be paid during the wind up approval process (which may take a number of months) at their current amounts until the funded position of the Plan on wind up is finally determined. In the event there are sufficient assets to satisfy the liabilities of the Plan, your benefits should continue to be paid at current levels after the wind up process is complete. In the event there are insufficient assets to satisfy the liabilities of the Plan, you may experience changes to your pension. You will be provided with advance notice of any such changes.

Member contributions to the pension fund will cease and pension benefits will cease accruing effective December 31, 2010. All affected members will be fully vested at their termination date regardless of their length of service or Plan membership.

The wind-up of the Plan will proceed in accordance with the Act and the *Income Tax Act* (Canada), subject to any restrictions imposed or directions made by the Court or any further orders of the Court in HCPH's CCAA proceedings.

The general procedure for winding up an Ontario-registered pension plan is regulated by the Act and certain policies established by the Financial Services Commission of Ontario ("FSCO"). The Plan's actuary is required to submit a wind up report to the Superintendent of Financial Services (the "Superintendent") within six months following the effective date of the wind up.

No new distribution of benefits, including the purchase of annuities, can be made from the Plan until the wind-up report is approved by the Superintendent. However, any pensions being paid from the Plan on the wind-up date will not be interrupted by the Plan wind-up or the approval process. Approval will also be sought from the Superintendent to pay pensions from the Plan to those members who are eligible for an immediate pension and who elect to commence payment of their pension during the approval process.

Upon receipt of approval of the wind-up report, plan members, former members and other persons entitled to any benefits from the Plan (e.g. surviving spouses) will be provided with an individual statement setting out their entitlements and options under the Plan.

If you have any questions regarding the wind-up of the Plan or its impact on the restructuring process, please contact the Court-Appointed Monitor in HCPH's proceedings, Ernst & Young Inc., or if you have any questions regarding your rights or entitlements on the wind-up of the Plan in the context of HCPH's CCAA proceedings, please contact the Court-Appointed Representative Counsel, Koskie Minsky LLP, as indicated below:

Ernst & Young Inc.
Court-appointed Monitor of
Hollinger Canadian Publishing Holdings Co.
Ernst & Young Tower
222 Bay Street
Toronto, ON M5K 1J7

Email: hcph.monitor@ca.ey.com
Tel: 1-888-274-4344

or

Koskie Minsky LLP
Court-appointed Representative Counsel
Suite 900, Box 52
20 Queen Street West
Toronto, ON M5H 3R3

Email: hcph@kmlaw.ca
Tel: 1-866-545-9917

Representative Counsel, Koskie Minsky LLP, has indicated that it will provide a report to you on the overall status of this matter in January 2011. We are told by Representative Counsel that this status update is meant to inform you of the pension plan wind-up process and about future changes and implications you may experience as a result of the Plan wind-up.

Yours truly,

Dennis M. Byrd,
Court-appointed Chief Restructuring Officer

AVIS D'INTENTION DE LIQUIDER LE RÉGIME DE RETRAITE DE HOLLINGER CANADIAN PUBLISHING HOLDINGS CO.

Numéro d'enregistrement en Ontario et auprès de l'ARC : 0526947

DESTINATAIRES :	**Participants, retraités et autres personnes admissibles à des prestations du Régime de retraite de Hollinger Canadian Publishing Holdings Co.**
ET AU :	**Surintendant des services financiers de l'Ontario**
EXPÉDITEUR :	**Hollinger Canadian Publishing Holdings Co. (« HCPH »)**
DATE :	**Le 21 décembre 2010**

À la suite d'une ordonnance de la Cour datée du 14 octobre 2010 relativement à la procédure de HCPH en vertu de la *Loi sur les arrangements avec les créanciers des compagnies* (la « LACC »), le Régime de retraite de Hollinger Canadian Publishing Holdings Co. (le « régime ») prendra fin et sera liquidé intégralement en date du 31 décembre 2010. Le présent avis de liquidation totale est émis conformément à l'article 68 de la *Loi sur les régimes de retraite* de l'Ontario (la « loi »).

Bien qu'il y aura liquidation du régime, si vous recevez présentement une rente, vos prestations mensuelles continueront de vous être versées tout au cours du processus d'approbation de la liquidation du régime (qui pourrait s'échelonner sur une période de plusieurs mois). Le montant de votre rente demeurera inchangé jusqu'à ce que la situation de capitalisation du régime à sa liquidation soit arrêtée de manière définitive. Advenant que l'actif du régime est suffisant pour acquitter les obligations du régime, vos prestations devraient demeurer les mêmes une fois le processus de liquidation terminé. Si l'actif de la caisse de retraite est insuffisant pour acquitter les obligations du régime, il est possible que le montant de votre rente soit modifié. Un avis vous sera envoyé advenant une telle modification.

Le 31 décembre 2010, les participants cesseront de verser des cotisations à la caisse de retraite et d'accumuler des prestations. Les prestations des participants visés leur seront entièrement acquises à la date de leur cessation d'emploi quelle que soit la durée de leur service ou de leur participation au régime.

La liquidation du régime sera effectuée conformément à la loi et à la *Loi de l'impôt sur le revenu* du Canada, sous réserve des restrictions imposées par la Cour ou de ses directives, ou de toute autre ordonnance ultérieure de la Cour dans le cadre de la procédure de HCPH en vertu de la LACC.

Le processus de liquidation d'un régime de retraite enregistré en Ontario est régi par la loi et par certaines politiques que la Commission des services financiers de l'Ontario

(« CSFO ») a établies. L'actuaire du régime doit déposer un rapport de liquidation auprès du surintendant des services financiers (le « surintendant ») dans les six mois suivant la date de la liquidation du régime.

Tant que le rapport de liquidation n'aura pas été approuvé par le surintendant, aucun autre versement de prestations, notamment la souscription de rentes, ne sera autorisé. Toutefois, le processus de liquidation ou d'approbation n'aura aucune incidence sur les rentes déjà en cours de paiement à la date de liquidation, c'est-à-dire que leur versement ne sera pas interrompu. On demandera au surintendant d'autoriser le versement des rentes aux participants qui deviennent admissibles à une rente immédiate durant la période d'approbation et qui demandent que leur rente commence à leur être versée durant cette période.

Sur réception de l'approbation du rapport de liquidation, les participants, les anciens participants et toute personne ayant droit à des prestations du régime (p. ex., les conjoints survivants) recevront un relevé personnalisé indiquant leurs droits au titre du régime et les options qui leur seront offertes.

Si vous avez des questions au sujet de la liquidation du régime ou de l'incidence de la liquidation sur la restructuration, veuillez communiquer avec le contrôleur nommé par la Cour dans la procédure LACC de HCPH, Ernst & Young Inc., ou si vous avez des questions en ce qui concerne vos droits à la suite de la liquidation du régime, dans le cadre de la procédure de HCPH en vertu de la LACC, veuillez communiquer avec le représentant juridique nommé par la Cour, Koskie Minsky LLP. Les coordonnées de ces deux sociétés sont les suivantes :

Ernst & Young Inc.
Court-appointed Monitor of
Hollinger Canadian Publishing Holdings Co.
Ernst & Young Tower
222 Bay Street
Toronto, ON M5K 1J7

Courriel : hcph.monitor@ca.ey.com
Téléphone : 1 888 274-4344

Koskie Minsky LLP
Court-appointed Representative
Counsel
Suite 900, Box 52
20 Queen Street West
Toronto, ON M5H 3R3

Courriel : hcph@kmlaw.ca
Téléphone : 1 866 545-9917

Le représentant juridique, Koskie Minsky LLP, a indiqué qu'il fournira un rapport sur l'ensemble de la situation en janvier 2011. Cette mise à jour vise à vous tenir au fait de l'état d'avancement du processus de liquidation du régime et des incidences que cela pourrait entraîner pour vous.

Cordialement,

Dennis M. Byrd,
Responsable en chef de la restructuration nommé par la Cour

NOTICE OF PROPOSAL OF WIND-UP OF THE STERLING NEWSPAPER COMPANY PENSION PLAN FOR THE EMPLOYEES OF NEWSPAPERS FORMERLY OWNED BY THOMSON NEWSPAPERS
Ontario and CRA Registration Number 1024744

TO:	**Members, Pensioners and Other Persons Entitled to Benefits under the Sterling Newspaper Company Pension Plan for Employees of Newspapers Formerly Owned by Thomson Newspapers**
AND TO:	**The Superintendent of Financial Services of Ontario**
FROM:	**Hollinger Canadian Publishing Holdings Co. ("HCPH")**
DATE:	**December 21, 2010**

Further to a Court order dated October 14, 2010 in the matter of HCPH's proceedings under the *Companies' Creditors Arrangement Act* ("CCAA"), the Sterling Newspaper Company Pension Plan for Employees of Newspapers Formerly Owned by Thomson Newspapers (the "Plan") will be fully terminated and wound up effective as of December 31, 2010. This notice of full wind-up is being given pursuant to Section 68 of the *Pension Benefits Act* (Ontario) (the "Act").

Although the Plan will be terminated, if you are currently in receipt of a pension, your monthly pension benefits will continue to be paid during the wind up approval process (which may take a number of months) at their current amounts until the funded position of the Plan on wind up is finally determined. In the event there are sufficient assets to satisfy the liabilities of the Plan, your benefits should continue to be paid at current levels after the wind up process is complete. In the event there are insufficient assets to satisfy the liabilities of the Plan, you may experience changes to your pension. You will be provided with advance notice of any such changes.

Pension benefits will cease accruing effective December 31, 2010. All affected members will be treated as being fully vested at their termination date regardless of their length of service or Plan membership.

The wind-up of the Plan will proceed in accordance with the Act and the *Income Tax Act* (Canada), subject to any restrictions imposed or directions made by the Court or any further orders of the Court in HCPH's CCAA proceedings.

The general procedure for winding up an Ontario-registered pension plan is regulated by the Act and certain policies established by the Financial Services Commission of Ontario ("FSCO"). The Plan's actuary is required to submit a wind-up report to the Superintendent of Financial Services (the "Superintendent") within six months following the effective date of the wind-up.

No new distribution of benefits, including the purchase of annuities, can be made from the Plan until the wind-up report is approved by the Superintendent. However, any pensions being paid from the Plan on the wind-up date will not be interrupted by the Plan wind-up or the approval process. Approval will also be sought from the Superintendent to pay pensions from the Plan to those members who are eligible for an immediate pension and who elect to commence payment of their pension during the approval process.

Upon receipt of the approval of the wind-up report, plan members, former members and other persons entitled to any benefits from the Plan (e.g. surviving spouses), will be provided with an individual statement setting out their entitlements and options under the Plan.

If you have any questions regarding the wind-up of the Plan or its impact on the restructuring process, please contact the Court-Appointed Monitor in HCPH's proceedings, Ernst & Young Inc., or if you have any questions regarding your rights or entitlements on the wind-up of the Plan in the context of HCPH's CCAA proceedings, please contact the Court-Appointed Representative Counsel, Koskie Minsky LLP, as indicated below:

Ernst & Young Inc.
Court-appointed Monitor of
Hollinger Canadian Publishing Holdings Co.
Ernst & Young Tower
222 Bay Street
Toronto, ON M5K 1J7

Email: hcph.monitor@ca.ey.com
Tel: 1-888-274-4344

or

Koskie Minsky LLP
Court-appointed Representative Counsel
Suite 900, Box 52
20 Queen Street West
Toronto, ON M5H 3R3

Email: hcph@kmlaw.ca
Tel: 1-866-545-9917

Representative Counsel, Koskie Minsky LLP, has indicated that it will provide a report to you on the overall status of this matter in January 2011. We are told by Representative Counsel that this status update is meant to inform you of the pension plan wind-up process and about future changes and implications you may experience as a result of the Plan wind-up.

Yours truly,

Dennis M. Byrd,
Court-Appointed Chief Restructuring Officer

NOTICE OF PROPOSAL OF WIND-UP OF THE HOLLINGER CANADIAN PUBLISHING HOLDINGS CO. PENSION PLAN FOR THE EMPLOYEES OF NEWSPAPERS FORMERLY OWNED BY THOMSON NEWSPAPERS

Ontario and CRA Registration Number 1033786

TO:	**Members, Pensioners and Other Persons Entitled to Benefits under the Hollinger Canadian Publishing Holdings Co. Pension Plan for the Employees of Newspapers Formerly Owned by Thomson Newspapers**
AND TO:	**The Superintendent of Financial Services of Ontario**
FROM:	**Hollinger Canadian Publishing Holdings Co. ("HCPH")**
DATE:	**December 21, 2010**

Further to a Court order dated October 14, 2010 in the matter of HCPH's proceedings under the *Companies' Creditors Arrangement Act* ("CCAA"), the Hollinger Canadian Publishing Holdings Co. Pension Plan for the Employees of Newspapers Formerly Owned by Thomson Newspapers (the "Plan") will be fully terminated and wound up effective as of December 31, 2010. This notice of full wind-up is being given pursuant to Section 68 of the *Pension Benefits Act* (Ontario) (the "Act").

Although the Plan will be terminated, if you are currently in receipt of a pension, your monthly pension benefits will continue to be paid during the wind up approval process (which may take a number of months) at their current amounts until the funded position of the Plan on wind up is finally determined. In the event there are sufficient assets to satisfy the liabilities of the Plan, your benefits should continue to be paid at current levels after the wind up process is complete. In the event there are insufficient assets to satisfy the liabilities of the Plan, you may experience changes to your pension. You will be provided with advance notice of any such changes.

Pension benefits will cease accruing effective December 31, 2010. All affected members will be fully vested at their termination date regardless of their length of service or Plan membership.

The wind-up of the Plan will proceed in accordance with the Act and the *Income Tax Act* (Canada), subject to any restrictions imposed or directions made by the Court or any further orders of the Court in HCPH's CCAA proceedings.

The general procedure for winding up an Ontario-registered pension plan is regulated by the Act and certain policies established by the Financial Services Commission of Ontario ("FSCO"). The Plan's actuary is required to submit a wind-up report to the Superintendent of Financial Services (the "Superintendent") within six months following the effective date of the wind-up.

No new distribution of benefits, including the purchase of annuities, can be made from the Plan until the wind-up report is approved by the Superintendent. However, any pensions being paid from the Plan on the wind-up date will not be interrupted by the Plan wind-up or the approval process. Approval will also be sought from the Superintendent to pay pensions from the Plan to those members who are eligible for an immediate pension and who elect to commence payment of their pension during the approval process.

Upon receipt of the approval of the wind-up report, plan members, former members and other persons entitled to any benefits from the Plan (e.g. surviving spouses), will be provided with an individual statement setting out their entitlements and options under the Plan.

If you have any questions regarding the wind-up of the Plan or its impact on the restructuring process, please contact the Court-Appointed Monitor in HCPH's proceedings, Ernst & Young Inc., or if you have any questions regarding your rights or entitlements on the wind-up of the Plan in the context of HCPH's CCAA proceedings, please contact the Court-Appointed Representative Counsel, Koskie Minsky LLP, as indicated below:

Ernst & Young Inc. Court-appointed Monitor of Hollinger Canadian Publishing Holdings Co. Ernst & Young Tower 222 Bay Street Toronto, ON M5K 1J7	or	Koskie Minsky LLP Court-appointed Representative Counsel Suite 900, Box 52 20 Queen Street West Toronto, ON M5H 3R3
Email: hcph.monitor@ca.ey.com Tel: 1-888-274-4344		Email: hcph@kmlaw.ca Tel: 1-866-545-9917

Representative Counsel, Koskie Minsky LLP, has indicated that it will provide a report to you on the overall status of this matter in January 2011. We are told by Representative Counsel that this status update is meant to inform you of the pension plan wind-up process and about future changes and implications you may experience as a result of the Plan wind-up.

Yours truly,

Dennis M. Byrd,
Court-appointed Chief Restructuring Officer

NOTICE OF PROPOSAL OF WIND-UP OF THE HOLLINGER CANADIAN PUBLISHING HOLDINGS CO., WINDSOR STAR EMPLOYEES' PENSION PLAN
Ontario and CRA Registration Number 0208355

TO:	**Members, Pensioners and Other Persons Entitled to Benefits under the Hollinger Canadian Publishing Holdings Co., Windsor Star Employees' Pension Plan**
AND TO:	**The Superintendent of Financial Services of Ontario**
FROM:	**Hollinger Canadian Publishing Holdings Co. ("HCPH")**
DATE:	**December 21, 2010**

Further to a Court order dated October 14, 2010 in the matter of HCPH's proceedings under the *Companies' Creditors Arrangement Act* ("CCAA"), the Hollinger Canadian Publishing Holdings Co., Windsor Star Employees' Pension Plan (the "Plan") will be fully terminated and wound up effective as of December 31, 2010. This notice of full wind-up is being given pursuant to Section 68 of the *Pension Benefits Act* (Ontario) (the "Act").

Although the Plan will be terminated, if you are currently in receipt of a pension, your monthly pension benefits will continue to be paid during the wind up approval process (which may take a number of months) at their current amounts until the funded position of the Plan on wind up is finally determined. In the event there are sufficient assets to satisfy the liabilities of the Plan, your benefits should continue to be paid at current levels after the wind up process is complete. In the event there are insufficient assets to satisfy the liabilities of the Plan, you may experience changes to your pension. You will be provided with advance notice of any such changes.

Pension benefits will cease accruing effective December 31, 2010. All affected members will be fully vested at their termination date regardless of their length of service or Plan membership.

The wind-up of the Plan will proceed in accordance with the Act and the *Income Tax Act* (Canada), subject to any restrictions imposed or directions made by the Court or any further orders of the Court in HCPH's CCAA proceedings.

The general procedure for winding up an Ontario-registered pension plan is regulated by the Act and certain policies established by the Financial Services Commission of Ontario ("FSCO"). The Plan's actuary is required to submit a wind-up report to the Superintendent of Financial Services (the "Superintendent") within six months following the effective date of the wind-up.

No new distribution of benefits, including the purchase of annuities, can be made from the Plan until the wind-up report is approved by the Superintendent. However, any pensions being paid from the Plan on the wind-up date will not be interrupted by the Plan wind-up or the approval process. Approval will also be sought from the Superintendent to pay pensions from the Plan to those members who are eligible for an immediate pension and who elect to commence payment of their pension during the approval process.

Upon receipt of the approval of the wind-up report, plan members, former members and other persons entitled to any benefits from the Plan (e.g. surviving spouses), will be provided with an individual statement setting out their entitlements and options under the Plan.

If you have any questions regarding the wind-up of the Plan or its impact on the restructuring process, please contact the Court-Appointed Monitor in HCPH's proceedings, Ernst & Young Inc., or if you have any questions regarding your rights or entitlements on the wind-up of the Plan in the context of HCPH's CCAA proceedings, please contact the Court-Appointed Representative Counsel, Koskie Minsky LLP, as indicated below:

Ernst & Young Inc.
Court-appointed Monitor of
Hollinger Canadian Publishing Holdings Co.
Ernst & Young Tower
222 Bay Street
Toronto, ON M5K 1J7

Email: hcph.monitor@ca.ey.com
Tel: 1-888-274-4344

or

Koskie Minsky LLP
Court-appointed Representative Counsel
Suite 900, Box 52
20 Queen Street West
Toronto, ON M5H 3R3

Email: hcph@kmlaw.ca
Tel: 1-866-545-9917

Representative Counsel, Koskie Minsky LLP, has indicated that it will provide a report to you on the overall status of this matter in January 2011. We are told by Representative Counsel that this status update is meant to inform you of the pension plan wind-up process and about future changes and implications you may experience as a result of the Plan wind-up.

Yours truly,

Dennis M. Byrd,
Court-appointed Chief Restructuring Officer

NOTICE OF PROPOSAL OF WIND-UP OF THE HOLLINGER CANADIAN PUBLISHING HOLDINGS CO. PLAN FOR EMPLOYEES OF NEWSPAPERS FORMERLY OWNED BY STERLING NEWSPAPERS

B.C. Registration Number P085060

CRA Registration Number 399444

TO:	**Members, Pensioners and Other Persons Entitled to Benefits under the Hollinger Canadian Publishing Holdings Co. Plan for Employees of Newspapers Formerly Owned by Sterling Newspapers**
AND TO:	**The Superintendent of Pensions of British Columbia**
FROM:	**Hollinger Canadian Publishing Holdings Co. ("HCPH")**
DATE:	**December 21, 2010**

Further to a Court order dated October 14, 2010 in the matter of HCPH's proceedings under the *Companies' Creditors Arrangement Act* ("CCAA"), the Hollinger Canadian Publishing Holdings Co. Plan for Employees of Newspapers Formerly Owned by Sterling Newspapers (the "Plan") will be fully terminated and wound up effective as of December 31, 2010. This notice of full wind-up is being given pursuant to Section 50 of the *Pension Benefits Standards Act* (British Columbia) (the "Act").

Although the Plan will be terminated, if you are currently in receipt of a pension, your monthly pension benefits will continue to be paid during the wind up approval process (which may take a number of months) at their current amounts until the funded position of the Plan on wind up is finally determined. In the event there are sufficient assets to satisfy the liabilities of the Plan, your benefits should continue to be paid at current levels after the wind up process is complete. In the event there are insufficient assets to satisfy the liabilities of the Plan, you may experience changes to your pension. You will be provided with advance notice of any such changes.

Pension benefits will cease accruing effective December 31, 2010. All affected members will be treated as being fully vested at their termination date regardless of their length of service or Plan membership.

The wind-up of the Plan will proceed in accordance with the Act and the *Income Tax Act* (Canada), subject to any restrictions imposed or directions made by the Court or any further orders of the Court in HCPH's CCAA proceedings.

The general procedure for winding up a pension plan registered in British Columbia is regulated by the Act and certain policies established by the Financial Institutions Commission of British Columbia ("FICOM"). The Plan's actuary is required to submit a wind-up report to the Superintendent of Pensions (the "Superintendent") within 60 days following the effective date of the wind-up.

No distribution of benefits, including the purchase of annuities, can be made from the Plan until the wind up report is approved by the Superintendent. However, any pensions being paid from the Plan on the wind-up date will not be interrupted by the Plan wind-up or the approval process. Approval will also be sought from the Superintendent to pay pensions from the Plan to those members who are eligible for an immediate pension and who elect to commence payment of their pension during the approval process.

Upon receipt of the approval of the wind-up report, plan members, former members and other persons entitled to any benefits from the Plan (e.g. surviving spouses), will be provided with an individual statement setting out their entitlements and options under the Plan.

If you have any questions regarding the wind-up of the Plan or its impact on the restructuring process, please contact the Court-Appointed Monitor in HCPH's proceedings, Ernst & Young Inc., or if you have any questions regarding your rights or entitlements on the wind-up of the Plan in the context of HCPH's CCAA proceedings, please contact the Court-Appointed Representative Counsel, Koskie Minsky LLP, as indicated below:

Ernst & Young Inc. Court-appointed Monitor of Hollinger Canadian Publishing Holdings Co. Ernst & Young Tower 222 Bay Street Toronto, ON M5K 1J7	or	Koskie Minsky LLP Court-appointed Representative Counsel Suite 900, Box 52 20 Queen Street West Toronto, ON M5H 3R3
Email: hcph.monitor@ca.ey.com Tel: 1-888-274-4344		Email: hcph@kmlaw.ca Tel: 1-866-545-9917

Representative Counsel, Koskie Minsky LLP, has indicated that it will provide a report to you on the overall status of this matter in January 2011. We are told by Representative Counsel that this status update is meant to inform you of the pension plan wind-up process and about future changes and implications you may experience as a result of the Plan wind-up.

Yours truly,

Dennis M. Byrd,
Court-appointed Chief Restructuring Officer

APPENDIX B

Hollinger Canadian Publishing Holding Co
Cumulative Consolidated Receipts and Disbursements
For the Period October 4, 2010 to December 12, 2010
(In Thousands of Canadian Dollars)

	Actual	Projection	Variance	Note
OPENING BANK BALANCE (In $CDN)	**18,357**	**18,357**	**0**	
RECEIPTS				
MAV II ABCP Note Payments Received	7,206	7,206	-	
Interest Income	20	48	(27)	**1**
Other	-	-	-	
Total Receipts	7,226	7,254	(27)	
DISBURSEMENTS				
Payroll	(118)	(54)	(64)	**2**
Consultants	-	(10)	10	
Registered Pension Plan Contributions	(39)	(38)	(1)	
Unfunded Pension Plan Payments	(313)	(324)	12	
Post Employment and Post Retirement Benefits	(381)	(294)	(87)	**3**
General & Administrative Costs	(34)	(41)	7	
Restructuring Costs	(1,058)	(770)	(288)	**4**
Foreign Exchange Impact	(96)	-	(96)	**5**
Total Disbursements	(2,038)	(1,531)	(411)	
NET CASH INFLOW/(OUTFLOW)	5,187	5,723	(439)	
CLOSING BANK BALANCE	**23,545**	**24,080**	**(535)**	
Indemnity Trust (Not available to HCPH)	8,949	8,956	(7)	**6**

Hollinger Canadian Publishing Holding Co. ("Applicant")
Combined Actual Receipts and Disbursements
For the Period October 4, 2010 to December 12, 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. **Interest Income** – The unfavourable variance is primarily due to a portion of the cash held in a non-interest bearing bank account for a period of time. The Applicant has resumed investing funds in interest bearing accounts as set out in the projection.

2. **Payroll** – The unfavourable variance is primarily due to the payment of certain bonus amounts to the Toronto employees. These payments were in accordance with the relevant employment contracts. The projection did not include such bonus payments.

3. **Post Employment and Post Retirement Benefits** – The unfavourable variance is primarily due to a timing difference, which will likely reverse in the future.

4. **Restructuring Costs** – The unfavourable variance is primarily due to a timing difference and higher than anticipated restructuring costs as a result of the follow up required for the Retiree Audit Survey Process, the review of the survey forms and the review of the compilation of the verified data. The portion of the variance related to timing will likely reverse in the future.

5. **Foreign Exchange Impact –** The unfavourable variance is due to the foreign exchange impact related to the conversion of approximately US$7.1 million to Canadian currency at the then effective exchange rate of CDN$1.0157 = US1.00 on November 1, 2010.

6. **Indemnity Trust (not available to HCPH)** – The variance is due to the withdrawal from the indemnity trust related to professional fees for certain defamation actions not related to these CCAA proceedings. The indemnity trust is further described in the Affidavit of Thomas Kram dated December 8, 2009 (the "**Kram Affidavit**"). As described in the 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.

APPENDIX C

Hollinger Canadian Publishing Holdings Co. ("Applicant") Cash Flow Projection
For The Period From December 13, 2010 to May 8, 2011
(In Thousands of Canadian Dollars)

Week Ending	Notes	19-Dec	26-Dec	2-Jan	9-Jan	16-Jan	23-Jan	30-Jan	6-Feb	13-Feb	20-Feb	27-Feb
Opening Bank Balance	1	23,545	23,463	23,393	22,836	22,772	22,696	22,519	22,447	22,118	22,098	21,949
Receipts												
Interest Income	2	-	9	-	8	-	8	-	8	-	8	-
Total Receipts		-	9	-	8	-	8	-	8	-	8	-
Disbursements												
Payroll	3	(6)	(11)	(6)	-	(6)	(11)	(6)	-	-	(6)	(11)
Consultants	4	-	-	(23)	(2)	-	(2)	-	(2)	-	(2)	-
Registered Pension Plan Contributions	5	-	-	(33)	-	-	-	(9)	-	-	-	(8)
Unfunded Pension Plan Payments	6	-	-	(155)	-	-	-	-	(155)	-	-	-
Post Employment and Post Retirement Benefits	7	(0)	-	(159)	2	(50)	(111)	(37)	2	-	(127)	-
General & Administrative Costs	8	(7)	-	(6)	(2)	(5)	(2)	(5)	(2)	(5)	(2)	(5)
Restructuring Costs	9	(68)	(69)	(175)	(70)	(15)	(59)	(15)	(180)	(15)	(20)	(54)
Total Disbursements		(82)	(80)	(557)	(72)	(76)	(185)	(73)	(337)	(20)	(157)	(78)
Net Weekly Cash Flows		(82)	(70)	(557)	(63)	(76)	(176)	(73)	(329)	(20)	(149)	(78)
Closing Bank Balance		23,463	23,393	22,836	22,772	22,696	22,519	22,447	22,118	22,098	21,949	21,872

Week Ending	6-Mar	13-Mar	20-Mar	27-Mar	3-Apr	10-Apr	17-Apr	24-Apr	1-May	8-May	Total
Opening Bank Balance	21,872	21,481	21,485	21,337	21,243	20,866	20,850	20,780	20,601	20,222	23,545
Receipts											
Interest Income	8	-	8	-	8	-	8	-	8	-	82
Total Receipts	8	-	8	-	8	-	8	-	8	-	82
Disbursements											
Payroll	(6)	-	(6)	(11)	(6)	-	(6)	(11)	(6)	-	(114)
Consultants	(2)	-	(2)	-	(2)	-	(2)	-	(2)	-	(41)
Registered Pension Plan Contributions	-	-	-	(27)	(5)	-	-	-	(8)	-	(89)
Unfunded Pension Plan Payments	(155)	-	-	-	(155)	-	-	-	(155)	-	(775)
Post Employment and Post Retirement Benefits	(56)	21	(127)	-	(37)	2	(50)	(111)	(37)	21	(856)
General & Administrative Costs	(2)	(5)	(2)	(5)	(2)	(5)	(2)	(5)	(2)	(5)	(79)
Restructuring Costs	(178)	(13)	(18)	(52)	(178)	(13)	(18)	(52)	(178)	(13)	(1,448)
Total Disbursements	(399)	3	(155)	(95)	(384)	(16)	(78)	(179)	(387)	3	(3,402)
Net Weekly Cash Flows	(390)	3	(147)	(95)	(377)	(16)	(70)	(179)	(380)	3	(3,320)
Closing Bank Balance	21,481	21,485	21,337	21,243	20,866	20,850	20,780	20,601	20,222	20,225	20,225

	Notes	
Indemnity Trust (not available to HCPH)	10	8,949

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 has relied upon unaudited financial information and the Applicant has 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:**
This is the projected 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$ 1.026 exchange rate.

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

3) **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.

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

5) **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.

6) **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.

7) **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.

8) **General and Administrative Costs:**
General and Administrative costs represent projected costs for rent for HCPH's Toronto office, utilities, office supplies and storage costs.

9) **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 OPEB and Pension Plan Members.

10) **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 the 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.