

FILED / PRODUIT
September 1, 2006
CT- 2006-008

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CT- 2006-008

THE COMPETITION TRIBUNAL

IN THE MATTER OF the *Competition Act* R.S.C. 1985, c. C-34 as amended;

AND IN THE MATTER OF the proposed acquisition by Bell Globemedia Inc. ("BGM") of shares of CHUM Limited ("CHUM");

AND IN THE MATTER OF the filing and registration of a Consent Interim Agreement (the "Agreement") pursuant to section 105 of the *Competition Act* (the "Act").

BETWEEN:

THE COMMISSIONER OF COMPETITION

- and -

BELL GLOBEMEDIA INC.

-and-

CHUM LIMITED

-and-

JOHN D. MCKELLAR C.M., Q.C.

CONSENT INTERIM AGREEMENT

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Place du Portage, Phase I
50 Victoria Street
Gatineau, Quebec, Canada K1A 0C9

CT-

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AND IN THE MATTER OF the proposed acquisition by Bell Globemedia Inc. ("BGM") of shares of CHUM Limited ("CHUM");

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BETWEEN:

THE COMMISSIONER OF COMPETITION

- and -

BELL GLOBEMEDIA INC.

-and-

CHUM LIMITED

-and-

JOHN D. MCKELLAR C.M., Q.C.

CONSENT INTERIM AGREEMENT

WHEREAS Bell Globemedia Acquisition Corporation has made an offer dated July 26, 2006 (the "Offer") to acquire the voting shares of CHUM;

AND WHEREAS pursuant to the Offer and subject to the required regulatory approvals, BGM will purchase voting shares of CHUM (the "**Transaction**");

AND WHEREAS BGM and John D. McKellar, C.M., Q.C., of the City of Toronto (the "**Trustee**") have entered into a voting trust agreement dated July 19, 2006, which provides that the CHUM voting shares acquired pursuant to the Offer will be deposited with the Trustee and held by the Trustee for the benefit of BGM;

AND WHEREAS BGM and CHUM have complied with the pre-merger notification provisions of the Act and BGM is ready to complete the Transaction;

AND WHEREAS the Commissioner of Competition (the "**Commissioner**") has not completed her review of the Transaction and, upon completion of such review, may make application under section 92 of the Act with respect to the Transaction;

AND WHEREAS BGM, CHUM and the Trustee attorn to the jurisdiction of the Competition Tribunal for the purposes of this Agreement and any proceeding initiated by the Commissioner relating to this Agreement, including an application to vary or rescind this Agreement under section 106 of the Act;

AND WHEREAS the Commissioner, BGM, CHUM and the Trustee agree that, upon the signing of this Agreement, it shall be filed with the Tribunal for immediate registration.

NOW THEREFORE the Commissioner, BGM, CHUM and the Trustee agree as follows:

I. DEFINITIONS

1. For the purposes of this Agreement, the following boldface terms have the following meanings:
 - (a) "**Affiliate**" has the meaning given to it in subsection 2(2) of the Act;
 - (b) "**Agreement**" means this Consent Interim Agreement entered by the Commissioner, BGM, CHUM and the Trustee pursuant to section 105 of the Act;
 - (c) "**BGM**" means Bell Globemedia Inc., Bell Globemedia Acquisition Corporation, and their respective Affiliates, and includes their respective directors, officers, employees, agents, representatives, or other Persons acting

for or on behalf of such entities with respect to any of the matters referred to in this Agreement, and any successors and assigns;

- (d) **"CHUM"** means CHUM Limited, and its Affiliates, and includes its directors, officers, employees, agents, representatives, or other Persons acting for or on behalf of CHUM with respect to any of the matters referred to in this Agreement, and any successors and assigns of CHUM;
- (e) **"Commissioner"** means the Commissioner of Competition appointed pursuant to section 7 of the Act;
- (f) **"Confidential Information"** means competitively sensitive information of BGM or CHUM not independently known to a Person from sources other than BGM or CHUM, and without limiting the generality of the foregoing, includes competitively sensitive information pertaining to:
 - (i) broadcasting content or negotiations for broadcasting content;
 - (ii) the identity of any of BGM or CHUM's advertisers or prospective advertisers;
 - (iii) BGM or CHUM's advertising rates, advertising rate policies and advertising inventory;
- (g) **"Hold Separate Period"** means the period of time commencing on the date hereof and ending on the date that the Voting Trust Agreement is no longer in effect;
- (h) **"Person"** means any individual, partnership, firm, corporation, association, trust, unincorporated organization or other entity;
- (i) **"Shares"** means the voting shares of CHUM, also referred to as common shares;
- (j) **"Transaction"** means the purchase of the Shares by BGM pursuant to the Offer;
- (k) **"Tribunal"** means the Competition Tribunal established by the *Competition Tribunal Act* (Canada), R.S.C. 1985, c. 19 (2nd Supp.), as amended;

- (l) **“Trustee”** means John D. McKellar, C.M., Q.C., of the City of Toronto, and any successor as appointed under the terms of the Voting Trust Agreement, as well as any agents, employees or Persons under the Trustee’s management or control for the purposes of the Voting Trust Agreement and/or this Agreement; and,
- (m) **“Voting Trust Agreement”** means the voting trust agreement dated July 19th, 2006, a copy of which is attached hereto.

II. APPLICATION

- 2. The provisions of this Agreement apply to:
 - (a) BGM;
 - (b) CHUM;
 - (c) the Commissioner; and,
 - (d) the Trustee.
- 3. The rights and obligations of BGM and the Trustee pursuant to this Agreement do not derogate from the rights and obligations of BGM and the Trustee pursuant to the Voting Trust Agreement or vice versa.
- 4. BGM shall be responsible for all fees and expenses incurred by the Trustee in compliance with this Agreement.
- 5. Except as provided in paragraphs 6, 7 and 8 below, during the Hold Separate Period, neither the Trustee nor CHUM shall communicate to BGM any Confidential Information of CHUM, and BGM shall not communicate any Confidential Information of BGM to the Trustee or CHUM.
- 6. Notwithstanding paragraph 5 above, the Trustee and CHUM may, upon request, communicate Confidential Information of CHUM to external legal, financial, accounting and other advisers to BGM (collectively **“BGM Advisers”**) or senior officers or employees of BGM or its Affiliates (collectively **“Permitted BGM Persons”**) who require such information for the purpose of:
 - (a) the matters referred to in paragraphs 4(a)(ix)(A), (B), (C), and (D) of the Voting Trust Agreement; or

- (b) preparing required financial and regulatory reports, tax returns and benefits administration and to comply with applicable law and the requirements of Canadian governmental authorities;

provided that the BGM Advisers and the Permitted BGM Persons shall use such Confidential Information of CHUM solely in connection with the matters referred to in paragraphs (a) and (b) above, as the case may be, and provided further that, prior to the communication of such Confidential Information of CHUM to BGM Advisers or Permitted BGM Persons, such BGM Advisers (other than external legal counsel) and Permitted BGM Persons shall provide to the Trustee or CHUM as the case may be, and to the Commissioner (in accordance with paragraph 7 below), a written acknowledgement, in a form acceptable to the Commissioner (acting reasonably), that they have been provided with a copy of this Agreement and undertake to use such Confidential Information of CHUM solely in connection with the matters referred to in subparagraphs (a) and (b) above, as the case may be, and not to otherwise disclose such Confidential Information.

- 7. Within either 24 hours or on the next business day (whichever is latest), the written acknowledgment described in paragraph 6 shall be provided to the Commissioner with a written description of the nature of the Confidential Information of CHUM. Where a BGM Adviser or a Permitted BGM Person who has signed a written acknowledgment receives additional Confidential Information of CHUM, within either 24 hours or on the next business day (whichever is latest), a written description of the nature of the additional Confidential Information of CHUM shall be provided to the Commissioner.
- 8. The provisions of paragraphs 6 and 7 shall apply *mutatis mutandis* to the communication of Confidential Information of BGM to external legal, financial, accounting and other advisers to CHUM.
- 9. BGM, CHUM and the Trustee shall promptly provide to the Commissioner copies of all information provided by any of them to the CRTC in connection with CRTC approval (as defined in the Voting Trust Agreement).
- 10. If the Trustee removes a director pursuant to paragraph 4(a)(ii) of the Voting Trust Agreement, he shall promptly inform the Commissioner of such action and the reasons therefore.
- 11. BGM shall not take any action to interfere with or impede the Trustee's ability to comply with this Agreement.

17. Notices, reports and other communications in writing required pursuant to this Agreement shall be considered to have been given as if dispatched by personal delivery, registered mail or facsimile transmission to the parties as follows:

(a) If the Commissioner:

Competition Bureau
Industry Canada
Place du Portage, 21st floor
50 Victoria Street, Phase I
Gatineau, Quebec K1A 0C9
Attention: Senior Deputy Commissioner (Mergers)
Tel: (819) 997-3301
Fax: (819) 994-0998

With a copy to:

Director
Competition Law Division
Department of Justice
Attention: Jonathan Chaplan, counsel
Place du Portage, 22nd floor
50 Victoria Street, Phase I
Gatineau, Quebec K1A 0C9
Tel: 819-959-3325
Fax: 819-953-9267

(b) If BGM:

9 Channel Nine Court
Toronto, Ontario
M1S 4B5
Attention: André Serero, Group Vice-President,
Legal and Corporate Secretary
Tel: 416-332-5000
Fax: 416-332-4281

12. The Trustee shall report, in writing, to the Commissioner every 60 days during the Hold Separate Period and, at any other time as requested by the Commissioner or her staff, concerning BGM, CHUM and/or the Trustee's compliance with this Agreement.

III. DEFAULT

13. If BGM, CHUM and/or the Trustee reasonably believes that BGM, CHUM and/or the Trustee are in default of any of the terms of this Agreement, the party shall immediately notify the Commissioner, who shall forthwith give notice to BGM, CHUM and the Trustee setting out the particulars of the default.
14. For the purpose of determining or securing compliance with this Agreement, subject to any valid claim to a legally recognized privilege, and upon written request, BGM, CHUM and/or the Trustee shall permit any duly authorized representative of the Commissioner:
 - (a) upon a minimum of two (2) business days notice to BGM, CHUM and/or the Trustee, access during office hours of BGM, CHUM and/or the Trustee, to inspect and copy all books, ledgers, accounts, correspondence, memorandum, and other records and documents in the possession or under control of BGM, CHUM and/or the Trustee relating to compliance with this Agreement; and
 - (b) upon a minimum of five (5) business days notice to BGM, CHUM and/or the Trustee, and without restraint or interference from BGM, CHUM and/or the Trustee, to interview directors, officers or employees of BGM, CHUM and/or the Trustee on matters in the possession or under the control of BGM, CHUM and/or the Trustee relating to compliance with this Agreement.

IV. NOTIFICATION

15. No later than ten days from the date that this Agreement is registered with the Competition Tribunal, BGM, CHUM and/or the Trustee shall provide a copy of this Agreement to each of its officers, employees, or agents that have managerial responsibility for any obligations under this Agreement.
16. BGM shall give the Commissioner at least 14 days prior written notice of the termination of the Voting Trust Agreement.

With a copy to:

**Torys LLP
Suite 3000, TD Waterhouse Tower
P.O. Box 270, TD Centre
Toronto, Ontario
M5K 1N2
Attention: R. Jay Holsten
Tel: 416-865-7523
Fax: 416-865-7380**

(c) If CHUM

**CHUM Limited
299 Queen Street west
Toronto, Ontario
M5V 2Z5
Attention: Vice President, Business and Legal Affairs,
General Counsel and Secretary
Tel: 416-591-7400 ext. 2722
Fax: 416-340-7005**

With a copy to:

**Fasken Martineau
Suite 4200 Toronto-Dominion Bank Tower
Box 20, Toronto Dominion Centre
Toronto, Ontario
M5K 1N6
Attention: D. C. New
Tel: 416-864-4414
Fax: 416-364-7813**

(d) If the Trustee:

Weir Foulds LLP
The Exchange Tower, Suite 1600
P.O. Box 480, 130 King Street West
Toronto, Ontario, Canada M5X 1J5
Attention: John D. McKellar, C.M., Q.C.
Tel: 416-947-5018
Fax: 416-365-1876

V. DURATION

18. BGM, CHUM and the Trustee shall be bound by the terms of this Agreement during the Hold Separate Period or until the Commissioner notifies the Tribunal, whichever comes first.

VI. GENERAL

19. The Commissioner, BGM, CHUM and the Trustee agree to the registration of this Agreement by the Tribunal.
20. This Agreement together with the Voting Trust Agreement, constitutes the entire agreement between the Commissioner, BGM, CHUM and the Trustee with respect to the subject matter hereof and supersedes all prior agreements, understandings, negotiations and discussions, whether written or oral.
21. The Commissioner, BGM, CHUM and the Trustee agree that the time periods in this Agreement may be amended on consent.
22. In the event of a dispute as to the interpretation or application of this Agreement, including any decision by the Commissioner pursuant to this Agreement or a breach of this Agreement by BGM, CHUM or the Trustee, the Commissioner, BGM, CHUM or the Trustee may apply to the Tribunal for a further Order interpreting any provision of this Agreement.
23. This Agreement may be executed in counterparts, each of which shall constitute an original and all of which taken together shall constitute one and the same instrument.

SCHEDULE 1

VOTING TRUST AGREEMENT

THIS AGREEMENT made the 19th day of July, 2006

BETWEEN:

Bell Globemedia Inc., a corporation incorporated under the laws of Ontario, and Newco, a corporation to be incorporated under the laws of Canada or one of its provinces, the shareholders of which will be The Woodbridge Company Limited, 1585117 Ontario Limited, BCE Inc., Ontario Teachers' Pension Plan Board and Torstar Corporation (hereinafter referred to collectively as "BGM")

OF THE FIRST PART;

- and -

John D. McKellar, C.M., Q.C.,
in the City of Toronto, in the Province of Ontario

(hereinafter referred to as the "Trustee")

OF THE SECOND PART.

RECITES THAT:

Whereas on July 12, 2006 BGM announced its intention to make an offer (the "Offer") to purchase, directly or indirectly, all of the issued and outstanding voting shares of CHUM Limited or any successor thereof (collectively defined as "CHUM"), subject to certain conditions, and intends, in certain circumstances, to acquire or extinguish all of the outstanding shares of CHUM through a compulsory acquisition or second stage transaction and to complete such other transactions, including any intra-corporate reorganization of CHUM or its subsidiaries, as may be necessary or advisable in connection with obtaining the required regulatory approvals for the Offer as may be specified in writing to the Trustee (collectively hereinafter referred to as the "Transactions");

And Whereas CHUM, directly and indirectly, holds and will continue to hold various licences, permits, franchises and authorizations issued by the Canadian Radio-television and Telecommunications Commission (the "CRTC"), as described in Schedule A to this Agreement;

And Whereas the acquisition of the voting shares of CHUM will require the prior approval of the CRTC on terms acceptable to BGM ("CRTC Approval");

And Whereas BGM intends to file or cause to be filed applications with the CRTC requesting any required CRTC Approval of the Transactions;

And Whereas BGM is of the view that the deposit with the Trustee of the voting shares acquired pursuant to the Transactions (the "CHUM Voting Shares"), to be held by the Trustee for the benefit of BGM on and subject to the terms herein contained, is an appropriate mechanism to ensure that beneficial ownership of the CHUM Voting Shares vests with BGM, while ensuring that all voting rights associated with the CHUM Voting Shares (and hence effective control) of CHUM's broadcasting undertakings, are exercised by an independent, arm's length party, pending the CRTC's consideration of the proposed change of ownership and control, as per the CRTC's policy regarding use of trust arrangements as set out in Public Notice CRTC 1999-198;

And Whereas the establishment of this Trust and the deposit of the CHUM Voting Shares with the Trustee in accordance with the terms of this Agreement is necessary in order to comply with applicable securities legislation, as required by Public Notice CRTC 1999-198;

And Whereas the foregoing recitals are those of BGM and not of the Trustee;

Now Therefore in consideration of the premises and mutual covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, BGM and the Trustee hereby covenant and agree as follows:

1. **Creation and Purpose of Voting Trust**

Subject to the terms and conditions of this Agreement, a voting trust in respect of the CHUM Voting Shares (shares so deposited being hereinafter referred to as the "Deposited Shares") are hereby created and established, and the Trustee hereby accepts the trust created hereby and agrees to serve as trustee hereunder.

Subject as provided below, the voting trust created hereby shall be irrevocable:

- (a) until CRTC Approval has been obtained on terms acceptable to BGM and all of the Deposited Shares and other property then held by the Trustee pursuant to this Agreement have been transferred to or to the order of BGM as provided in paragraph 4(c) below; or
- (b) until completion of the sale of all of the Deposited Shares pursuant to a Request Sale Notice as provided in paragraph 4(d) below or pursuant to notice given in accordance with paragraph 4(f) below.

2. Acquisition and Holding of Deposited Shares

- (a) BGM shall, concurrent with the acquisition of the Deposited Shares, subject to any guarantees and security interests granted in favour of any financial institution(s) to secure loans made by such financial institution(s) to CHUM or BGM to enable BGM to acquire all or part of the CHUM Voting Shares, transfer and deliver to the Trustee all or part of the Deposited Shares then owned or subsequently acquired. BGM shall ensure that any such guarantees or security interests are subject to any applicable regulatory requirements.
- (b) When so requested by BGM in writing, the Trustee shall deliver, from time to time, to BGM acknowledgements in writing as to the number, class, face amount and other characteristics as applicable of the Deposited Shares held by him at the time of such request.
- (c) Subject to the requirements of any agreement granting any guarantees or security interests in the Deposited Shares in favour of any financial institution(s) to secure loans made by such financial institution(s) to CHUM or BGM to enable BGM to acquire all or part of the Deposited Shares, the Trustee shall retain and hold in Ontario the share certificates representing Deposited Shares only in accordance with and subject to the terms and conditions set forth in this Agreement. Except where the Deposited Shares are pledged to a financial institution(s) as contemplated in the preceding sentence, all share certificates and other instruments evidencing the Deposited Shares shall at all times be and remain in the possession of the Trustee. As directed in writing by BGM (but without becoming personally liable with respect thereto), the Trustee shall cause the granting of guarantees and security interests (subject to applicable regulatory requirements) or give acknowledgements of any existing guarantees or security interests referred to in paragraph 2(a) above, in the Deposited Shares securing loans made by one or more financial institutions to BGM to enable BGM to acquire all or part of the Deposited Shares. The Trustee shall not cause the execution of any hypothecation agreement unless it contains provisions stating that:

 - (i) voting rights for any pledged shares or other interests and all rights of the Trustee hereunder will remain with the Trustee, even in the event of a default by BGM on the loans (a "Default");
 - (ii) in the event of a Default, there will be a public or private sale of the pledged shares or other instruments or interests that are Deposited Shares; and

- (iii) prior to the exercise of rights by the secured party or by a purchaser of such shares or other instruments or interests that are Deposited Shares, the prior approval of the CRTC (if required) will be obtained.

The Trustee shall have no authority to sell, transfer, assign, pledge or otherwise dispose of or encumber the Deposited Shares, except to the extent otherwise specifically provided in this Agreement.

3. **Maintenance of Records**

The Trustee shall maintain such records and books as are necessary or appropriate to enable the Trustee to carry out the terms and conditions of this Agreement.

4. **Voting and Other Actions by Trustee**

- (a) During the term of this Agreement, all voting rights with respect to the Deposited Shares, and the right as shareholder to take part in or consent to any corporate or shareholder action of any kind with respect to CHUM and its subsidiaries or any other shares that become Deposited Shares from time to time, shall be vested in and exercised by the Trustee, who shall vote or cause the Deposited Shares to be voted, and otherwise exercise such voting rights and rights as shareholder, as follows:
 - (i) to cause such actions to be taken as the Trustee may deem necessary so as to maintain the continuity of the operations and general character of CHUM and its subsidiaries in the ordinary course of their respective businesses, including satisfying commitments that are legally binding on CHUM or its subsidiaries, including, for greater certainty, to vote against any sale of assets outside the ordinary course of business except in each case as part of the Transactions;
 - (ii) to require a shareholders meeting to be held if necessary and to remove from office by ordinary resolution, in accordance with advice from his legal advisor, who, to the best of the Trustee's knowledge, shall not be legal counsel to BGM or any of its shareholders, affiliates or subsidiaries ("Legal Advice") and subject to the rights of other CHUM shareholders, any director of CHUM or any of its subsidiaries who the Trustee believes, acting reasonably, will not in the future be an Assisting Director. For these purposes, an "Assisting Director" is any person who does not oppose, impede or impair the completion of the Transactions, who renders to the Trustee and BGM all assistance necessary to effect the

- Transactions, who at all times acts in a manner consistent with effecting the Transactions and maintaining the continuity of the operations and general character of CHUM and its subsidiaries in the ordinary course of their respective businesses (including satisfying commitments that are legally binding on CHUM and its subsidiaries), who does not waste corporate assets or otherwise act in a manner inconsistent with the fiduciary responsibilities of a director and who provides written confirmation (a "Confirmation") when requested to do so by the Trustee that the director is and intends in the future to be an Assisting Director;
- (iii) in any manner necessary based on Legal Advice and subject to the rights of other CHUM shareholders, to elect or appoint as directors of CHUM such additional individuals as the Trustee in his absolute discretion determines (which may include the Trustee), provided that any individual to be elected or appointed as director has provided to the Trustee a Confirmation and the Trustee believes, acting reasonably, that the individual will be an Assisting Director, to vacancies on the board of directors of CHUM during the term of this Agreement.
 - (iv) to replace any member of the board of directors who resigns or is removed for cause as specified in subparagraph (ii) of this paragraph 4(a). In exercising these powers to elect or appoint new directors, the Trustee shall not appoint a person who, to the best of the Trustee's knowledge, is a partner, officer, employee, director, shareholder, affiliate or competitor (other than CHUM), of BGM, or who, to the best of the Trustee's knowledge, has any professional business or familial relationship with BGM or any partner, officer, employee, director, shareholder, affiliate, or competitor (other than CHUM), of BGM (any such person so related to BGM being hereinafter referred to as a "Disqualified Person");
 - (v) subject to subparagraphs (i), (ii), (iii) and (iv) of this paragraph 4(a), in the Trustee's absolute discretion based on Legal Advice and subject to the rights of other CHUM shareholders, to re-elect or re-appoint at annual shareholders meetings of CHUM and any other shareholders meetings of CHUM at which directors are to be elected or appoint each director of CHUM who was a director prior to such meeting and otherwise to fill vacancies existing on the board of directors of CHUM as well as to appoint auditors of CHUM and to authorize the directors to fix the auditors' remuneration;
 - (vi) upon completion of the acquisition of all the issued and outstanding shares of CHUM, to deliver to CHUM and each of its directors a

written shareholder declaration requiring that copies of all monthly management and operational reports and financial data relating to CHUM and its subsidiaries that are prepared in the ordinary course of business, shall be delivered to the Trustee and providing that the powers of such directors are restricted in that they may not use such powers to cause CHUM and its subsidiaries to carry on business except in the ordinary course;

- (vii) In the manner necessary so that CHUM shall carry on business in the ordinary course, not make or permit any changes out of the ordinary course, except as provided for in the Transactions, and shall implement the Transactions. The Trustee agrees he intends to cause CHUM to operate its business only in the ordinary course, consistent with past practice, applicable legal and regulatory requirements and conditions of licences, and in particular, to cause CHUM to act in a manner designed to safeguard its assets, maintain the continuity of its operations and those of its subsidiaries, including maintaining in good standing all licences issued to CHUM and its subsidiaries, maintain the general character of the CHUM operations and preserve its business organization and relationships with customers, suppliers and others;
- (viii) upon notice in writing from BGM, to obtain such waivers or consents from CHUM's lenders as are necessary to permit the transfer of the Deposited Shares to the Trustee in accordance with the terms of this Agreement; or, to the extent such consents or waivers cannot be obtained, to obtain replacement financing on terms acceptable to CHUM and BGM;
- (ix) In order to:
 - (A) effectuate and implement the Transactions, which shall include, but not be limited to, any intra-corporate reorganization of CHUM or any of its subsidiaries and the acquisition, financing (including the granting of guarantees and security therefor) and payment of the consideration for the acquisition of the Deposited Shares;
 - (B) assist in the implementation of any going private transaction proposed by BGM or any other transaction that is necessary or desirable to be taken in connection with obtaining the required regulatory approvals in connection with the Offer and provide commercially reasonable assistance to BGM to

obtain CRTC Approval and any other approvals which may be required;

- (C) obtain for BGM all written information and such commercially reasonable assistance as may be requested by BGM in writing from CHUM and its subsidiaries in order to obtain CRTC Approval (including, without limitation, by making any applications and giving any consents required for such purpose) or in order to facilitate any applications or submissions to be made under the Competition Act (Canada); and
- (D) obtain (to the extent not already obtained) all approvals, consents and waivers (other than CRTC Approval) required to implement the Transactions or to avoid or cure any breach of any applicable law or of the obligations of CHUM or any of its subsidiaries under any material agreement or any loss or threatened loss of any material rights of CHUM or any of its subsidiaries as a result of the Transactions and satisfy all conditions attached to all such approvals, consents and waivers and CRTC Approval;

(the actions to be taken pursuant to clauses 4(a)(ix) (A), (B), (C) and (D) above being herein referred to as "Transaction Completion Assistance") and in the event that based on Legal Advice, the Trustee determines that any director of CHUM or its subsidiaries is preventing CHUM or its subsidiaries from complying, or refusing to give any authorization required to enable CHUM or its subsidiaries to comply, or refusing to give any authorization required to enable CHUM and its subsidiaries to comply with the foregoing, or is otherwise opposing, impeding or impairing such compliance, the Trustee shall, to the extent within the Trustee's power and control, and subject to the rights of other CHUM shareholders, vote or cause the Deposited Shares to be voted and otherwise exercise such voting rights and rights as a shareholder remove such director from office in accordance with Legal Advice.

- (b) No person other than the Trustee shall have any voting rights in respect of any of the Deposited Shares so long as this Agreement is in effect; provided that the Trustee may appoint a proxy to vote the Deposited Shares solely in the manner directed by the Trustee. The Trustee shall have no direct or indirect beneficial interest in or right to the Deposited Shares in his capacity as Trustee or otherwise.

- (c) The Trustee shall cause the certificates and all other documents representing all of the Deposited Shares then held by the Trustee to be delivered to BGM, or as it may otherwise have directed in writing, properly endorsed for transfer to or to the order of BGM, and shall take all other actions appropriate to effectuate the transfer to BGM, or as it may otherwise have directed in writing, of title to the Deposited Shares and all other property then held by the Trustee pursuant to this Agreement at such time as:
- (I) CRTC Approval has been granted and such approval has become effective or such approval is no longer necessary; and
 - (II) the Trustee receives a written notice from BGM authorizing such transfer.
- (d) If BGM, by notice in writing to the Trustee (a "Request Sale Notice"), informs the Trustee that it has not obtained CRTC Approval and is of the view that CRTC Approval will not, in any event, be obtained thereafter, then, subject as hereinafter provided, the Trustee, acting for the benefit of BGM, to the extent within the Trustee's power and control and subject to the rights of other CHUM shareholders, shall sell the Deposited Shares of CHUM or its subsidiaries as soon as practicable, consistent with the objective of obtaining the best value reasonably obtainable to BGM on an after tax basis and after reasonable consultation with BGM as to the terms and proposed parties to any such transaction based on advice received from those advisors he deems appropriate, provided such advisors are not, to the best of the Trustee's knowledge, immediately prior to and during the term of this Agreement, advisors to, and do not have any material professional, business, or familial relationship with BGM, its shareholders, subsidiaries, or affiliates ("Advice") including, without limitation, causing CHUM and/or its subsidiaries to be reorganized and/or to pay dividends and to make distributions on their respective shares as the Trustee determines based on Advice so as to maximize after-tax proceeds. The Trustee shall, in a manner consistent with the Trustee's fiduciary obligations hereunder, have discretion in determining the sale procedure in selecting the purchasing party or parties and in determining the terms of such sales with a view to obtaining the best value reasonably obtainable; provided, however, that BGM may withdraw the Request Sale Notice at any time prior to the consummation of any such sale, subject to the independent concurrence by the Trustee based on Advice as to such withdrawal. All sales shall be conducted in compliance with applicable securities laws, and shall be subject to such prior regulatory approvals as may be required. Nothing herein provides, nor shall it be construed to provide, BGM with an absolute veto over any such sales.

- (e) During the term of the voting trust, BGM by notice in writing to the Trustee, may require the Trustee from time to time to take any step, action or proceeding as may be necessary or advisable in connection with obtaining the required regulatory approvals for the Transactions, including the disposition or proposed disposition of the assets of CHUM and its subsidiaries (including the shares of any subsidiary) (a "Regulatory Disposition"), as set out in such notice (a "Regulatory Disposition Notice"). Upon a Regulatory Disposition Notice being given, the Trustee shall take all action required by BGM in such notice to cause CHUM and its subsidiaries, to the extent necessary, to comply with such notice and to render all assistance required by BGM in connection therewith in the manner and upon the terms set out in BGM's notice subject to any requirements of applicable law.
- (f) After obtaining CRTC Approval, BGM by notice in writing to the Trustee may require the Trustee from time to time to take any step, action or proceeding in connection with the business, corporate and capital structure of CHUM and its subsidiaries and/or the disposition or proposed disposition of the assets of CHUM and its subsidiaries (including the shares of any subsidiary) set out in such notice. Upon any such notice being given, the Trustee shall take all action required by BGM in such notice to cause CHUM and its subsidiaries, to the extent necessary, to comply with such notice and to render all assistance required by BGM in connection therewith in the manner and upon the terms set out in BGM's notice subject to any requirements of applicable law.
- (g) The Trustee shall have any and all such further powers and shall take such further actions (including, but not limited to, taking legal action) to render and cause CHUM and its subsidiaries to render all required assistance to BGM to effectuate the Transactions and enable it to be completed, including exercising its voting and other rights as a shareholder with respect to any of the Deposited Shares:

 - (i) to advance and bring to fruition any proposal necessary to effect (or consistent with the effectuation of) the Transactions, including the financing thereof (and to render Transactions Completion Assistance), or any contractual obligations of CHUM and its subsidiaries with respect thereto; and
 - (ii) in opposition to any proposal inconsistent with the consummation of the Transactions or any contractual obligation of CHUM and its subsidiaries with respect thereto.

- (h) Subject to the terms of this Agreement, if the Trustee receives an offer for the acquisition of the Deposited Shares, the Trustee shall reject any such offer, unless indicated otherwise by BGM in writing.

5. Concerning the Trustee

- (a) Subject to the provisions of this Agreement, the voting trust created hereby shall be managed by the Trustee.
- (b) The Trustee shall be entitled to receive compensation for his services hereunder at the times and in the amounts as may be agreed to in writing between the Trustee and BGM.
- (c) The Trustee is expressly authorized to incur and pay all reasonable charges and other expenses which the Trustee deems necessary and proper in the performance of the Trustee's duties under this Agreement, including for legal counsel and other advisors of his choosing retained on a *per diem* or hourly basis as the Trustee deems appropriate (or, in the event of any requirement for an advisor in connection with a disposition or proposed disposition under paragraph 4(d),(e) or (f) above retained on such other reasonable basis as the Trustee deems appropriate) as well as for office space and equipment and clerical assistance as the Trustee may reasonably require to allow the Trustee to perform the Trustee's duties hereunder. BGM hereby agrees to reimburse and to indemnify the Trustee against all claims, costs of defence or claims (including reasonable attorneys' fees and disbursements), expenses and liability incurred by the Trustee in connection with the performance of the Trustee's duties under this Agreement, except those incurred as a result of the Trustee's gross negligence, intentional wrongful action or wilful misconduct. BGM agrees to make any payments to the Trustee pursuant to this paragraph within thirty (30) days of submission by the Trustee of an invoice or bill therefor, plus appropriate supporting documentation. In the case of any fees and disbursements of any legal or other advisor retained by the Trustee, the Trustee will arrange for copies of the accounts therefor to be given to BGM and to set out therein in reasonable detail a description of the services rendered together with appropriate supporting documentation.
- (d) The Trustee shall be free from liability in acting upon any paper, document or signature believed by the Trustee, to be genuine and to have been signed by the proper party. The Trustee shall not be liable for any error of judgment in any act done or omitted, nor for any mistake of fact or law, nor for anything which the Trustee may do or refrain from doing in good faith. In order to obtain Legal Advice and Advice, the Trustee may consult with legal, accounting and business advisors of his own choosing.

Wherever in this Agreement it is provided that the Trustee may take (or not take) some step, action or proceeding based on or in accordance with Legal Advice or Advice, so obtaining such Advice or Legal Advice and acting (or refraining from so acting) thereupon shall be optional to the Trustee and the obtaining of such Advice or Legal Advice shall not be a condition precedent to the taking (or the refraining from taking) of such step, action or proceeding. Nevertheless, any action, step or proceeding taken (or not taken) in good faith by the Trustee and in accordance with the Legal Advice or other Advice, as appropriate, (whether or not it is provided in this Agreement that such step, action or proceeding is to be taken (or not taken) based upon or in accordance with Legal Advice or Advice) shall be conclusive on the parties to this Agreement and the Trustee shall be fully protected and be subject to no liability in respect thereto.

- (e) The rights and duties of the Trustee hereunder shall terminate upon the Trustee's bankruptcy, insolvency or death, and no interest in any of the Deposited Shares held by the Trustee nor any of the rights and duties of a Trustee may be transferred in any manner except as provided in this Agreement. The trustee or other personal representatives of a bankrupt, insolvent or deceased Trustee shall, however, have the right and duty to convey any Deposited Shares held by the Trustee to one or more successor Trustees.
- (f) The Trustee may resign by giving thirty (30) days' advance written notice of resignation to BGM; provided that a successor Trustee has been appointed and such appointment has received all necessary regulatory approvals and any orders granting such approval have become final orders with respect to which no actions, requests for stay, petitions for rehearing or reconsideration, or appeals are pending, and as to which the time for filing any such request, petition or appeal has expired. BGM shall not unreasonably delay in the appointment of a successor Trustee.
- (g) So long as the removal of the Trustee and the appointment of a successor Trustee have first received all necessary regulatory approval and any orders granting such approval have become final orders with respect to which no actions, requests for stay, petitions for rehearing or reconsideration, or appeals are pending, and as to which the time for filing any such request, petition or appeal has expired and the successor Trustee is appointed contemporaneously with the removal of the Trustee, BGM may remove the Trustee on ten (10) days' written notice to the Trustee.
- (h) In the event of the resignation, bankruptcy, insolvency or death of the Trustee, he shall be succeeded, subject to such prior approvals of the

CRTC as may be required, by a successor Trustee chosen by BGM. Any successor Trustee shall succeed to all of the rights and obligations of the Trustee replaced hereunder upon the execution by such successor Trustee of a counterpart of this Agreement.

- (l) The Trustee warrants that he is not a Disqualified Person and that he is not a non-Canadian within the meaning of the *Direction to the CRTC (Ineligibility of Non-Canadians)* SOR/97-192, 1997 Canada Gazette Part II, p.1222 ("Non-Canadian") and will not take any action that will constitute him a Disqualified Person or a Non-Canadian during his tenure as Trustee. Any successor Trustee designated pursuant to paragraphs (f), (g) and (h) of this Section 5 shall not be a Disqualified Person or a Non-Canadian.

6. Dividends: Distribution of Proceeds of Sale of Shares or Assets

Subject to the requirements of any agreement granting any security interest in the Deposited Shares in favour of any financial institution or institutions to secure loans made by such financial institution(s) to CHUM or BGM to enable BGM to acquire all or part of the Deposited Shares:

- (a) BGM or its designee shall be entitled to receive, from time to time, payments of dividends, interest, or other distributions if any, collected or received by the Trustee with respect to the Deposited Shares. Such payments shall be made to or to the order of BGM by the Trustee as soon as practicable after the receipt of such dividends, interest or other distributions. In lieu of receiving such dividends, interest or other distributions and paying them to BGM or its designee, the Trustee may instruct CHUM in writing to pay such dividends or other distributions directly to BGM or its designee. In the event any such instruction is given to CHUM, all liability of the Trustee with regard to the payment of such dividends or other distributions shall cease, unless and until such instruction is revoked. The Trustee may at any time revoke such instruction by written notice to CHUM and direct it to make subsequent payments to the Trustee;
- (b) In the event the Trustee receives any additional voting shares of CHUM or shares of its subsidiaries through a dividend or other distribution with respect to any Deposited Shares, the Trustee shall hold such shares subject to this Agreement as Deposited Shares for the benefit of BGM or its designee and such shares shall become subject to all of the terms and conditions of this Agreement to the same extent as if they were Deposited Shares acquired by the Trustee pursuant to paragraph 2(a) hereof;

- (c) In the event of the sale of all or substantially all of CHUM or its subsidiaries, the dissolution or total or partial liquidation of CHUM or its subsidiaries or the sale, exchange or transfer of all or part of the Deposited Shares, the Trustee shall receive the money, securities, rights or property which are distributed or are distributable in respect thereof, or which are received in exchange therefor, and, after paying (or reserving for payment thereof) any expenses incurred pursuant to this Agreement, shall distribute such money, securities, rights or property to BGM or its designee; and
- (d) If at any time during the term of this Agreement, the Trustee shall receive or collect any money or other property (other than shares of CHUM) through distribution by CHUM to their shareholders, other than as set forth in paragraphs (a), (b) or (c) of this Section 6, the Trustee shall distribute such money or other property to BGM or its designee.

7. Commencement of Trust and Termination

The obligations of the parties hereunder shall commence upon BGM taking up and paying for the CHUM Voting Shares tendered under the Offer (which BGM shall be under no obligation to the Trustee to do), and shall terminate upon the transfer to BGM or its designee of all of the Deposited Shares or the sale thereof or of the assets of CHUM or its subsidiaries that are required to be sold pursuant to a Request Sale Notice as contemplated hereunder and the complete distribution of the proceeds to BGM, except that the indemnity obligations of BGM and BGM's obligations to pay amounts owing to the Trustee will continue in effect notwithstanding the termination of this Agreement.

8. Communications

- (a) On a monthly basis, and otherwise when requested in writing by BGM, the Trustee shall communicate with and provide reports to BGM concerning the implementation of the Transactions and the business, maintenance and the operation of CHUM and its subsidiaries.
- (b) Other than as provided in paragraph 8(a) or elsewhere in this Agreement, neither BGM, nor any of its officers, directors, employees, shareholders or affiliates shall communicate with the Trustee regarding the operation or management of CHUM or its subsidiaries. BGM may communicate with the Trustee concerning the transfer of the Deposited Shares, other information on the procedures of implementing the Transactions and other procedures required to be taken by the Trustee, CHUM or its subsidiaries pursuant to the terms hereof including, in the event of a Request Sale

Notice or Regulatory Disposition Notice, information that could assist the Trustee in his determination as to the manner in which the disposition of any shares or assets to be disposed of by him may be carried out so as to maximize the after-tax proceeds of such disposition to the ultimate recipients thereof.

- (c) Any communication permitted by paragraphs 8(a) or 8(b) hereof shall be in writing to the extent reasonable practicable.
- (d) Where deemed appropriate by the Trustee, the Trustee shall provide to CHUM or its counsel, copies of all written materials sent to or received from the CRTC with respect to the Transaction and report orally to CHUM or its counsel on the nature and substance of all oral communications with the CRTC with respect to the Transactions, all to be provided or reported on as soon as reasonably possible;
- (e) Apart from that specified in paragraph (d), any notice, direction, request or other instrument required or permitted to be given hereunder shall be in writing (including telecopier, telex, or any other means of communication by which words are capable of being visibly reproduced at a distance point of reception) and given by delivering or sending it by telecopy or other similar means of communication addressed:

- (i) If to BGM at:

Bell Globemedia Inc.
9 Channel Nine Court
Scarborough, Ontario M1S 4B5

Attention: André Serero
Telecopier: (416) 332-4281

(ii) If to the Trustee at:

WeirFoulds LLP
The Exchange Tower, Suite 1600
P.O.Box 480, 130 King Street West
Toronto, Ontario M5X 1J5

Attention: John L. Pandell
Telecopier: (416) 365-1876

Any such notice, direction or other instrument given as aforesaid shall be effective upon receipt, unless received on a day which is not a business day in which event it shall be deemed to be received on the next business day. Any party may change its address for service from time to time by notice given in accordance with the foregoing and any subsequent notice shall be sent to the party at its changed address.

9.

Miscellaneous

- (a) Except for the written agreement between the Trustee and BGM as to the Trustee's fees for so acting, this Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes all prior oral or written agreements, commitments or understandings with respect to the matters provided for herein.
- (b) This Agreement may be amended from time to time in any manner specified in a written notice given by BGM to the Trustee to which is attached copies of an amending agreement executed by BGM for such purpose; provided that all necessary approvals, if any, to each such amendment shall first be obtained from the CRTC. If any such amendment affects in any way, any of the rights of the Trustee herein or increases the amount of any liability or potential liability of the Trustee hereunder as a result of acting pursuant hereto, the Trustee shall not be bound to agree to any such amendment. Subject to the foregoing, the Trustee shall execute the copies of the amending agreement attached to the notice and return at least two (2) copies to BGM.
- (c) This Agreement shall be binding upon and shall enure to the benefit of the parties hereto and their respective personal representatives, permitted

successors and permitted assigns. Subject to Section 5(h), this Agreement and the trusts hereof shall not be assignable by the Trustee.

- (d) If any part of any provision of this Agreement or any other agreement, documents or writing given pursuant to or in connection with this Agreement shall be invalid or unenforceable under applicable law, said part shall be ineffective to the extent of such invalidity only, without in any way affecting the remaining part of said provision or the remaining provisions of this Agreement.
- (e) This Agreement, the rights and obligations of the parties hereto, and any claims and disputes relating thereto, shall be governed by and construed exclusively in accordance with the laws of the Province of Ontario.
- (f) This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same Agreement.
- (g) The Trustee shall comply based on Legal Advice with Public Notice CRTC 1999-196 and all rules, regulations and policies of the CRTC.

IN WITNESS WHEREOF the parties have executed this Agreement.

Bell Globemedia Inc.
Newco

Per: 

Ivan Fecan
President and Chief Executive Officer

SIGNED, SEALED & DELIVERED
in the presence of:



Witness



John D. McKellar, C.M., Q.C.,
Trustee

Schedule A

**Broadcasting undertakings for which CHUM
has, directly or indirectly, been issued a licence**

Conventional Television

CIVI-TV Victoria
CKAL-TV Calgary
CKEM-TV Edmonton
CHMI-TV Portage La Prairie
CKX-TV Brandon
CFPL-TV London
CHRO-TV Pembroke
CHRO-TV-43 Ottawa
CHWI-TV Wheatley
CITY-TV Toronto
CITY-DT Toronto
CKNX-TV Wingham
CKVR-TV Barrie
CKVU-TV Vancouver

Specialty Television

Razer (Cat. 1)
Punchmuch (Cat. 2)
BRAVO
Drive-In Classics (Cat. 2)
Fashion Television (Cat. 1)
MuchLoud (Cat. 2)
MuchMoreMusic
MuchMoreRetro (Cat. 2)
MuchMusic
MuchVibe (Cat. 2)
SexTV (Cat. 2)
SPACE
Stampede* (Cat. 2)
StarTV
ACCESS - The Education Station
Book Television: The Channel (Cat. 1)

* Not yet in operation

Canadian Learning Television (CLT)
CourtTV Canada (Cat. 2)
The Crime Channel (Cat. 2)
MusIMAX
MusiquePlus
CablePulse 24
TV Land (Cat. 2)

Radio

CFAX-AM Victoria
CFUN-AM Vancouver
CFUN-DR-2 Mount Seymour
CHBE-FM Victoria
CHQM Vancouver
CHQM-DR-1 Mount Seymour
CKST-AM Vancouver
CFRW-AM Winnipeg
CFWM-FM Winnipeg
CHIQ-FM Winnipeg
CJCH-AM Halifax
CIOO-FM Halifax
CKGM-AM Montreal
CKGM-DR-2 Montreal
CFCA-FM Kitchener
CFJR-FM Brockville
CFLY-FM Kingston
CFRA-AM Ottawa
CFRA-DR-2 Ottawa
CHST-FM London
CHUM-AM Toronto
CHUM-DR-2 Toronto
CHUM-FM Toronto
CHUM-DR-1 Toronto
CIDR-FM Windsor
CIDR-DR-1 Windsor
CIMX-FM Windsor
CIMX-DR-1 Windsor
CJPT-FM Brockville
CKKL-FM Ottawa
CKKL-DR-1 Ottawa

* Not yet in operation

CKKW-AM Kitchener
CKLC-AM Kingston
CKLW-AM Windsor
CKLW-DR-2 Windsor
CKLY-FM Lindsay
CKPT-AM Peterborough
CKQM-FM Peterborough
CKWW-AM Windsor
CKWW-DR-2 Windsor
CFGO-AM Ottawa
CFGO-DR-2 Ottawa
CJMJ-FM Ottawa
CJMJ-DR-1 Ottawa
CKUL-FM Halifax
CHBN-FM Edmonton
CHUM Subscription Radio

CT-

THE COMPETITION TRIBUNAL

IN THE MATTER OF the *Competition Act*
R.S.C. 1985, c. C-34 as amended;

AND IN THE MATTER OF the proposed
acquisition by Bell Globemedia Inc. ("BGM") of
shares of CHUM Limited ("CHUM");

AND IN THE MATTER OF the filing and
registration of a Consent Interim Agreement (the
"Agreement") pursuant to section 105 of the
Competition Act (the "Act").

BETWEEN:

THE COMMISSIONER OF COMPETITION

- and -

BELL GLOBEMEDIA INC.

-and-

CHUM LIMITED

-and-

JOHN D. MCKELLAR C.M., Q.C.

CONSENT INTERIM AGREEMENT

Jonathan Chaplan, counsel to the Commissioner
of Competition
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Competition
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