

**AMENDED AND RESTATED UNDERWRITING AGREEMENT**

April 6, 2004, as amended and restated as of April 15, 2004

**Osprey Media Income Fund**

100 Renfrew Drive  
Suite 110  
Markham, ON L3R 9R6

**Attention:** Michael G. Sifton

**Osprey Media Group Inc.**

100 Renfrew Drive  
Suite 110  
Markham, ON L3R 9R6

**Attention:** Michael G. Sifton

**Osprey Media Holdings Inc.**

100 Renfrew Drive  
Suite 110  
Markham, ON L3R 9R6

**Attention:** Michael G. Sifton

**Ontario Teachers' Pension Plan Board**

5650 Yonge Street  
5<sup>th</sup> Floor  
Toronto, ON M2M 4H5

**Attention:** J. Mark MacDonald

**Scotia Merchant Capital Corporation**

Scotia Plaza, 38<sup>th</sup> Floor  
40 King Street West  
Toronto, ON M5W 2X6

**Attention:** Andrew Brenton

**Fox Den Farms Inc.**

100 Renfrew Drive  
Suite 110  
Markham, ON L3R 9R6

**Attention:** Michael G. Sifton

**2003821 Ontario Inc.**

100 Renfrew Drive  
Suite 110  
Markham, ON L3R 9R6

**Attention:** Michael G. Sifton

Dear Sirs:

We understand that Osprey Media Income Fund (the “**Fund**”) proposes to issue and sell to the Underwriters (as defined below) previously unissued trust units of the Fund (the “**Units**”) and has prepared and filed a Preliminary Prospectus with respect to the Units in each of the provinces of Canada (the “**Qualifying Jurisdictions**”) and received a Preliminary MRRS Decision Document (as defined below) therefor. We also understand that the Fund has prepared the Prospectus (as defined below) and will file same with the Securities Commissions (as defined below) promptly after the execution of this agreement, and that Osprey Media Group Inc. (“**Osprey Media**”) has signed the Prospectus as the promoter of the Fund and that the Fund intends to use the proceeds of the sale of the Units to acquire, directly or indirectly, shares and notes of Osprey Media and shares of Osprey Media Holdings Inc., as specified in the Prospectus.

Upon and subject to the terms and conditions contained in this agreement, CIBC World Markets Inc. (“**CIBC**”), Scotia Capital Inc. (“**Scotia**”), BMO Nesbitt Burns Inc., National Bank Financial Inc. and Westwind Partners Inc., (collectively, the “**Underwriters**”, and each, an “**Underwriter**”) hereby severally offer to purchase from the Fund in the respective percentages set out in Section 24 of this agreement, and the Fund hereby agrees to sell to the Underwriters, all but not less than 20 million Units (the “**Initial Units**” ) at the purchase price of \$10.00 per Unit, being an aggregate purchase price of \$200 million.

By acceptance of this agreement, the Fund grants to the Underwriters an irrevocable right (the “**Over-Allotment Option**”) to purchase, severally and not jointly, up to 2,000,000 additional Units (the “**Additional Units**”) from the Fund on the same basis (including as to the fee payable to the Underwriters per Additional Unit) as the purchase of the Initial Units. If CIBC and Scotia (collectively, the “**Lead Underwriters**”), on behalf of the Underwriters, elect to exercise the Over-Allotment Option, the Lead Underwriters shall notify the Fund in writing not later than noon on the 30<sup>th</sup> day following the Closing Date, which notice shall specify the number of Additional Units to be purchased by the Underwriters and the date and time at which such Additional Units are to be purchased (the “**Over-Allotment Closing Time**”). Such date may be the same as the Closing Date but (a) not earlier than the later of (i) the Closing Date and (ii) two business days after the delivery date of such notice, nor (b) later than five business days after the date of such notice. Additional Units may be purchased solely for the purpose of covering over-allotments made in connection with the Offering (as defined below) of the Initial Units. If any Additional Units are purchased, each Underwriter agrees, severally and not jointly, to purchase the number of Additional Units (subject to such adjustments to eliminate fractional Units as the Lead Underwriters may determine) that bears the same proportion to the total number of Additional Units to be purchased as the number of Initial Units set out in Section 24 opposite the name of such Underwriter bears to the total number of Initial Units.

The Initial Units and the Additional Units are hereinafter referred to, collectively, as the “**Purchased Units**”). In consideration of the agreement of the Underwriters to purchase the Initial Units and to offer them to the public pursuant to the Prospectus, the Fund and Osprey Media, jointly and severally, agree to pay, or cause to be paid, to the Underwriters, (i) at the Time of Closing (as defined below), an aggregate fee of \$11,500,000.00, being a fee equal to 5.75% of the aggregate purchase price for the Initial Units, or \$0.575 per Initial Unit, and (ii) at the Over-Allotment Closing Time, a fee equal to 5.75% of the aggregate purchase price for the Additional Units purchased at the Over-Allotment Closing Time, or \$0.575 per Additional Unit.

### **Terms and Conditions**

The following are additional terms and conditions of this agreement.

#### **1. Definitions.**

Where used in this agreement, or in any amendment to this agreement, the following terms will have the following meanings, respectively:

“**affiliate**” means an affiliated entity for purposes of Section 1.2 of Ontario Securities Commission Rule 45-501 – *Exempt Distributions*;

“**Beneficiaries**” has the meaning given to that term in Section 17(f);

“**Business**” means the business carried on by Current Osprey, and to be carried on by the Fund, indirectly through Osprey Media, immediately following the Time of Closing, as described in the Prospectus;

“**business day**” means a day other than a Saturday, a Sunday or a day on which banks are not open for business in Toronto, Ontario;

“**Claim**” has the meaning given to that term in Section 17;

“**Closing**” means the completion of the Reorganization and the Offering of the Initial Units under the Prospectus;

“**Closing Date**” means the date of the Closing, being April 15, 2004 or any earlier or later date as may be agreed to in writing by the Fund and the Underwriters, each acting reasonably, but will in any event not be later than May 18, 2004;

“**Continuing Underwriters**” has the meaning given to that term in Section 24;

“**Current Osprey**” means Osprey Media Group Inc., a corporation amalgamated under the laws of the Province of Ontario, prior to the Reorganization;

“**Defaulted Units**” has the meaning given to that term in Section 24;

“**distribution**” means a distribution or distribution to the public, as the case may be, for the purposes of the Securities Laws or any of them;

“**Final MRRS Decision Document**” means a receipt for the Prospectus issued in accordance with the MRRS;

“**Financial Information**” means (i) the financial statements (including pro forma financial statements) of the Fund and Osprey Holdings including the notes with respect to those financial statements, together with the reports of Ernst & Young LLP and KPMG LLP; (ii) the financial statements of Hollinger Ontario Newspapers Group, including the notes with respect to those financial statements, together with the report of KPMG LLP; (iii) the financial statements of CanWest Southern Ontario Newspaper Group, including the notes with respect to those financial statements, together with the report of Ernst & Young LLP, in each case included in the Prospectus under the heading “Index to Financial Statements”; (iv) the selected financial information of Osprey Holdings set forth in the Prospectus under the headings “Summary – Summary of Selected Consolidated Financial Information” and “Selected Consolidated Financial Information”; (v) the selected financial information of the Fund set forth in the Prospectus under the heading “Pro Forma Consolidated Capitalization of the Fund”; (vi) the selected financial information of the Fund set forth in the Prospectus under the heading “Reconciliation of Net Loss From Continuing Operations to EBITDA, Adjusted EBITDA and Pro Forma Adjusted EBITDA”; (vii) the selected financial information of the Fund set forth in the Prospectus under the heading “Reconciliation of Historical and Pro Forma Revenue”; and (viii) the management’s discussion and analysis of financial condition and results of operations of Osprey Holdings set forth in the Prospectus under the heading “Management’s Discussion and Analysis of Financial Condition and Results of Operations”, in each case other than the Other Financial Information set forth therein;

“**Fund**” means Osprey Media Income Fund, a trust formed under the Laws of the Province of Ontario;

“**Fund Declaration of Trust**” means the declaration of trust dated January 1, 2004, pursuant to which the Fund was created, as amended and restated from time to time;

“**Governmental Body**” means any (i) multinational, federal, provincial, state, municipal, local or other governmental or public department, central bank, court, commission, board, bureau, agency or instrumentality, domestic or foreign; (ii) any subdivision or authority of any of the foregoing; (iii) any quasi-governmental, self-regulatory organization or private body exercising any regulatory, expropriation or taxing authority under or for the account of its members or any of the above; or (iv) any arbitrator exercising jurisdiction over the affairs of the applicable Person, asset, obligation or other matter;

“**Governmental Charges**” means all taxes, duties, levies, assessments, reassessments and other charges together with all related penalties, interest and fines, payable in respect of periods ending on or before the Closing Date to any domestic or foreign government (federal, provincial, state, municipal or otherwise) or to any regulatory authority, agency, commission or board of any domestic or foreign government, or imposed by any court or any other law, regulation or rule making entity having jurisdiction in the relevant circumstances, applicable to any of the Fund, Osprey Media, Osprey Holdings or the Business;

“**Indemnified Party**” and “**Indemnified Parties**” have the meanings given to those terms in Section 17(a);

“**Indemnifying Parties**” has the meaning given to that term in Section 17(b);

“**Investors**” means, collectively, the OTPPB and SMCC;

“**IPO Offering Documents**” has the meaning given to that term in Section 17(a)(i);

“**Law**” means any and all laws, including all federal, state, provincial and local statutes, codes, ordinances, guidelines, decrees, rules, regulations and municipal by-laws and all judicial, arbitral, administrative, ministerial, departmental or regulatory judgments, orders, directives, decisions, rulings or awards or other requirements of any other Governmental Body, binding on or affecting the Person referred to in the context in which the term is used;

“**Lead Underwriters**” means CIBC and Scotia acting as co-lead underwriters;

“**License Agreement**” means the license agreement to be entered into on the Closing Date between the Fund and Osprey Media concerning the use of the name “Osprey Media” and related intellectual property rights;

“**Lien**” means any mortgage, charge, pledge, hypothecation, security interest, assignment, Lien (statutory or otherwise), charge, title retention agreement or arrangement, restrictive covenant or other encumbrance of any nature, or any other arrangement or condition which, in substance, secures payment or performance of an obligation;

“**Management Group**” has the meaning ascribed thereto in the Prospectus;

“**Material Adverse Effect**” or “**Material Adverse Change**” means any effect or change on any OMG Party or the Business that is or is reasonably likely to be materially adverse to the results of operations, financial condition, assets, properties, capital, liabilities (contingent or otherwise), cash flow, income or business operations of any OMG Party or the Business, after giving effect to this agreement and the transactions contemplated hereby, by the Related Agreements or by the Reorganization, or that is materially adverse to the completion of the transactions contemplated by

this agreement, the Related Agreements or the Reorganization, in each case taken as a whole and as a going concern;

“**material fact**” means a fact that significantly affects, or would reasonably be expected to have a significant effect on, the market price or value of the Purchased Units;

“**Misrepresentation**” means a misrepresentation for the purposes of applicable Securities Laws or any of them or, where undefined under the applicable Securities Laws of a jurisdiction, means: (i) an untrue statement of a material fact, or (ii) an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in the light of the circumstances in which it was made;

“**MRRS**” means the mutual reliance review system procedures provided for under National Policy 43-201 – *Mutual Reliance Review System for Prospectuses and Annual Information Forms*, as amended;

“**New Credit Facilities**” means the amended and restated credit facilities to be made available at Closing, including a revolving operating facility and a four-year secured term facility, to Osprey Media in the aggregate amount of \$198.3 million, as more fully described in the Prospectus;

“**Nominating Agreement**” means the Nominating and Voting Agreement to be entered into on the Closing Date between the Fund and SMCC respecting, among other things, certain corporate governance matters respecting Osprey Media;

“**Note Indenture**” means the note indenture dated the Closing Date between Osprey Media and the Trust Company, as trustee, providing for the issuance of the OMG Notes;

“**Offering**” means the offering of Units to the public under the Prospectus, including, unless the context requires otherwise, the Units pursuant to the exercise of the Over-Allotment Option;

“**Offering Documents**” has the meaning given to that term in Section 6(a)(ii);

“**OMG Credit Documents**” means any or all of the credit agreements, indentures or other similar documents in respect of borrowed monies to which Osprey Media, Osprey Holdings and/or any of their respective subsidiaries is a party or is bound as of the date of this agreement, together with all instruments and other agreements entered into in connection with such agreements;

“**OMG Notes**” means the notes issued by Osprey Media pursuant to the Note Indenture;

“**OMG Parties**” means, collectively, the Fund, Osprey Media and Osprey Holdings and their respective affiliates and subsidiaries and “**OMG Party**” means any one of them;

“**Ordinary Course**” means, with respect to an action taken by a Person, that such action is consistent in all material respects with past practices of the Person and is taken in the ordinary course of the normal day-to-day operations of the Person;

“**Osprey Holdings**” means Osprey Media Holdings Inc., a corporation incorporated under the Laws of the Province of Ontario;

“**Osprey Media**” means: (i) prior to the Closing, Current Osprey; and (ii) thereafter, Osprey Media Group Inc. as successor to Current Osprey, and its successors and assigns, as the context requires;

**“Other Financial Information”** means the non-GAAP financial information (including, without limitation, EBITDA, Adjusted EBITDA, Pro Forma Adjusted EBITDA, Pro Forma Revenue, Adjusted EBITDA Margin or Pro Forma Adjusted EBITDA Margin) set forth in (i) the Prospectus under the heading “Definitions of Non-GAAP Measures”; (ii) the selected financial information of Osprey Holdings set forth in the Prospectus under the headings “Summary – Summary of Selected Consolidated Financial Information” and “Selected Consolidated Financial Information”, (iii) the selected financial information of the Fund set forth in the Prospectus under the headings “Summary – Summary of the Distributable Cash Flow of the Fund” and “Summary of Distributable Cash Flow of the Fund”; (iv) the selected financial information of the Fund set forth in the Prospectus under the heading “Reconciliation of Net Loss From Continuing Operations to EBITDA, Adjusted EBITDA and Pro Forma Adjusted EBITDA”; (v) the selected financial information of the Fund set forth in the Prospectus under the heading “Reconciliation of Historical and Pro Forma Revenue”; (vi) the management’s discussion and analysis of financial condition and results of operations of Osprey Holdings set forth in the Prospectus under the heading “Management’s Discussion and Analysis of Financial Condition and Results of Operations – Outlook”; and (vii) the selected financial information of the Fund set forth in the Prospectus under the heading “Pro Forma Consolidated Capitalization of the Fund”;

**“OTPPB”** means the Ontario Teachers’ Pension Plan Board;

**“Person”** means any individual, partnership, limited partnership, limited liability company, joint venture, syndicate, sole proprietorship, company or corporation with or without share capital, unincorporated association, trust, trustee, executor, administrator or other legal personal representative, Governmental Body or any other entity however designated or constituted;

**“Plans”** has the meaning given to that term in Section 13(a)(xx);

**“Preliminary MRRS Decision Document”** means a receipt for the Preliminary Prospectus issued in accordance with the MRRS;

**“Preliminary Prospectus”** means the preliminary prospectus of the Fund dated March 5, 2004 relating to the qualification for distribution of the Purchased Units under applicable Securities Laws in the Qualifying Jurisdictions;

**“Prospectus”** means the (final) prospectus of the Fund dated April 6, 2004, relating to the qualification for distribution of the Purchased Units under applicable Securities Laws in the Qualifying Jurisdictions;

**“Refusing Underwriter”** has the meaning given to that term in Section 24;

**“Related Agreements”** means the Fund Declaration of Trust, the Note Indenture, the Securityholders’ Agreement, the Nominating Agreement, the New Credit Facilities and the License Agreement;

**“Reorganization”** means the reorganization to be entered into on or before Closing among the Fund, Osprey Media, Osprey Holdings and its subsidiaries, to provide for, among other things, the investment by the Fund of the proceeds of the Offering under the Prospectus in shares in the capital of Osprey Media, the OMG Notes, and shares in the capital of Osprey Holdings, and the investment by the Investors, the Siftoncos, the SMC Funds and certain executives of Osprey Media in Units or shares in the capital of Osprey Media and OMG Notes, as outlined in the Steps Memorandum dated April 6, 2004 prepared by the Fund’s counsel and delivered to the Lead Underwriters;

“**Securities Commission**” means the applicable securities commission or regulatory authority in each of the Qualifying Jurisdictions;

“**Securities Laws**” means, collectively, and, as the context may require, the applicable securities Laws of each of the Qualifying Jurisdictions and the respective regulations and rules made under those securities Laws together with all applicable policy statements, blanket orders and rulings of the Securities Commissions and all discretionary orders or rulings, if any, of the Securities Commissions made in connection with the transactions contemplated by this agreement, together with applicable published policy statements of the Canadian Securities Administrators;

“**Securityholders’ Agreement**” means the Securityholders’ Agreement to be entered into on the Closing Date between Osprey Media, the Fund and OTPPB respecting, among other things, their respective investments in Osprey Media and certain corporate governance matters respecting Osprey Media;

“**Siftoncos**” means Fox Den Farms Inc. (successor by amalgamation to 1505224 Ontario Inc.) and 2003821 Ontario Inc., the companies through which Michael Sifton holds his interests in Osprey Holdings (other than shares received in the exercise of stock options) prior to Closing;

“**SMCC**” means Scotia Merchant Capital Corporation;

“**SMC Funds**” means, collectively, SMC Equity Partners 2001 Fund and SMC Equity Partners 2003 Fund;

“**Standard Listing Conditions**” has the meaning given to that term in Section 5(c)(iv);

“**subsidiary**” means a subsidiary entity for purposes of Section 1.2 of Ontario Securities Commission Rule 45-501 – *Exempt Distributions*;

“**Supplementary Material**” means, collectively, any amendment to the Prospectus and any supplemental prospectus that may be filed by or on behalf of the Fund under the Securities Laws relating to the qualification for distribution of the Purchased Units;

“**Tax Act**” has the meaning given to that term in Section 13(a)(xx);

“**Time of Closing**” means 8:00 a.m. (Toronto time) on the Closing Date, or any other time on the Closing Date as may be mutually agreed to by the Fund, the Investors and the Underwriters;

“**Trust Company**” means CIBC Mellon Trust Company;

“**TSX**” means the Toronto Stock Exchange;

“**United States**” or “**U.S.**” means the United States of America, its territories and possessions, any state of the United States and the District of Columbia; and

“**U.S. Placement Memorandum**” has the meaning given to that term in Section 16(a)(xi).

Capitalized terms used but not defined in this agreement have the meanings given to them in the Prospectus.

Unless otherwise indicated, all references to monetary amounts in this agreement are to lawful money of Canada.

Any references in this agreement to a Section, paragraph, subsection, subparagraph, clause or subclause will refer to a Section, paragraph, subsection, subparagraph, clause or subclause of this agreement.

All words and personal pronouns relating to those words will be read and construed as the number and gender of the party or parties referred to in each case as required, and the verb will be construed as agreeing with the required word and/or pronoun.

Wherever the words “**include**”, “**includes**” or “**including**” are used in this agreement, they shall be deemed to be followed by the words “**without limitation**”.

References in this agreement to actions to be taken by the Fund, mean actions to be taken by the trustees of the Fund on behalf of the Fund, or their duly authorized agent or attorney.

## **2. Attributes of the Purchased Units.**

The Purchased Units to be issued and sold under this agreement by the Fund will be duly and validly created and issued by the Fund and, when issued and sold by the Fund, those Purchased Units will have the attributes set out in the Fund Declaration of Trust, subject to those modifications or changes (if any) prior to the Closing Date as may be permitted under the Fund Declaration of Trust and agreed to in writing by the Fund and the Underwriters.

## **3. Filing of Prospectus.**

- (a) The Fund will, as soon as possible following the execution of this agreement, prepare and file the Prospectus in both the English and French languages in form and substance satisfactory to the Underwriters in each of the Qualifying Jurisdictions with the Securities Commissions under the Securities Laws, and will obtain the Final MRSS Decision Document as soon as possible after the filing and, in any event, not later than 5:00 p.m. (Toronto time) on April 6, 2004 (or such other time and/or later date as the Fund and the Underwriters may agree in writing) and will have taken all other steps and proceedings that may be necessary in order to qualify the Purchased Units for distribution in each of the Qualifying Jurisdictions by the Underwriters and other persons who are registered in a category permitting them to distribute the Purchased Units under the Securities Laws and who comply with the Securities Laws.
- (b) Until the distribution of the Purchased Units is completed, the Fund will promptly take, or cause to be taken, all additional steps and proceedings that may from time to time be required under the Securities Laws to continue to qualify the distribution of the Purchased Units or, in the event that the Purchased Units have, for any reason, ceased so to qualify, to so qualify again the Purchased Units, as applicable, for distribution.

## **4. Distribution and Certain Obligations of Underwriters.**

- (a) During the course of the distribution of the Purchased Units to the public by or through the Underwriters, the Underwriters will offer and sell those Purchased Units to the public, only in those jurisdictions where they may be lawfully offered for sale or sold and only at the price per Unit set out on the cover page of the Prospectus. The Underwriters will comply with applicable Securities Laws in connection with the offer

to sell, or distribution of, the Purchased Units. Except in the Qualifying Jurisdictions, the Underwriters will not, directly or indirectly, solicit offers to purchase or sell the Purchased Units or deliver the Prospectus or any Supplementary Material so as to require registration of those Units or filing of a prospectus with respect to those Units under the Laws of any jurisdiction, including, without limitation, the United States. Any offer or sales of the Purchased Units in the United States will be made in accordance with Section 16 of this agreement. Each Underwriter will cause similar undertakings to be contained in any agreements among the members of the banking, selling or other groups formed for the distribution of the Purchased Units and will require any member of the banking, selling or other group formed for the distribution of the Purchased Units to comply with applicable Securities Laws and/or U.S. Securities Laws, as applicable.

- (b) The Underwriters will complete, and will use their reasonable best efforts to cause members of their selling group (if any) to complete, the distribution of the Purchased Units as promptly as possible after the Time of Closing. The Underwriters will notify the Fund and the TSX, in writing, when, in the Underwriters' opinion, the Underwriters and the members of their selling group (if any) have ceased distribution of the Purchased Units and, promptly after completion of the distribution, will provide the Fund, in writing, with a breakdown of the number of Purchased Units distributed in each of the Qualifying Jurisdictions where that breakdown is required by the Securities Commission of that jurisdiction for the purpose of calculating fees payable to that Securities Commission.
- (c) For the purposes of this Section 4, the Underwriters shall be entitled to assume that the Purchased Units are qualified for distribution in any Qualifying Province where a receipt or similar document for the Prospectus shall have been obtained from the applicable Securities Commission (including the Final MRRS Decision Document) following the filing of the Prospectus unless otherwise notified in writing.
- (d) No Underwriter will be liable to the Fund under this Section 4 with respect to a default by any of the other Underwriters but will be liable to the Fund for its own default.

## **5. Delivery of Prospectus and Related Matters.**

- (a) The Fund will cause to be delivered to the Underwriters, at those delivery points as the Underwriters reasonably request, as soon as possible and in any event no later than 5:00 p.m. (Toronto time) on April 7, 2004, and thereafter from time to time during the distribution of the Purchased Units, as many commercial copies of the Prospectus in the English language and French language as the Underwriters may reasonably request. The Fund will similarly cause to be delivered to the Underwriters, at those delivery points as the Underwriters may reasonably request, commercial copies of a U.S. Placement Memorandum and any Supplementary Material required to be delivered to purchasers or prospective purchasers of the Purchased Units. The Fund has previously delivered to the Underwriters copies of the Preliminary Prospectus as approved, signed and certified by the Fund and Osprey Media as required by the Securities Laws. Each delivery of the Preliminary Prospectus, the Prospectus or any Supplementary Material will have constituted or constitute, as the case may be, consent by the Fund and Osprey Media to the use by the Underwriters and members of

their selling group (if any) of those documents in connection with the distribution of the Purchased Units for sale in all of the Qualifying Jurisdictions, subject to the Securities Laws. The Fund will deliver copies of all ancillary materials filed with the Securities Commission to the Underwriters contemporaneously with their filing. Each delivery of the U.S. Placement Memorandum will constitute consent by the Fund and Osprey Media to the use of the U.S. Placement Memorandum and any Supplementary Material required to be prepared and/or filed under U.S. Securities Laws by the U.S. broker affiliates of the Underwriters and members of their selling group (if any) for the distribution of the Purchased Units for sale by them in the United States in accordance with this agreement.

- (b) Each delivery of an Offering Document to the Underwriters by the Fund in accordance with Section 5(a) will constitute a representation and warranty of the Fund and Osprey Media to the Underwriters that (except for information, statements or omissions relating to the Underwriters and furnished by them), at the respective times of delivery and at the Time of Closing:
  - (i) the information and statements contained therein contain no Misrepresentation; and constitute full, true and plain disclosure of all material facts relating to the Fund, Osprey Media and the Purchased Units as required by the Securities Laws; and
  - (ii) each of those documents fully complies with applicable Securities Laws and applicable U.S. Securities Laws other than as to non-material matters.
  
- (c) The Fund will deliver to the Underwriters, without charge, in Toronto, Ontario, contemporaneously with or prior to the filing of the Prospectus, unless otherwise indicated:
  - (i) a copy of the Prospectus in the English language and a copy of the Prospectus in the French language, each signed on behalf of the Fund and Osprey Media, in its capacity as promoter, as required by the Securities Laws of each of the Qualifying Jurisdictions;
  - (ii) at the request of the Underwriters, a copy of the U.S. Placement Memorandum prepared as contemplated herein;
  - (iii) a copy of any other document required to be filed by the Fund under the Securities Laws in connection with the Offering of the Purchased Units contemplated by this agreement;
  - (iv) evidence satisfactory to the Underwriters of the approval of the listing and posting for trading on the TSX of the Purchased Units, subject only to satisfaction by the Fund of customary post-closing conditions imposed by the TSX in similar circumstances (the “**Standard Listing Conditions**”);
  - (v) a “long-form” comfort letter dated the date of the Prospectus, in form and substance satisfactory to the Underwriters, acting reasonably, addressed to the Underwriters, the trustees of the Fund and the directors of Osprey Holdings from each auditor of the Fund and Osprey Holdings (in respect of financial statements in the Prospectus), and based on a review completed not more than three business days prior to the date of the letter, with respect to certain

financial and accounting information relating to the Fund and to Osprey Holdings in the Prospectus, which letters shall be in addition to the auditors' reports contained in the Prospectus and any auditors' comfort letters addressed to the Securities Commissions;

- (vi) as soon as possible, but in any event contemporaneously with the filing of the Prospectus with the Securities Commission in the Province of Québec, an opinion of Québec counsel to the Fund and Osprey Media, addressed to the Underwriters, the Fund and Osprey Media, and their respective counsel in form and substance satisfactory to the Underwriters, acting reasonably, to the effect that the French language version of the Prospectus, other than the Financial Information and the Other Financial Information, is, in all material respects, a complete and proper translation of the English language version thereof;
  - (vii) as soon as possible, but in any event contemporaneously with the filing of the Prospectus with the Securities Commission in the Province of Québec, an opinion of Québec counsel to the Fund and Osprey Media, addressed to, among others, the Underwriters, acting reasonably, regarding compliance with all the Laws of Québec relating to the use of the French language in connection with the distribution of the Purchased Units; and
  - (viii) as soon as possible, but in any event contemporaneously with the filing of the Prospectus with the Securities Commission in the Province of Québec, an opinion of the auditors of the Fund and Osprey Media, addressed to the Underwriters, the Fund and Osprey Media and their respective counsel in form and substance satisfactory to the Underwriters, acting reasonably, to the effect that the French translation of the Financial Information and the Other Financial Information, is, in all material respects, a complete and proper translation of the English language version.
- (d) Opinions, comfort letters and other documents substantially similar to those referred to in Section 5(c) will be delivered to the Underwriters, the Fund and Osprey Media, and their respective counsel, as applicable, with respect to any Supplementary Material, concurrently with the execution of the Supplementary Material.

## 6. **Material Change.**

- (a) The Fund and Osprey Media and, to the extent they have knowledge of same, the Investors, will promptly inform the Underwriters in writing during the period prior to the completion of the distribution of the Purchased Units of the full particulars of:
  - (i) any Material Adverse Change;
  - (ii) any material fact which has arisen or has been discovered and would have been required to have been stated in the Preliminary Prospectus, the Prospectus, the U.S. Placement Memorandum or any Supplementary Material (collectively, the "**Offering Documents**") had that fact arisen or been discovered on, or prior to, the date of any of the Offering Documents; or
  - (iii) any change in any material fact contained in any of the Offering Documents or whether any event or state of facts has occurred after April 6, 2004, which, in any case, is of such a nature as to render any of the Offering Documents untrue

or misleading in any material respect or to result in any Misrepresentation in any of the Offering Documents.

- (b) During the period from the date hereof until the completion of the distribution under the Prospectus, the Fund will comply with Section 57 of the *Securities Act* (Ontario) and with the comparable provisions of the other Securities Laws, and the Fund and Osprey Media will prepare, with the input of the Underwriters, and the Fund will file promptly at the request of the Underwriters any Supplementary Material which, in the opinion of the Underwriters, acting reasonably, may be necessary or advisable, and will otherwise comply with all legal requirements necessary, to continue to qualify the Purchased Units for distribution in each of the Qualifying Jurisdictions and in the United States pursuant to this agreement.
- (c) In addition to the provisions of Sections 6(a) and 6(b), the Fund and Osprey Media will, in good faith, discuss with the Underwriters any change, event or fact contemplated in Sections 6(a) and 6(b) which is of such a nature that there may be reasonable doubt as to whether notice should be given to the Underwriters under Section 6(a) and will consult with the Underwriters with respect to the form and content of any Supplementary Material proposed to be filed by the Fund, it being understood and agreed that no such Supplementary Material will be filed with any Securities Commission prior to the review by the Underwriters and their counsel.

#### **7. Regulatory Approvals.**

- (a) The Fund and Osprey Media will file or cause to be filed with the TSX all necessary documents and will take or cause to be taken all necessary steps to ensure that the Purchased Units have been approved for listing and posting for trading on the TSX, prior to the filing of the Prospectus with the Securities Commissions, subject only to satisfaction by the Fund of the Standard Listing Conditions.
- (b) The Fund and Osprey Media will make all necessary filings, obtain all necessary regulatory consents and approvals (if any) and the Fund and/or Osprey Media will pay all filing fees required to be paid in connection with the transactions contemplated in this agreement.
- (c) The Fund and Osprey Media will notify the Underwriters of any notice or other correspondence received by any of the OMG Parties from any Governmental Body requesting any information, meeting or hearing relating to the Offering or any other event or state of affairs that the Fund or Osprey Media reasonably believes may be material to the Underwriters or the unitholders of the Fund.

#### **8. Representations and Warranties of the OMG Parties to the Underwriters.**

Each of the Fund, Osprey Media and Osprey Holdings jointly and severally represents and warrants to the Underwriters as follows, and acknowledges that the Underwriters are relying upon the following representations and warranties in completing the transactions contemplated by this agreement:

- (a) the Fund has been created and is existing as a trust under the Laws of the Province of Ontario; pursuant to the Fund Declaration of Trust, the trustees identified in the

Prospectus will by Closing have been duly appointed as trustees of the Fund and the trustees of the Fund have the power to carry on the business and affairs of the Fund as described in the Prospectus, and to enter into and perform the Fund's obligations under this agreement and each of the Related Agreements to which the Fund is a party;

- (b) Current Osprey is a corporation existing under the Laws of Ontario and has all requisite corporate power and authority to carry on its business as described in the Prospectus and to enter into and perform its obligations under this agreement and each of the Related Agreements to which it is a party;
- (c) Upon completion of the Reorganization and the transactions contemplated in the Prospectus, Osprey Media will be a corporation existing under the Laws of Ontario and will have all requisite corporate power and authority to carry on its business as described in the Prospectus and to enter into and perform its obligations under this agreement and each of the Related Agreements to which it is a party;
- (d) Osprey Holdings is a corporation existing under the Laws of Ontario and has all requisite corporate power and authority to carry on its business, and to own or lease and to operate its assets and to enter into and perform its obligations under this agreement and each of the Related Agreements to which it is a party;
- (e) the execution, delivery and performance by each of the Fund, Osprey Media and Osprey Holdings of this agreement and each of the Related Agreements to which it is a party, and the issuance, sale and delivery of the Purchased Units by the Fund, as applicable:
  - (i) have been, or will at the Time of Closing be, duly authorized by all necessary action of the Fund, Osprey Media and Osprey Holdings;
  - (ii) do not require the consent, approval, authorization, registration or qualification of or with any governmental authority, stock exchange, Securities Commission or other securities regulatory authority or other third party, except: (i) those which have been obtained; (ii) those as may be required (and will be obtained prior to the Time of Closing) under applicable Securities Laws or the Related Agreements; or (iii) those which have not been obtained and where the failure to so obtain would not individually or in the aggregate result in a Material Adverse Effect;
  - (iii) do not (or will not with the giving of notice or the lapse of time) result in a default under any of the terms or provisions of any other Related Agreement or the constating documents or by-laws or resolutions of the securityholders, trustees or directors (or any committee thereof) of the Fund, Osprey Media or Osprey Holdings, or any judgement, decree, order or award of any court, governmental body or arbitrator having jurisdiction over the Fund, Osprey Media or Osprey Holdings, or any material agreement, license or permit to which the Fund, Osprey Media or Osprey Holdings is a party or by which its business may be affected, except, in each case, any breach, violation, conflict, default or right that would not result in a Material Adverse Effect; and

- (iv) will not result in the violation of any Law except, in each case, any breach, violation, conflict, default or right that would not result in a Material Adverse Effect;
- (f) this agreement and the Related Agreements to which the Fund, Osprey Media or Osprey Holdings is a party have been or, as the case may be, will be, at the Time of Closing, duly executed and delivered by or on behalf of the Fund, Osprey Media or Osprey Holdings and constitute or, will constitute, when so executed and delivered, legal, valid and binding obligations of the Fund, Osprey Media and Osprey Holdings, as the case may be, enforceable in accordance with their respective terms, provided that enforceability may be limited by bankruptcy, insolvency and other similar Laws affecting creditors' rights generally, that specific performance, injunctive relief and other equitable remedies may only be granted in the discretion of a court of competent jurisdiction and that rights of indemnity and/or contribution set out in this agreement may be limited by applicable Law;
- (g) Osprey Media is conducting its business and affairs, as described in the Prospectus, in compliance in all material respects with all applicable Laws and is licensed, registered or qualified and has all necessary licences and permits in all jurisdictions in which it carries on business to enable the Business, as now conducted, to be carried on, and to enable its assets to be owned or to be leased and to be operated, except where the failure to be so licensed, registered or qualified or to have such licenses or permits would not have a Material Adverse Effect, and all such licences, registrations, qualifications and permits held by Osprey Media are valid and existing and in good standing; neither the Fund nor Osprey Media is aware of any legislation, regulation, by-law or other lawful requirement currently in force or proposed to be brought into force by any Governmental Body with which Osprey Media will be unable to comply in all material respects and which would reasonably be expected to have a Material Adverse Effect;
- (h) to the knowledge of the Fund and Osprey Media, other than the Securityholders' Agreement and the Nominating Agreement, there is currently no, and will not at the Time of Closing be any, agreement in force or effect which in any manner affects or will affect the voting or control of any of the securities of the Fund, Osprey Media or Osprey Holdings;
- (i) as of the Time of Closing, assuming no exercise of the Over-Allotment Option and the completion of the Closing:
  - (i) the authorized and issued and outstanding capital of Osprey Media shall be as set forth in the Prospectus and, other than that number of Class B restricted voting shares of Osprey Media and that aggregate principal amount of OMG Notes held by OTPPB, each as set out in the Prospectus, and 1,000 Class C non-voting shares of Osprey Media held by Osprey Holdings, the Fund will be the only registered and beneficial owner of all of the issued and outstanding shares in the capital of Osprey Media and all of the outstanding OMG Notes;
  - (ii) the authorized and issued and outstanding capital of Osprey Holdings shall be 100 Class A (voting) common shares and 16,506,767 Class B (non-voting) common shares, the Fund will be the only registered and beneficial owner of

such Class A (voting) common shares of Osprey Holdings, and Osprey Media will be the only registered and beneficial owner of such Class B (non-voting) common shares of Osprey Holdings;

- (iii) the Fund will be the registered and beneficial owner of that number of issued and outstanding Class A voting common shares of Osprey Media, that aggregate principal amount of the OMG Notes, each as set forth in the Prospectus, and all of the issued and outstanding voting securities in the capital of Osprey Holdings, and all of those securities will be validly issued and outstanding, fully-paid and non-assessable and will be held by the Fund free and clear of any Liens;
  - (iv) Osprey Media will be the registered and beneficial owner of all of the issued and outstanding Class B non-voting common shares of Osprey Holdings, and those securities will be validly issued and outstanding, fully paid and non-assessable and will be held by Osprey Media free and clear of any Liens; and
  - (v) Osprey Holdings will be the registered and beneficial owner of 1,000 Class C non-voting common shares of Osprey Media, and all of those securities will be validly issued and outstanding, fully paid and non-assessable and will be held by Osprey Holdings free and clear of any Liens;
- (j) the Fund is authorized to issue an unlimited number of Units, of which: (i) immediately before the Time of Closing, ten Units will be issued and outstanding as fully paid Units of the Fund; and (ii) after the Closing and assuming the completion of the Reorganization (including, for greater certainty, all post-Closing transactions of the Reorganization), 35,381,484 Units will be issued and outstanding as fully paid Units of the Fund, including 13,161,378, 494,927, and 1,725,179 Units held by the SMCC, the SMC Funds and the Management Group, respectively, as described in the Prospectus;
- (k) the Trust Company has been duly appointed as the registrar and transfer agent of the Fund with respect to its Units and Computershare Trust Company of Canada has been duly appointed as the trustee of Osprey Media with respect to the OMG Notes;
- (l) except as contemplated by this agreement, the Fund Declaration of Trust, the Securityholders' Agreement or as disclosed in the Prospectus, no Person has any written or oral agreement, option, understanding or commitment, or any right or privilege capable of becoming such under which the Fund, Osprey Media or Osprey Holdings is, or may become, obligated to issue any of its securities;
- (m) except as disclosed in the Prospectus, there is no action, suit, proceeding or investigation, or, to the best of the knowledge of the Fund and Osprey Media, any investigation by any person, at Law or in equity, by any Person, nor any arbitration, administrative or other proceeding by or before any Governmental Body (including, without limitation, any environmental, labour or occupational health and safety matters) pending, or, to the best of the knowledge of the Fund and Osprey Media, threatened against or affecting the Fund, Osprey Media, Osprey Holdings or any of their respective properties, rights or assets which, if decided adversely to the Fund, Osprey Media or Osprey Holdings, as the case may be, would affect the

consummation of the transactions contemplated by the Prospectus, the Reorganization or the Related Agreements or otherwise have a Material Adverse Effect;

- (n) the TSX has conditionally approved the listing of the Purchased Units, subject to satisfaction by the Fund of the Standard Listing Conditions on or before July 6, 2004;
- (o) the form and terms of the certificate for the Units have been approved and adopted by the trustees of the Fund and do not conflict with the Fund Declaration of Trust or the rules, regulations and policies of the TSX;
- (p) the Purchased Units to be issued as described in this agreement and in the Prospectus will, at the Time of Closing, be duly created and, when issued, delivered and paid for in full, will be validly issued as fully paid Units of the Fund;
- (q) as of the April 6, 2004, the Prospectus:
  - (i) fully complies with the requirements of Securities Laws other than as to non-material matters;
  - (ii) provides full, true and plain disclosure of all material facts relating to the Fund, Osprey Media and the Purchased Units; and
  - (iii) does not contain any Misrepresentation;
- (r) the Financial Information with respect to the Fund and Osprey Holdings has been prepared in accordance with Canadian generally accepted accounting principles and presents fairly, in all material respects, the financial condition and the results of operations and cash flow of the Fund (on a *pro forma* basis) and Osprey Holdings, and there has been no Material Adverse Change in the financial position of the Fund or Osprey Holdings from that reflected in any such Financial Information;
- (s) the Other Financial Information is correct in all material respects and has been properly compiled to give effect to the assumptions and adjustments described therein;
- (t) except as disclosed in the Prospectus, since December 31, 2003, the Business has been carried on in the Ordinary Course;
- (u) the Fund is not a non-resident of Canada within the meaning of the Tax Act;
- (v) at the Time of Closing, none of the existing shareholders of Osprey Holdings is a non-resident of Canada within the meaning of the Tax Act;
- (w) since July 1, 2001, Osprey Holdings and any affiliated corporation has (i) timely filed (or has had timely filed on their behalf) all returns, declarations, reports, estimates, information, returns, elections and statements (“**Returns**”) required to be filed or sent in respect of any Governmental Charges or required to be filed or sent by it to any taxing authority having jurisdiction since incorporation or organization and all such Returns have been prepared in accordance with the provisions of the applicable legislation and are true, correct and complete in all material respects; (ii) timely and properly paid (or has had paid on its behalf), all Governmental Charges due or claimed to be due by an Governmental Body; and (iii) has properly withheld or collected and

remitted all amounts required to be withheld or collected and remitted by it in respect of any Governmental Charges;

- (x) there are no Liens for material Governmental Charges upon any assets of Osprey Media;
- (y) no deficiency for any Governmental Charges has been proposed, asserted or assessed against any of the OMG Parties that has not been resolved and paid in full, and no waiver, extension or comparable consent given by the OMG Parties regarding the applicability of the statute of limitations with respect to any Governmental Charges or Returns is outstanding, nor is any request for any such waiver or consent pending;
- (z) except as disclosed in the Prospectus and pursuant to the Related Agreements, none of the trustees, directors, officers, partners or employees of any OMG Party, any Person who owns, directly or indirectly, more than 10% of any class of securities of the Fund or securities of any Person exchangeable for more than 10% of any class of securities of the Fund, or any associate or affiliate of any of the foregoing, had or has any material interest, direct or indirect, in any material transaction or any proposed material transaction with the Fund or Osprey Media which, as the case may be, materially affects, is material to, or will materially affect, the Fund and Osprey Media, taken as a whole;
- (aa) no OMG Party has any liabilities or obligations, whether accrued, absolute, contingent, known, unknown, matured, unmatured or otherwise (including, without limitation, environmental, labour, occupational, health and safety, or pension liabilities or obligations), and whether or not required to be reflected on the financial statements of the Fund or of Osprey Holdings (in each case prepared in accordance with Canadian generally accepted accounting principles, including appropriate note disclosure) included in the Prospectus, other than (a) liabilities and obligations that are reflected, accrued or reserved for in the Financial Information and (b) obligations incurred in the ordinary course of business since December 31, 2003 that, in the aggregate, would not reasonably be expected to have a Material Adverse Effect;
- (bb) any interest paid, payable or otherwise accruing on any interest-bearing debt of Osprey Media and Osprey Holdings prior to the Closing is deductible in computing its income for the purposes of the Tax Act and any applicable provincial tax Law;
- (cc) the annual expected Ontario capital tax amount and the net present value of the future large corporations tax as described in the Prospectus under "Summary of Distributable Cash Flow of the Fund" is correct in all material respects;
- (dd) (A) to the knowledge of the Fund and Osprey Media, none of the executive officers of the Fund or Osprey Media described in the Prospectus and, to the best of the knowledge of the Fund and each of the other OMG Parties, no executive employee of any other OMG Party has any plans to terminate his or her employment; (B) none of the OMG Parties has any material labour relations problem pending and the labour relations of each of the OMG Parties are satisfactory; and (C) there are no material workers' compensation claims pending against any OMG Party;

- (ee) each of the OMG Parties is insured by institutions reasonably believed by the Fund and Osprey Media to be financially sound and reputable, with policies in such amounts with such deductibles and covering such risks as are generally deemed adequate and customary for their businesses, including policies covering owned and leased real and personal property against theft, damage, destruction, acts of vandalism and earthquakes, general liability and, in the case of, the Fund and Osprey Media, directors and officers liability; none of the OMG Parties has any reason to believe that it will not be able to (A) renew its existing insurance coverage as and when such policies expire, or (B) obtain comparable coverage from similar institutions as may be necessary or appropriate to conduct the Business and at a cost that would not reasonably be expected to result in a Material Adverse Change; and none of the OMG Parties has been denied any material insurance coverage which it has sought or for which it has applied;
- (ff) except as set out in the Financial Information, none of the Fund, Osprey Holdings or Osprey Media has outstanding any bonds, debentures, notes, mortgages or other indebtedness for borrowed money which are material to the Fund, Osprey Holdings and Osprey Media considered as a whole and, except as described in the Prospectus, neither the Fund nor any other OMG Party has agreed to create or issue any bonds, debentures, notes, mortgages or other indebtedness for borrowed money (other than to another OMG Party);
- (gg) Osprey Media is not in default or alleged to be in default under any material agreement and is not aware of any material breaches thereof by any other parties thereto except where such default or breach would not cause a Material Adverse Effect;
- (hh) The OMG Parties have good title to all of their respective material personal properties and assets, free and clear of all Liens and Osprey Media has good title to all real property owned by Osprey Media free from all Liens, except for Liens in connection with the New Credit Facilities and Permitted Liens as defined in the New Credit Facilities.
- (ii) All business names (both registered and unregistered), trade names, trade marks and trade mark applications owned and used by Osprey Media in connection with the Business are owned by Osprey Media and/or Osprey Media has the right to use the same, except where the failure to possess such right would not result in a Material Adverse Effect and except for license agreements entered into by Osprey Media as licensor in the Ordinary Course;
- (jj) except as disclosed in the Prospectus, since December 31, 2003, there has not been any Material Adverse Change;
- (kk) none of the OMG Parties has taken, and agree that none of them will take, any action that would cause any of them to become liable to any claim or demand for a brokerage commission, finder's fee or other similar payment in connection with the transactions contemplated hereby, other than with respect to any underwriters' fees as described in the Prospectus; and

- (II) there has not been any reportable disagreement (within the meaning of National Policy Statement No. 31 of the Canadian Securities Administrators or its successor) with the auditors of the Fund or Osprey Holdings.

## **9. Representations and Warranties of the Investors to the Underwriters**

Each of the Investors severally represents and warrants to the Underwriters as follows, and acknowledge that the Underwriters are relying upon the following representations and warranties in completing the transactions contemplated by this agreement:

- (a) the Fund has been created and is existing as a trust under the Laws of the Province of Ontario; pursuant to the Fund Declaration of Trust, the trustees identified in the Prospectus will by Closing have been duly appointed as trustees of the Fund and the trustees of the Fund have the power to carry on the business and affairs of the Fund as described in the Prospectus, and to enter into and perform the Fund's obligations under this agreement and each of the Related Agreements to which the Fund is a party;
- (b) Osprey Media is a corporation existing under the Laws of Ontario and has all requisite corporate power and authority to carry on its business as described in the Prospectus and to enter into and perform its obligations under this agreement and each of the Related Agreements to which it is a party;
- (c) Osprey Holdings is a corporation existing under the Laws of Ontario and has all requisite corporate power and authority to carry on its business, and to own or lease and to operate its assets and to enter into and perform its obligations under this agreement and each of the Related Agreements to which it is a party
- (d) the Investor is a corporation existing under the Laws of Ontario or Canada and has all requisite corporate power and authority to enter into and perform its obligations under this agreement and each of the Related Agreements to which it is a party;
- (e) the Investor, (i) in the case of SMCC, will at Closing be the registered and beneficial owner of that number of Units as set forth in the Prospectus, and those securities will be validly issued and outstanding, fully-paid and non-assessable and will be held by the Investor free and clear of any Liens, and (ii) in the case of OTPPB, will at Closing be the registered and beneficial owner of that number of issued and outstanding Class B restricted voting common shares of Osprey Media and that aggregate principal amount of the OMG Notes, each as set forth in the Prospectus, and all of those securities will be validly issued and outstanding, fully-paid and non-assessable and will be held by the Investor free and clear of any Liens, and other than the 1,000 Class C non-voting common shares of Osprey Media held by Osprey Holdings, OTPPB and the Fund will, collectively, be the registered and beneficial owners of all issued and outstanding securities of Osprey Media and all of the OMG Notes;
- (f) the execution, delivery and performance by each of the Fund, Osprey Media, Osprey Holdings and itself of this agreement and each of the Related Agreements to which it is a party, and the issuance, sale and delivery of the Purchased Units by the Fund, as applicable:

- (i) have been, or will at the Time of Closing be, duly authorized by all necessary action of the Fund, Osprey Media, Osprey Holdings and itself;
  - (ii) do not require the consent, approval, authorization, registration or qualification of or with any governmental authority, stock exchange, Securities Commission or other securities regulatory authority or other third party, except: (i) those which have been obtained; (ii) those as may be required (and will be obtained prior to the Time of Closing) under applicable Securities Laws or the Related Agreements; or (iii) those which have not been obtained and where the failure to so obtain would not individually or in the aggregate result in a Material Adverse Effect;
  - (iii) do not (or will not with the giving of notice or the lapse of time) result in a default under any of the terms or provisions of any other Related Agreement or the constating documents or by-laws or resolutions of the securityholders, trustees or directors (or any committee thereof) of the Fund, Osprey Media, Osprey Holdings or itself, or any judgement, decree, order or award of any court, governmental body or arbitrator having jurisdiction over the Fund, Osprey Media, Osprey Holdings or itself, or any material agreement, license or permit to which the Fund, Osprey Media, Osprey Holdings or itself is a party or by which its business may be affected, except, in each case, any breach, violation, conflict, default or right that would not result in a Material Adverse Effect; and
  - (iv) will not result in the violation of any Law except, in each case, any breach, violation, conflict, default or right that would not result in a Material Adverse Effect;
- (g) this agreement and the Related Agreements to which it is a party have been or, as the case may be, will be, at the Time of Closing, duly executed and delivered by or on its behalf and constitute or, will constitute, when so executed and delivered, legal, valid and binding obligations of the Investor enforceable in accordance with their respective terms, provided that enforceability may be limited by bankruptcy, insolvency and other similar Laws affecting creditors' rights generally, that specific performance, injunctive relief and other equitable remedies may only be granted in the discretion of a court of competent jurisdiction and that rights of indemnity and/or contribution set out in this agreement may be limited by applicable Law;
- (h) there is no requirement on its part to make any filings with, give any notice to, or obtain any consent, approval, authorization, registration, or qualification of or with any Governmental Body (including any stock exchange, Securities Commission or other regulatory authority) or other third party in connection with its completion of the transactions contemplated by this agreement and the Related Agreements to which it is a party other than those which will be obtained on or before the Time of Closing;
- (i) the Investor is the beneficial owner of the issued and outstanding Units, in the case of SMCC, and shares of Osprey Holdings, in the case of OTPPB, free and clear of any Liens or, at the Time of Closing, rights of others, owning the number of Units as set forth in the Prospectus, in the case of SMCC, and shares in the capital of Osprey Holdings set out beside the name of such Investor in the shareholders ledger contained in the corporate records of Osprey Holdings as of the date hereof, a copy of which has

been delivered by Osprey Holdings to the Lead Underwriters, in the case of OTPPB. At the Time of Closing, there will be no contract, option or other right of another binding upon or which at any time in the future may become binding upon the Investor to sell, transfer, assign, pledge, charge, mortgage or in any other way dispose of or encumber any of the issued and outstanding Units, in the case of SMCC, and shares of Osprey Holdings, in the case of OTPPB;

- (j) at the Time of Closing, it will not be a non-resident of Canada within the meaning of the Tax Act;
- (k) to the best of its knowledge, as of April 6, 2004, the Prospectus does not contain any Misrepresentation;
- (l) any interest paid, payable or otherwise accruing on any interest-bearing debt of Osprey Media and Osprey Holdings prior to the Closing is deductible in computing its income for the purposes of the Tax Act and any applicable provincial tax Law; and
- (m) the annual expected Ontario capital tax amount and the net present value of the future large corporations tax as described in the Prospectus under "Summary of Distributable Cash Flow of the Fund" is correct in all material respects.

#### **10. Representations and Warranties of the Investors and the Siftoncos to the Fund**

Each of the Investors and the Siftoncos severally represents and warrants to the Fund (and acknowledges that the Fund is relying upon such representations and warranties in completing the transactions contemplated by this agreement, the Prospectus and the Reorganization) the truth and accuracy of the representations and warranties set forth in Section 9 (excluding for this purpose Section 9(a) and the portions of other representations and warranties in Section 9 to the extent that relate to the Fund).

#### **11. Survival of Representations and Warranties.**

- (a) All representations, warranties, covenants and agreements of the Fund, Osprey Media and Osprey Holdings contained in this agreement or contained in documents submitted pursuant to this agreement and in connection with the transaction of purchase and sale contemplated by this agreement will survive the purchase and sale of the Initial Units and any Additional Units and the termination of this agreement and will continue in full force and effect for a period of three years from the Closing Date, for the benefit of the Underwriters and regardless of any subsequent disposition of the Initial Units or the Additional Units or any investigation by or on behalf of the Underwriters with respect thereto, except that:
  - (i) the representations and warranties set out in Sections 8(a) to 8(d) (inclusive) and the corresponding representations and warranties contained in documents submitted pursuant to this agreement and in connection with the transaction of purchase and sale of the Purchased Units shall survive the Time of Closing and continue in full force and effect without limitation of time; and
  - (ii) the representations and warranties set out in Sections 8(u) to 8(y) (inclusive) and the corresponding representations and warranties contained in documents

submitted pursuant to this agreement and in connection with the transaction of purchase and sale of the Purchased Units and Sections 8(bb) and 8(cc) shall survive the Time of Closing and continue in full force and effect until, but not beyond, the expiration of the period, if any, during which an assessment, reassessment or other form of recognized documents document assessing liability for any Governmental Charges or assessments, if any, referred to in those sections (including interest and penalties) under applicable Law could be issued;

- (b) The representations and warranties of the Investors and the Siftoncos in this agreement will survive from the Closing Date the purchase and sale of the Initial Units and any Additional Units and the termination of this agreement and will continue in full force and effect until three months after the release of the Fund's audited financial statements for the year ended December 31, 2005, for the benefit of the Underwriters and regardless of any subsequent disposition of the Initial Units or the Additional Units or any investigation by or on behalf of the Underwriters with respect thereto, except that:
- (i) the representations and warranties in favour of the Underwriters set out in Sections 9(a) to 9(e) (inclusive), Section 9(i) and the representations and warranties in favour of the Fund set out in Section 10 that correspond thereto, and the corresponding representations and warranties contained in documents submitted pursuant to this agreement and in connection with the transaction of purchase and sale of the Purchased Units, shall survive the Time of Closing and continue in full force and effect without limitation of time;
  - (ii) the representation and warranties in favour of the Underwriters set out in Section 9(k) and the representations and warranties in favour of the Fund set out in Section 10 that correspond thereto, and the corresponding representations and warranties contained in documents submitted pursuant to this agreement and in connection with the transaction of purchase and sale of the Purchased Units, shall survive the Time of Closing and continue in full force and effect for a period of for three years from the Closing; and
  - (iii) the representation as and warranties in favour of the Underwriters set out in Sections 9(j), 9(l) and 9(m) and the representations and warranties in favour of the Fund set out in Section 10 that correspond thereto, and the corresponding representations and warranties contained in documents submitted pursuant to this agreement and in connection with the transaction of purchase and sale of the Purchased Units, shall survive the Time of Closing and continue in full force and effect until, but not beyond, the expiration of the period, if any, during which an assessment, reassessment or other form of recognized documents document assessing liability for any Governmental Charges or assessments, if any, referred to in those sections (including interest and penalties) under applicable Law could be issued; and
- (c) The Underwriters will be entitled to rely on the representations and warranties of the OMG Parties and the Investors contained in this agreement or delivered pursuant to this agreement notwithstanding any investigation which the Underwriters may undertake or which may be undertaken on the Underwriters' behalf.

## **12. Covenants of the Fund and Osprey Media.**

Each of the Fund and Osprey Media, jointly and severally, covenants and agrees with the Underwriters that:

- (a) it will advise the Underwriters, promptly after receiving notice thereof, of the time when the Prospectus and any Supplementary Material has been filed and the Final MRRS Decision Document and any other receipts have been obtained and will provide evidence satisfactory to the Underwriters of each filing and the issuance of the Final MRRS Decision Document and any other receipts;
- (b) it will advise the Underwriters, promptly after receiving notice or obtaining knowledge, of: (i) the issuance by any Securities Commission of any order suspending or preventing the use of the Preliminary Prospectus, the Prospectus or any Supplementary Material; (ii) the issuance by the SEC (as defined in Section 16) of any order suspending or preventing the use of the U.S. Placement Memorandum; (iii) the suspension of the qualification of the Purchased Units for offering or sale in any of the Qualifying Jurisdictions or in the United States in accordance with Section 16 of this agreement; (iv) the institution or threatening of any proceeding for any of those purposes; or (v) any requests made by any Securities Commission or the SEC for amending or supplementing the Prospectus or the U.S. Placement Memorandum, or for additional information, and will use its reasonable best efforts to prevent the issuance of any such order and, if any such order is issued, to obtain the withdrawal of the order promptly; and
- (c) it will, and will cause the Fund to, apply the proceeds from the issue and sale of the Purchased Units substantially in accordance with the disclosure set out under the heading "Use of Proceeds" in the Prospectus.

## **13. Conditions of Closing.**

The obligation of the Underwriters to purchase the Purchased Units will be subject to the following:

- (a) the Fund and Osprey Media will cause their legal counsel to deliver to the Underwriters and their legal counsel a legal opinion, subject to ordinary qualifications and assumptions and reliance on certificates of an officer of the Fund, Osprey Media or Osprey Holdings, as applicable, dated and delivered on the Closing Date, in form and substance satisfactory to the Underwriters and their legal counsel, acting reasonably, with respect to the following matters:
  - (i) the Fund has been created and is existing as a trust under the Laws of the Province of Ontario and the trustees have been appointed as trustees of the Fund, and the trustees have the power to carry on the business and affairs of the Fund as described in the Prospectus in compliance with the terms and provisions of the Fund Declaration of Trust;
  - (ii) Osprey Media (i) is a corporation organized and existing under the Laws of Ontario, and (ii) has all requisite corporate power and capacity to carry on its

business and to own, lease and operate its property and assets, as described in the Prospectus;

- (iii) Osprey Holdings (i) is a corporation organized and existing under the Laws of the Province of Ontario, and (ii) has all requisite corporate power and capacity to carry on its business and to own, lease and operate its property and assets;
- (iv) the authorized capital of the Fund consists of an unlimited number of Units;
- (v) the authorized capital of Osprey Holdings consists of an unlimited number of Class A voting common shares and an unlimited number of Class B non-voting common shares, and following completion of the transactions contemplated by the Prospectus and the Reorganization, a number of Class A voting common shares and a number of Class B non-voting common shares of Osprey Holdings (to be specified in the opinion) will be issued and outstanding;
- (vi) the authorized capital of Osprey Media consists of an unlimited number of Class A voting common shares, an unlimited number of Class B restricted voting common shares and an unlimited number of Class C non-voting common shares, and following completion of the transactions contemplated by the Prospectus and the Reorganization, a number of Class A voting common shares, a number of Class B restricted voting common shares and a number of Class C non-voting common shares (in each case to be specified in the opinion) will be issued and outstanding;
- (vii) the Fund is, and following Closing will together with OTPPB be, the registered owner of all of the issued and outstanding voting securities of Osprey Media and the OMG Notes;
- (viii) following completion of the transactions contemplated by the Prospectus and the Reorganization, the Fund and OTPPB will be the registered owner of the numbers and amounts, specified in the opinion, of
  - (A) the issued and outstanding Class A voting common shares of Osprey Media;
  - (B) the issued and outstanding Class B restricted voting common shares of Osprey Media; and
  - (C) the issued and outstanding OMG Notes,and no other shares of Osprey Media or OMG Notes (other than those numbers of Class C non-voting common shares of Osprey Media specified in the opinion as being registered in the name of Osprey Holdings), will be issued and outstanding;
- (ix) following completion of the transactions contemplated by the Prospectus and the Reorganization, the Fund and Osprey Media will be the registered owners of the number of the issued and outstanding Class A voting common shares and Class B non-voting common shares of Osprey Holdings, respectively, in each case as specified in the opinion, and no other shares of Osprey Holdings will be issued and outstanding;
- (x) each of the Preliminary Prospectus and the Prospectus, in both the French and English languages, and its execution on behalf of the Fund and Osprey Media and the filing of each of the Preliminary Prospectus and the Prospectus, in both

the French and English languages, with the Securities Commissions have been duly approved and authorized by all necessary action on behalf of the Fund and each of the Preliminary Prospectus and the Prospectus, in both the French and English languages, have been duly executed by and on behalf of the Fund and Osprey Media;

- (xi) all necessary action has been taken on behalf of the Fund to validly issue and sell to the Underwriters the Purchased Units;
- (xii) the Initial Units, when issued and delivered by the Fund pursuant to this agreement against payment of the purchase price therefor to the Fund will be validly issued and outstanding as fully paid Units of the Fund;
- (xiii) the Over-Allotment Option to purchase the Additional Units has been validly created by the Fund, and upon proper exercise of the option by the Underwriters and payment of the purchase price therefor to the Fund, the Additional Units will be validly issued and outstanding as fully-paid Units of the Fund;
- (xiv) all necessary action has been taken by the Fund, Osprey Media and Osprey Holdings to authorize the execution and delivery by the Fund, Osprey Media and Osprey Holdings of this agreement and the execution and delivery by the Fund, Osprey Media and Osprey Holdings of the Related Agreements to which any of them is a party and the performance of their respective obligations under those agreements, and this agreement and the Related Agreements to which any of them is a party have been duly executed and delivered by or on behalf of the Fund, Osprey Media and Osprey Holdings and constitute legal, valid and binding obligations of the Fund, Osprey Media and Osprey Holdings enforceable against them in accordance with their terms, provided that enforcement may be limited by bankruptcy, insolvency and other similar Laws of general application affecting the enforcement of creditors' rights generally, specific performance, injunctive relief and other equitable remedies may be granted only in the discretion of a court of competent jurisdiction and that rights of indemnity and/or contribution set out in this agreement and the Acquisition Agreement may be limited by applicable Law;
- (xv) the TSX has conditionally approved the listing of the Purchased Units, subject to the Standard Listing Conditions being complied with by the Fund on or before July 6, 2004;
- (xvi) the attributes of the Units are consistent in all material respects with the description thereof under the headings "Description of the Fund – Units", " – Issuance of Units" , " – Distributions", " – Redemption Right" and " – Meetings of Unitholders" in the Prospectus;
- (xvii) the form of the certificate representing the Units has been approved and adopted by the trustees of the Fund and does not conflict with the Fund Declaration of Trust or the rules, regulations and policies of the TSX;
- (xviii) the Trust Company, at its principal office in the City of Toronto, has been appointed the transfer agent and registrar for the Units and Computershare Trust Company has been appointed the trustee for the OMG Notes;

- (xix) the execution and delivery of this agreement and the Related Agreements, the fulfilment of the terms of those agreements by the Fund, Osprey Media and Osprey Holdings, as applicable, and the issuance, sale and delivery of the Purchased Units:
  - (A) do not and will not result in a breach of or default under, and do not and will not create a state of facts which, after notice or lapse of time or both, will result in a breach of or default under, and do not and will not conflict with:
    - (1) any of the terms, conditions or provisions of the constating documents or resolutions of the securityholders, trustees or directors, or any committee of trustees or directors, of the Fund, Osprey Media and Osprey Holdings, or any material contracts (as identified in an officer's certificate to which such entity is a party or by which it is bound); or
    - (2) any Laws applicable to the Fund, Osprey Holdings or Osprey Media; and
  - (B) based solely on such counsel's knowledge, will not give rise to the acceleration of or the maturity of any debt under the OMG Credit Documents;
- (xx) the Purchased Units:
  - (A) subject to compliance with the prudent investor standards and general provisions and restrictions of the federal or Ontario statutes listed under the heading "Eligibility for Investment" in the Prospectus (and, where applicable, the regulations under those statutes) and, in certain cases, subject to the satisfaction of additional requirements relating to investment or lending policies, standards, procedures or goals and, in certain cases, subject to the filing of those policies, standards, procedures or goals, will not at the date of their issue be precluded as investments under those statutes;
  - (B) will be qualified investments under the *Income Tax Act* (Canada) and the regulations thereunder (the "**Tax Act**") for trusts governed by registered retirement savings plans, registered retirement income funds, deferred profit sharing plans (together, the "**Plans**") and for trusts governed by registered education savings plans, provided the Fund is a mutual fund trust under the Tax Act; and
  - (C) based in part on a certificate of an officer of the Fund, do not constitute "foreign property" for the purposes of the tax imposed under Part XI of the Tax Act on Plans, registered investments and other tax exempt entities, including most registered pension funds or plans; and
- (xxi) subject to the qualifications, assumptions, limitations and understandings set out therein, the statements as to matters of the Laws of Canada set out in the Prospectus under the heading "Certain Canadian Federal Income Tax Considerations" fairly describe the principal Canadian federal income tax considerations as at the date hereof generally applicable under the Tax Act to a holder of Units who acquires such securities pursuant to the Offering and who,

for the purposes of the Tax Act, is resident in Canada, holds the Units as capital property and deals at arm's length with the Fund;

- (b) each Investor will cause its respective legal counsel to deliver to the Underwriters and their legal counsel a legal opinion, subject to ordinary qualifications and assumptions and reliance on certificates of an officer of such Investor dated and delivered on the Closing Date, in form and substance satisfactory to the Underwriters and their legal counsel, acting reasonably, with respect to the following matters:
  - (i) such Investor (i) is an entity organized and existing under the Laws of its jurisdiction of organization, and (ii) has all requisite power and capacity to carry on its business and to own, lease and operate its property and assets;
  - (ii) all necessary action has been taken by such Investor to authorize its execution and delivery of this agreement and its execution and delivery of the Related Agreements to which it is a party and the performance of its obligations under those agreements, and this agreement and the Related Agreements to which it is a party have been duly executed and delivered by or on behalf of such Investor and constitute legal, valid and binding obligations of such Investor enforceable against it in accordance with their terms, provided that enforcement may be limited by bankruptcy, insolvency and other similar Laws of general application affecting the enforcement of creditors' rights generally, specific performance, injunctive relief and other equitable remedies may be granted only in the discretion of a court of competent jurisdiction and that rights of indemnity and/or contribution set out in this agreement and the Acquisition Agreement may be limited by applicable Law;
  - (iii) the execution and delivery of this agreement and the Related Agreements by such Investor and the fulfilment of the terms of those agreements by such Investor do not and will not result in a breach of or default under, and do not and will not create a state of facts which, after notice or lapse of time or both, will result in a breach of or default under, and do not and will not conflict with:
    - (A) any of the terms, conditions or provisions of the constating documents or resolutions of the securityholders, directors, or any committee of directors, of such Investor, or any material contracts (as identified in an officer's certificate to which such entity is a party or by which it is bound); or
    - (B) any Laws applicable to such Investor;
- (c) opinions of counsel to the Fund in each of the Qualifying Jurisdictions addressed to the Underwriters, the Fund and Osprey Media and their respective counsel that:
  - (i) subject to compliance with the prudent investor standards and general provisions and restrictions of the statutes listed under the heading "Eligibility for Investment" in the Prospectus (and, where applicable, the regulations under those statutes) and, in certain cases, subject to the satisfaction of additional requirements relating to investment or lending policies, standards, procedures or goals and, in certain cases, subject to the filing of those policies, standards, procedures or goals, the Purchased Units, at the date of their issue, will be

eligible investments or will not be precluded as investments under such statutes, in form and substance satisfactory to the Underwriters, acting reasonably; and

- (ii) all necessary documents have been filed, all requisite proceedings have been taken and all other legal requirements have been fulfilled under the Laws of each of the Qualifying Jurisdictions in order to qualify the distribution of the Purchased Units through investment dealers or brokers who are registered under applicable legislation of the Qualifying Jurisdictions and who have complied with the relevant provisions of such applicable legislation;
- (d) an opinion of Québec counsel to the Fund, addressed to the Underwriters stating that all the Laws of the Province of Québec relating to the use of the French language (other than those relating to verbal communication) will have been complied with in connection with the sale of the Units to purchasers in such province if such purchasers received a copy of the Prospectus and forms of order and confirmation in the French language only or a copy of each of such documents in the French language and in the English language, provided that such documents in the English language may be delivered, without delivery of the French language versions thereof, to physical persons in the Province of Québec who have expressly requested them in writing;
- (e) if there are U.S. purchasers of the Purchased Units, the Underwriters shall have received at the Time of Closing a legal opinion from Davies Ward Phillips & Vineberg, New York, New York, in form and substance reasonably satisfactory to the Underwriters, addressed to the Underwriters to the effect that registration under the U.S. Securities Act (as defined in Section 16(a) herein) is not required in connection with the offer or sale of the Purchased Units to Qualified Institutional Buyers (as defined in Section 16(a) herein) in the United States in the manner contemplated by this agreement and the U.S. Placement Memorandum to be used in connection with the offer and sale of the Purchased in the United States. In providing such opinion, such counsel shall be entitled to assume (i) that the representations and warranties of the Fund, Osprey Holdings, Osprey Media and the Underwriters set forth in this agreement are true and correct and (ii) compliance by the Fund, Osprey Holdings, Osprey Media and the Underwriters with their respective obligations under this agreement.
- (f) the Underwriters will have received from their counsel, Goodmans LLP, a legal opinion dated and delivered on the Closing Date, in form and substance satisfactory to the Underwriters, with respect to those matters as the Underwriters may reasonably require relating to the distribution of the Purchased Units. In connection with its opinion, Goodmans LLP may rely on the opinions of counsel to the Fund and Osprey Media and of counsel to the Investors, and any underlying certificates and, with respect to matters governed by the Laws of jurisdictions other than the Province of Ontario, on the opinions of local counsel to the Fund and Osprey Media;
- (g) the Underwriters will have received certificates dated the Closing Date signed by those senior officers of the Fund, Osprey Media and Osprey Holdings, in form and content satisfactory to the Underwriters, acting reasonably, with respect to:
  - (i) the constating documents of each such entity;

- (ii) the resolutions of the trustees or directors (as the case may be) of the Fund, Osprey Media and Osprey Holdings relevant to the allotment, issue and sale, as the case may be, of the Purchased Units and the authorization of the other agreements and transactions contemplated by this agreement and the Related Agreements to which they are a party; and
  - (iii) the incumbency and signatures of signing officers of the Fund, Osprey Media and Osprey Holdings;
- (h) the Underwriters will have received certificates dated the Closing Date signed by those senior officers of each Investor, in form and content satisfactory to the Underwriters, acting reasonably, with respect to:
  - (i) the resolutions of the directors of such Investor, if any, relevant to the authorization of the other agreements and transactions contemplated by this agreement and the Related Agreements to which it is a party; and
  - (ii) the incumbency and signatures of signing officers of such Investor;
- (i) the Fund, Osprey Holdings and Osprey Media will cause each of the auditors of the Fund and of Osprey Holdings to deliver to the Underwriters a comfort letter, dated the Closing Date, in form and substance satisfactory to the Underwriters, acting reasonably, bringing forward to a date that is no more than two business days prior to the Closing Date the information contained in the comfort letter referred to in Section 5(c)(v);
- (j) the Fund will deliver to the Underwriters, at and as of the Time of Closing, a certificate dated the Closing Date addressed to the Underwriters and signed by any two of the trustees of the Fund, certifying for and on behalf of the Fund, after having made due inquiries, to those matters as the Underwriters may reasonably request, including to the effect that:
  - (i) the Fund has complied with all the covenants and satisfied all the terms and conditions of this agreement on its part to be complied with and satisfied at or prior to the Time of Closing;
  - (ii) subsequent to the respective dates as at which information is given in the Prospectus, there has not been any Material Adverse Change, other than as disclosed in the Prospectus or any Supplementary Material, as the case may be;
  - (iii) the representations and warranties of the Fund contained in this agreement, and in any certificates of the Fund delivered pursuant to or in connection with this agreement, are true and correct as at the Time of Closing except for such deviations as the parties acting reasonably agree are not material (and except, in each case, for those representations and warranties that are subject to a materiality qualification, which will be true and correct in all respects and except in respect of any representations and warranties that are to be true and correct as of a specified date, in which case they will be true and correct as of that date only), with the same force and effect as if made on and as at the Time of Closing, after giving effect to the transactions contemplated by this agreement;

- (iv) receipts have been issued by the appropriate Securities Commissions for the Prospectus and no order, ruling or determination having the effect of ceasing the trading or suspending the sale of the Units has been issued and no proceedings for that purpose have been instituted or are pending or, to the knowledge of those officers or threatened by any regulatory authority; and
  - (v) the representations and warranties of the Fund arising by reason of the delivery of any Offering Document are true and correct on and as at the Time of Closing as if those documents had been dated the Closing Date and delivered to the Underwriters on that date;
- (k) Osprey Media will deliver to the Underwriters, at the Time of Closing, a certificate dated the Closing Date addressed to the Underwriters and signed by the Chief Executive Officer and the Vice President Finance of Osprey Media, certifying for and on behalf of Osprey Media, after having made due inquiries, to those matters as the Underwriters may reasonably request, including to the effect that:
- (i) Osprey Media has complied with all the covenants and satisfied all the terms and conditions of this agreement on its part to be complied with and satisfied at or prior to the Time of Closing;
  - (ii) the representations and warranties of Osprey Media contained in this agreement, and in any certificates of Osprey Media delivered pursuant to or in connection with this agreement, are true and as at the Time of Closing except for such deviations as the parties acting reasonably agree are not material (except, in each case, for those representations and warranties that are subject to a materiality qualification, which will be true and correct in all respects and except in respect of any representations and warranties that are to be true and correct as of a specified date, in which case they will be true and correct as of that date only), with the same force and effect as if made on and as at the Time of Closing, after giving effect to the transactions contemplated by this agreement;
  - (iii) receipts have been issued by the appropriate Securities Commissions for the Prospectus and no order, ruling or determination having the effect of ceasing the trading or suspending the sale of the Units of the Fund has been issued and no proceedings for that purpose have been instituted or are pending or, to the knowledge of those officers or threatened by any regulatory authority; and
  - (iv) the representations and warranties of Osprey Media arising by reason of the delivery of any Offering Document are true and correct on and as at the Time of Closing as if those documents had been dated the Closing Date and delivered to the Underwriters on that date;
- (l) Osprey Holdings will deliver to the Underwriters, at the Time of Closing, a certificate dated the Closing Date addressed to the Underwriters and signed by the chief executive officer and the Vice-President, Finance of Osprey Holdings, certifying for and on behalf of Osprey Holdings, after having made due inquiries, to those matters as the Underwriters may reasonably request, including to the effect that:

- (i) Osprey Holdings has complied with all the covenants and satisfied all the terms and conditions of this agreement on its part to be complied with and satisfied at or prior to the Time of Closing;
  - (ii) the representations and warranties of Osprey Holdings contained in this agreement, and in any certificates of Osprey Holdings delivered pursuant to or in connection with this agreement, are true and correct as at the Time of Closing except for such deviations as the parties acting reasonably agree are not material (except, in each case, for those representations and warranties that are subject to a materiality qualification, which will be true and correct in all respects and except in respect of any representations and warranties that are to be true and correct as of a specified date, in which case they will be true and correct as of that date only), with the same force and effect as if made on and as at the Time of Closing, after giving effect to the transactions contemplated by this agreement; and
  - (iii) the representations and warranties of Osprey Holdings arising by reason of the delivery of any Offering Document are true and correct on and as at the Time of Closing as if those documents had been dated the Closing Date and delivered to the Underwriters on that date;
- (m) each of the Investors will deliver to the Underwriters, at the Time of Closing, a certificate dated the Closing Date addressed to the Underwriters and signed by an authorized signatory of the Investor, certifying for and on behalf of such Investor, after having made due inquiries, to those matters as the Underwriters may reasonably request, including to the effect that:
- (i) such Investor has complied with all the covenants and satisfied all the terms and conditions of this agreement on its part to be complied with and satisfied at or prior to the Time of Closing;
  - (ii) that the representations and warranties of such Investor contained in this agreement, and in any certificates of such Investor delivered pursuant to or in connection with this agreement, are true and correct as at the Time of Closing except for such deviations as the parties acting reasonably agree are not material (except, in each case, for those representations and warranties that are subject to a materiality qualification, which will be true and correct in all respects and except in respect of any representations and warranties that are to be true and correct as of a specified date, in which case they will be true and correct as of that date only), with the same force and effect as if made on and as at the Time of Closing, after giving effect to the transactions contemplated by this agreement; and
  - (iii) the representations and warranties of such Investor arising by reason of the delivery of any Offering Document are true and correct on and as at the Time of Closing as if those documents had been dated the Closing Date and delivered to the Underwriters on that date;
- (n) each of the Related Agreements shall have been executed and delivered and not terminated, and the transactions contemplated by the Related Agreements will be

completed prior to, contemporaneous with or immediately after the sale of the Initial Units;

- (o) each of the SMC Funds, Michael Sifton and certain other Persons in the Management Group shall have entered into an agreement whereby each such party agrees that neither such party nor any of such party's affiliates or associates will, directly or indirectly, sell, contract to sell, grant any option or enter into any arrangement to offer, sell, purchase, transfer, pledge, assign or exchange or otherwise dispose of any of the Units received by it in connection with the transactions contemplated by this agreement, the Prospectus and the Reorganization or any securities convertible into or exchangeable for any Units (including by way of any transaction that has the economical equivalent effect of any of the foregoing) for a period ending 180 days following the Closing Date without the prior written consent of the Lead Underwriters, on behalf of the Underwriters;
- (p) all actions required to be taken by or on behalf of the Fund including the passing of all requisite resolutions of the Unitholders and trustees of the Fund and all requisite filings with any Governmental Body or Securities Commissions will have occurred at or prior to the Time of Closing so as to validly authorize the execution and filing of the Offering Documents and to create and issue the Units having the attributes contemplated by the Prospectus;
- (q) the Purchased Units will have been approved for listing and posting for trading on the TSX on the business day immediately preceding the Closing Date, subject only to the Standard Listing Conditions;
- (r) the representations and warranties of the OMG Parties and the Investors contained in this agreement are true and correct, in all material respects, or, in the case of representations and warranties that are qualified by materiality, are true and correct, in each case as at the Time of Closing, with the same force and effect as if made as at the Time of Closing after giving effect to the transactions contemplated in this agreement, and the OMG Parties and the Investors will each have complied with all of the terms and conditions of this agreement on their respective parts to be complied with and satisfied at or prior to the Time of Closing; and
- (s) the Underwriters will have received such other certificates, opinions, agreements, materials or documents as the Underwriters and Osprey Media agree upon, acting reasonably.

#### **14. Closing.**

The closing of the purchase and sale of the Initial Units or the Additional Units, as the case may be, will be completed at the Time of Closing or the Over-Allotment Closing Time at the offices of Davies Ward Phillips & Vineberg LLP, 1 First Canadian Place, Suite 4400, Toronto, Ontario, or at any other place determined in writing by the Fund and the Underwriters. At the Time of Closing, or the Over-Allotment Closing Time, as the case may be, the Fund will deliver to the Lead Underwriters:

- (a) for the respective accounts of the Underwriters, the Purchased Units through the facilities of The Canadian Depository for Securities Limited; the Fund will pay or

cause to be paid all fees and expenses payable to or incurred by the Trust Company and all fees payable to The Canadian Depository for Securities Limited;

- (b) against payment by the Underwriters to the Fund of the purchase price for the Initial Units or the Additional Units, as the case may be, one or more certified cheques, bank drafts or wire transfers (payable as directed by the Lead Underwriters) in the (aggregate) amount of (or by way of netting against the purchase price) the fees payable by the Fund and Osprey Media to the Underwriters as provided in the second paragraph of this agreement, and the reimbursable expenses payable by the Fund to the Underwriters as provided for in Section 20 of this agreement; and
- (c) all further documentation as may be contemplated in this agreement or as counsel to the Underwriters may reasonably require.

#### **15. Restrictions on Further Issues or Sales**

- (a) During the period commencing on April 6, 2004 and ending on the day which is 180 days following the Closing Date, the Fund and the trustees of the Fund will not, directly or indirectly, without the prior written consent of the Lead Underwriters, on behalf of the Underwriters, issue, offer, sell, contract to sell, grant any option to purchase, transfer, assign or otherwise dispose of, or publicly disclose its intention to make any such issue, any Units or any securities convertible into or exchangeable for any Units, or announce any intention to effect the foregoing, other than the issuance of the Purchased Units.
- (b) Each of the Investors hereby agrees that neither such Investor nor such Investor's affiliates or associates will, directly or indirectly, sell, contract to sell, grant any option or enter into any arrangement to offer, sell, to purchase, transfer, pledge, assign or exchange or otherwise dispose of any of the Units received by it in connection with the transactions contemplated by this agreement, the Prospectus and the Reorganization or any securities convertible into or exchangeable for any Units (including by way of any transaction that has the economical equivalent effect of any of the foregoing) for a period ending 180 days following the Closing Date without the prior written consent of the Lead Underwriters, on behalf of the Underwriters.

#### **16. Offering in the United States**

- (a) For the purposes of this agreement, the following terms will have the meanings indicated:
  - (i) **“Directed Selling Efforts”** means “directed selling efforts” as defined in Regulation S and, without limiting the foregoing, but for greater clarity in this agreement, it means, subject to the exclusions from the definition of directed selling efforts contained in Regulation S, any activity undertaken for the purpose of, or that could reasonably be expected to have the effect of, conditioning the market in the United States for the Purchased Units, and includes the placement of any advertisement in a publication with a general circulation in the United States that refers to the offering of the Purchased Units;

- (ii) **“Foreign Issuer”** means a foreign issuer as that term is defined in Regulation S. Without limiting the foregoing, but for greater clarity in this agreement, it means any issuer that is (a) the government of any country, or of any political subdivision of a country, other than the United States; or (b) a corporation or other organization incorporated under the Laws of any country other than the United States, except an issuer meeting the following conditions: (1) more than 50 percent of the outstanding voting securities of such issuer are directly or indirectly owned of record by residents of the United States; and (2) any of the following: (i) the majority of the executive officers or directors are United States citizens or residents, (ii) more than 50 percent of the assets of the issuer are located in the United States, or (iii) the business of the issuer is administered principally in the United States;
  - (iii) **“General Solicitation”** and **“General Advertising”** means “general solicitation” and “general advertising”, respectively, as used in Rule 502(c) of Regulation D, including, without limitation, advertisements, articles, notices or other communications published in any newspaper, magazine or similar media or broadcast over radio or television, or any seminar or meeting whose attendees had been invited by general solicitation or general advertising;
  - (iv) **“Qualified Institutional Buyer”** means a “qualified institutional buyer” as defined in Rule 144A;
  - (v) **“Regulation D”** means Regulation D under the U.S. Securities Act;
  - (vi) **“Regulation S”** means Regulation S under the U.S. Securities Act;
  - (vii) **“Rule 144A”** means Rule 144A under the U.S. Securities Act;
  - (viii) **“SEC”** means the United States Securities and Exchange Commission;
  - (ix) **“Substantial U.S. Market Interest”** means “substantial U.S. market interest” as defined in Regulation S;
  - (x) **“U.S. Exchange Act”** means the United States Securities Exchange Act of 1934, as amended;
  - (xi) **“U.S. Placement Memorandum”** means the Prospectus supplemented with wrap pages dated April 6, 2004 describing, *inter alia*, restrictions imposed under the U.S. Securities Act;
  - (xii) **“U.S. Securities Act”** means the United States Securities Act of 1933, as amended; and
  - (xiii) **“U.S. Securities Laws”** means the U.S. Securities Act, the U.S. Exchange Act, all rules and regulations promulgated thereunder, and any state securities Laws.
- (b) The Underwriters may offer and sell the Purchased Units within the United States only on the terms and subject to the conditions of this Section 16. In connection therewith, each of the Fund, Osprey Holdings and Osprey Media jointly and severally represents, warrants and covenants that:
- (i) the Fund is a Foreign Issuer and reasonably believes there is no Substantial U.S. Market Interest with respect to the Purchased Units;

- (ii) none of the Fund, Osprey Holdings, Osprey Media, their affiliates or any Person acting on its or their behalf (other than the Underwriters, U.S. affiliates of the Underwriters (“**U.S. Affiliates**”), or any members of the banking and selling group formed by them (collectively, the “**Selling Firms**”), as to whom the Fund, Osprey Holdings and Osprey Media make no representation), has engaged or will engage in any Directed Selling Efforts in the United States with respect to the Purchased Units, or has taken or will take any action (including sale of securities into the United States) that would cause the exemption afforded by Rule 144A or Regulation S to be unavailable for offers and sales of the Purchased Units pursuant to this agreement;
- (iii) the Fund is not, and as a result of the sale of the Purchased Units will not be, an open-end investment company, unit investment trust or face amount certificate company that is or is required to be registered or a closed-end investment company that is required to be, but is not, registered under Section 8 of the *United States Investment Company Act of 1940*, as amended;
- (iv) none of the Fund, Osprey Holdings, Osprey Media, their affiliates or any Person acting on its or their behalf (other than the Underwriters, U.S. Affiliates, or any members of the Selling Firms, as to whom the Fund, Osprey Holdings and Osprey Media make no representation), has engaged in any form of General Solicitation or General Advertising in connection with any offer or sale of the Purchased Units;
- (v) so long as any of the Purchased Units are outstanding and are “restricted securities” within the meaning of Rule 144(a)(3) under the U.S. Securities Act, the Fund will, unless it becomes subject to and complies with the reporting requirements of section 13 or section 15(d) of the U.S. Exchange Act or the information furnishing requirements of Rule 12g3-2(b) thereunder, provide to any holder of those restricted securities, or to any prospective purchaser of those restricted securities designated by a holder, upon the request of that holder or prospective purchaser, at or prior to the time of sale, the information required to be provided by Rule 144A(d)(4) under the U.S. Securities Act (so long as that requirement is necessary in order to permit holders of the restricted securities to effect resales under Rule 144A) to a Qualified Institutional Buyer which is a holder of the restricted securities;
- (vi) none of the Fund, Osprey Holdings, Osprey Media or their affiliates: (i) will take any action that would cause the registration exemptions in Regulation S, Rule 144A or Rule 506 of Regulation D to be unavailable for the offer and sale of Units pursuant to this agreement, or (ii) has been subject to any order, judgment or decree of any court of competent jurisdiction temporarily, preliminary or permanently enjoining that Person for failure to comply with Rule 503 of Regulation D;
- (vii) the Purchased Units are not, and as of the Time of Closing the Purchased Units will not be, and no securities of the same class as the Purchased Units are or will be, (i) listed on a national securities exchange in the United States registered under section 6 of the U.S. Exchange Act, (ii) quoted in an “automated inter-dealer quotation system”, as such term is used in the U.S. Exchange Act, or (iii) convertible or exchangeable at an effective conversion

- premium (calculated as specified in paragraph (a)(6) of Rule 144A) of less than ten percent for securities so listed or quoted; and
- (viii) the Fund will, within prescribed time periods, prepare and file any forms or notices required under the U.S. Securities Act or applicable blue sky Laws.
- (c) Each Underwriter acknowledges that the Purchased Units have not been and will not be registered under the U.S. Securities Act or any applicable state securities Laws and may be offered and sold solely in transactions exempt from or not subject to the registration requirements of the U.S. Securities Act and all applicable state securities Laws. In addition, until 40 days after the commencement of the offering of the Units, an offer or sale of the Units within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the U.S. Securities Act if such offer or sale is made otherwise than in accordance with Rule 144A. Accordingly, each Underwriter separately and not jointly represents, warrants and covenants that:
- (i) it has not offered or sold, and will not offer or sell, any of the Purchased Units constituting part of its allotment except in accordance with Regulation S or Rule 144A;
  - (ii) it has not entered and will not enter into any contractual arrangement with respect to the distribution of the Purchased Units, except with its U.S. Affiliates and other Selling Firms or with the prior written consent of Osprey Media; and
  - (iii) it shall use its reasonable efforts to ensure that each Selling Firm complies with the provisions of Sections 16(d) and 16(e) as if such provisions applied to such Selling Firm.
- (d) Each Underwriter covenants to and agrees with the Fund that:
- (i) any Purchased Units sold in the United States will be first purchased by the Underwriters or affiliates thereof and resold in the United States in accordance with the provisions of this agreement;
  - (ii) all offers and sales of the Purchased Units in the United States will be effected in compliance with registration or qualification provisions of applicable state securities (“blue sky”) Laws and by or through a U.S. Affiliate duly registered under the U.S. Exchange Act and applicable state securities Laws in accordance with all applicable United States and state securities Law broker-dealer requirements;
  - (iii) its U.S. Affiliate is a Qualified Institutional Buyer;
  - (iv) it will not, either directly or through its U.S. Affiliate, solicit offers for, or offer to sell, the Purchased Units in the United States by means of any form of General Solicitation or General Advertising or in any manner involving a public offering within the meaning of Section 4(2) of the U.S. Securities Act and neither it nor its U.S. Affiliate, nor any persons acting on its or their behalf have engaged or will engage in any Directed Selling Efforts with respect to the Purchased Units or have taken or will take any action that would cause the

exemption afforded by Rule 144A or Regulation S to be unavailable for offers and sales of Units pursuant to this agreement;

- (v) it will solicit, and will cause its U.S. Affiliate to solicit, offers for the Purchased Units in the United States only from, and will offer the Purchased Units only to, persons it reasonably believes to be Qualified Institutional Buyers in accordance with Rule 144A. It also agrees that it will solicit offers for the Purchased Units only from, and will offer the Purchased Units only to, persons that in purchasing such Purchased Units will be deemed to have represented and agreed as provided in Section 16(e) below (to the extent such representations are applicable to the purchaser concerned);
  - (vi) it will inform, and cause its U.S. Affiliate to inform, all purchasers of the Purchased Units in the United States that the Purchased Units have not been and will not be registered under the U.S. Securities Act and are being sold to them without registration under the U.S. Securities Act in reliance on Rule 144A;
  - (vii) it will deliver, or cause to be delivered, a copy of the U.S. Placement Memorandum to each person in the United States to which it sells Purchased Units;
  - (viii) it shall cause its U.S. Affiliate, at the request of the Fund, to agree, for the benefit of the Fund, to the same provisions as are contained in Sections 16(c) and 16(d) of this agreement;
  - (ix) at least one business day prior to Closing, it shall request the Lead Underwriters to provide the Trust Company with a list of all purchasers of the Purchased Units in the United States; and
  - (x) at Closing it, together with its U.S. Affiliate selling Purchased Units in the United States, will provide a certificate, substantially in the form of Schedule 16(d)(x).
- (e) It is understood and agreed by the Underwriters that the Purchased Units may be offered and resold by the Underwriters, its U.S. Affiliates and Selling Firms in the United States pursuant to the provisions of Rule 144A to persons who are, or are reasonably believed by them to be, Qualified Institutional Buyers in transactions meeting the requirements of Rule 144A and in compliance with any applicable U.S. Securities Laws, provided that by purchasing Purchased Units, each purchaser shall be deemed to have represented and warranted for the benefit of the Fund, Osprey Media and the Underwriters that:
- (i) it is aware that the Units have not been and will not be registered under the U.S. Securities Act or the securities Laws of any state and the sale contemplated hereby is being made to Qualified Institutional Buyers in reliance on Rule 144A and exemptions under applicable state securities Laws;
  - (ii) it is a Qualified Institutional Buyer and is acquiring the Units for its own account or for the account of a Qualified Institutional Buyer for which it exercises sole investment discretion, and not with a view to any resale, distribution, or other disposition of the Units in violation of U.S. Securities Laws;

- (iii) it acknowledges that it has not purchased the Units as a result of any General Solicitation or General Advertising;
- (iv) it understands that the Units are “restricted securities” as defined in Rule 144 under the U.S. Securities Act and that if it decides to offer, sell or otherwise transfer such securities, such securities may be offered, sold or otherwise transferred only (A) to the Fund, (B) outside the United States in accordance with Rule 904 of Regulation S, (C) inside the United States in accordance with (i) Rule 144A to a person who the seller reasonably believes is a Qualified Institutional Buyer that is purchasing for its own account or for the account of a Qualified Institutional Buyer to whom notice is given that the offer, sale or transfer is being made in reliance on Rule 144A or (ii) the exemption from registration under the U.S. Securities Act provided by Rule 144 thereunder, if available, or (D) under an effective registration statement under the U.S. Securities Act, and in each case in accordance with any applicable state securities Laws in the United States or securities Laws of any other applicable jurisdiction;
- (v) it understands and acknowledges that upon the original issuance thereof, and until such time as the same is no longer required under applicable requirements of the U.S. Securities Act or applicable state securities Laws, certificates representing the Units sold on the terms and subject to the conditions of this Section 16, and all certificates issued in exchange or in substitution thereof, shall bear the following legend:

“THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “1933 ACT”), OR UNDER ANY STATE SECURITIES LAWS. THE HOLDER HEREOF, BY PURCHASING SUCH SECURITIES, AGREES FOR THE BENEFIT OF OSPREY MEDIA INCOME FUND (THE “FUND”) THAT SUCH SECURITIES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY (A) TO THE FUND, (B) OUTSIDE THE UNITED STATES IN ACCORDANCE WITH RULE 904 OF REGULATION S UNDER THE 1933 ACT, (C) INSIDE THE UNITED STATES IN ACCORDANCE WITH (1) RULE 144A UNDER THE 1933 ACT, OR (2) RULE 144 UNDER THE 1933 ACT, IF AVAILABLE, OR (D) UNDER AN EFFECTIVE REGISTRATION STATEMENT UNDER THE 1933 ACT, AND IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE STATE SECURITIES LAWS OR SECURITIES LAWS OF ANY OTHER APPLICABLE JURISDICTION. DELIVERY OF THIS CERTIFICATE MAY NOT CONSTITUTE “GOOD DELIVERY” IN SETTLEMENT OF TRANSACTIONS ON STOCK EXCHANGES IN CANADA. A NEW CERTIFICATE BEARING NO LEGEND, DELIVERY OF WHICH WILL CONSTITUTE “GOOD DELIVERY”, MAY BE OBTAINED FROM CIBC MELLON TRUST COMPANY UPON DELIVERY OF THIS CERTIFICATE AND A DULY EXECUTED DECLARATION, IN A FORM SATISFACTORY TO CIBC MELLON TRUST COMPANY AND THE FUND, TO THE EFFECT THAT THE SALE OF THE SECURITIES REPRESENTED HEREBY IS BEING

MADE IN COMPLIANCE WITH RULE 904 OF REGULATION S UNDER THE 1933 ACT.”;

*provided that*, if the Units are being sold under Section 16(e)(iv)(B) above, the legend may be removed by providing a declaration to CIBC Mellon Trust Company of Toronto, Canada, as registrar and transfer agent, to the effect set forth in Annex B hereto, or in such other form as CIBC Mellon Trust Company of Toronto, Canada or the Fund may from time to time prescribe; provided, further, that, if any such Units are being sold under Section 16(e)(iv)(C)(ii) above, the legend may be removed by delivery to CIBC Mellon Trust Company of Toronto, Canada of an opinion of counsel, of recognized standing reasonably satisfactory to the Fund, to the effect that such legend is no longer required under applicable requirements of the U.S. Securities Act or state securities Laws;

- (vi) it consents to the Fund making a notation in its records or giving instructions to any transfer agent of the Units in order to implement the restrictions on transfer set forth and described herein;
- (vii) it understand and acknowledges that the Fund is not obligated to file and has no present intention of filing with the SEC or with any state securities administrator any registration statement in respect of resales of the Units in the United States; and
- (viii) it understands and acknowledges that it is making the representations, warranties and agreements contained herein with the intent that they may be relied upon by the Fund, the Underwriters and the U.S. Affiliates of the Underwriters in determining its eligibility or (if applicable) the eligibility of others on whose behalf it is contracting hereunder to purchase Units.

## 17. Indemnification.

- (a) The Fund, Osprey Holdings and Osprey Media jointly and severally, and with respect to Section 17(a)(i) only, each of the Investors severally (and not jointly), (each, an “**Underwriter Indemnifying Party**”) hereby agree to protect, hold harmless and indemnify each of the Underwriters and their respective affiliates and their respective directors, officers, employees, advisors, shareholders, partners and agents (collectively, the “**Underwriter Indemnified Parties**” and individually an “**Underwriter Indemnified Party**”) from and against all losses (other than losses of profit in connection with the distribution of the Purchased Units), claims, actions, suits, proceedings, damages, liabilities, costs and reasonable expenses, including, without limitation, all amounts paid to settle actions, suits, proceedings, or satisfy judgements or awards and all reasonable fees, disbursements, Good and Services Tax and provincial sales taxes of their counsel (collectively, an “**Underwriter Claim**”) caused by or arising directly or indirectly by reason of:
  - (i) any breach of or default under any representation, warranty, covenant or agreement of such Underwriter Indemnifying Party in this agreement or any certificate to be delivered pursuant hereto or the failure of such Underwriter Indemnifying Party to comply with any of its obligations hereunder or thereunder;

- (ii) any information or statement (except any information or statement relating to the Underwriters, or any of them, provided by the Underwriters) contained in any of the Preliminary Prospectus, the Prospectus, the U.S. Placement Memorandum or any Supplementary Material or any other document or material filed or delivered by or on behalf of the Fund pursuant to this agreement (collectively, the “**IPO Offering Documents**”) being a Misrepresentation; or
- (iii) any order made or any inquiry, investigation or proceeding instituted, threatened or announced by any court, securities regulatory authority, stock exchange or by any other competent authority, based upon any Misrepresentation (except a Misrepresentation relating to the Underwriters, or any of them, provided by the Underwriters) contained in any of the IPO Offering Documents, preventing or restricting the trading in or the sale or distribution of the Purchased Units,

and will reimburse the Underwriter Indemnified Parties for all reasonable costs, charges and expenses, as incurred, which any of them may pay or incur in connection with investigating or disputing any Claim or action related thereto.

- (b) Each Investor and Siftonco severally (and not jointly) (each a “**Fund Indemnifying Party**”) hereby agrees to protect, hold harmless and indemnify the Fund (the “**Fund Indemnified Party**”) from and against all losses, claims, actions, suits, damages, liabilities, costs and reasonable expenses, including, without limitation, all amounts paid to settle actions, suits, proceedings, or satisfy judgments or awards and all reasonable fees, disbursements and goods and services or provincial sales taxes of their counsel (collectively, a “**Fund Claim**”) caused by or arising directly or indirectly by reason or any breach of or default under any representation, warranty, covenant or agreement of such Fund Indemnifying Party in this agreement or any certificate to be delivered pursuant hereto, and will reimburse the Fund Indemnified Party for all reasonable costs, charges and expenses, as incurred, which any of them may pay or incur in connection with investigating or disputing any Fund Claim or action related thereto.
- (c) The indemnities set out in Sections 17(a) and 17(b) will be in addition to any liability thereunder which an Underwriter Indemnifying Party or a Fund Indemnifying Party (collectively, an “**Indemnifying Party**”) may otherwise have.
- (d) If any Underwriter Claim or Fund Claim (each, a “**Claim**”) contemplated by this Section 17 is asserted against any of the Underwriter Indemnified Parties or the Fund Indemnified Parties (each, an “**Indemnified Party**”), or if any potential Claim contemplated by this Section 17 comes to the knowledge of any of the Indemnified Parties, the Indemnified Party concerned will notify in writing the relevant Indemnifying Party, except that in the event any OMG Party is the relevant Indemnifying Party, both the Fund and Osprey Media shall be notified hereunder, (each, a “**Notified Party**”), as soon as reasonably possible, of the nature of the Claim (provided that any failure to so notify in respect of any potential Claim will not affect the liability of any of the Notified Parties under this Section 17 unless that delay or failure prejudices the defence of the Claim or increases the liability which the Notified Parties have under this Section 17). The Notified Parties will, subject to the following,

be entitled (but not required) to assume the defence on behalf of the Indemnified Party of any suit brought to enforce the Claim; provided that the defence will be through legal counsel selected by the Notified Parties and acceptable to the Indemnified Party, acting reasonably. No Notified Party shall make any admission of liability or settle or resolve any Claim without the prior written consent of the Indemnified Party, which consent shall not be unreasonably withheld or delayed, unless such settlement or resolution includes a release of such Indemnified Person for all matters subject to such settlement or resolution. An Indemnified Party will have the right to employ separate counsel in any such suit and participate in its defence, but the fees and expenses of that counsel will be at the expense of the Indemnified Party unless:

- (i) the Notified Parties fail to assume the defence of the suit on behalf of the Indemnified Party within twenty days of receiving notice of the suit;
- (ii) the employment of that counsel has been authorized by the Notified Parties; or
- (iii) the named parties to the suit (including any added or third parties) include the Indemnified Party and the Notified Parties and the Indemnified Party has been advised in writing by counsel that there are legal defences available to the Indemnified Parties that are different or in addition to those available to any of the Notified Parties or that representation of the Indemnified Party by counsel for the Notified Parties or any of them is inappropriate as a result of the potential or actual conflicting interests of those represented;

(in each of the cases set out in Sections 17(d)(i), 17(d)(ii) or 17(d)(iii), the Notified Parties will be liable to pay the reasonable fees and expenses of separate counsel for all Indemnified Parties and, in addition, of local counsel in each applicable jurisdiction.) Notwithstanding the foregoing, no admission of liability, settlement, compromise, or termination of the Claim may be made by an Indemnified Party without the prior written consent of the Notified Parties, which consent will not be unreasonably withheld or delayed.

- (e) The rights of indemnity contained in this Section 17 will not enure to the benefit of the Underwriters if the Fund and Osprey Media have complied with the provisions of Sections 5 and 6 and the person asserting any Underwriter Claim contemplated by Section 17(a) was not provided with a copy of any Prospectus or Supplementary Material which corrects any Misrepresentation (for the purposes of Securities Laws or any of them) which is the basis of the Underwriter Claim and which is required under Securities Laws to be delivered to that person by the Underwriters or members of their banking or selling group (if any).
- (f) The Underwriter Indemnifying Parties hereby acknowledge and agree that, with respect to Sections 17 and 18, the Underwriters are contracting on their own behalf and as agents for their affiliates, directors, officers and employees and their respective affiliates, directors, officers and employees (collectively, the “**Beneficiaries**”). In this regard, each of the Underwriters will act as trustee for the Beneficiaries of the covenants of the Underwriter Indemnified Parties under Sections 17 and 18 with respect to the Beneficiaries and accepts these trusts and will hold and enforce those covenants on behalf of the Beneficiaries.

- (g) The Underwriters agree to protect, hold harmless and indemnify the Fund and Osprey Media and their respective directors, officers, employees, advisors, unitholders, shareholders, partners and agents from and against all losses (other than losses of profit in connection with the distribution of the Purchased Units), claims, actions, suits, proceedings, damages, liabilities, costs and reasonable expenses, including, without limitation, all amounts paid to settle actions, suits, proceedings, or satisfy judgements or awards and all reasonable fees, disbursements and taxes of their counsel caused by or arising directly or indirectly by reason of a Misrepresentation relating directly to the information provided solely by the Underwriters (which information is limited to the amount of Osprey Media's indebtedness to affiliates of the Underwriters as disclosed in the "Plan of Distribution" and "Use of Proceeds" sections of the Prospectus).

## **18. Contribution.**

In order to provide for just and equitable contribution in circumstances in which an indemnity provided in Section 17(a) would otherwise be available in accordance with its terms but is, for any reason not solely attributable to any one or more of the Underwriter Indemnified Parties, held to be unavailable to or unenforceable by the Underwriter Indemnified Parties or enforceable otherwise than in accordance with its terms, the Underwriters and the applicable Underwriter Indemnifying Parties will contribute to the aggregate of all claims, damages, liabilities, costs and expenses and all losses (other than losses of profits in connection with the distribution of the Purchased Units) of the nature contemplated in Section 17(a), as applicable, and suffered or incurred by the Underwriter Indemnified Parties in proportions so that the Underwriters will be responsible for the portion represented by the percentage that the total fee paid to the Underwriters in connection with the sale of the Purchased Units bears to the aggregate purchase price of the Purchased Units, both as determined pursuant to the provisions of this agreement, and the Indemnifying Parties will, subject to Section 19(b), be responsible for the balance, whether or not they have been sued or sued separately; provided that the Underwriters will not in any event be liable to contribute, in the aggregate, any amount in excess of the total fee or any portion actually received.

## **19. Limitation on Rights of Indemnity and Contribution.**

- (a) No party who has engaged in any fraud, wilful default, fraudulent misrepresentation, negligence, wilful misconduct or reckless disregard will be entitled to claim indemnification under Sections 17(a) or 17(b), or contribution under Section 18 from any person who has not engaged in that fraud, wilful default, fraudulent misrepresentation or negligence, wilful misconduct or reckless disregard.
- (b) For greater certainty, the Indemnifying Parties will not have any obligation to contribute pursuant to Section 18 in respect of any Claim except to the extent the indemnity given by them in Sections 17(a) or 17(b) would have been applicable to that Claim in accordance with its terms had that indemnity been found to be enforceable and available to the Indemnified Parties.
- (c) The rights to contribution provided in Section 18 will be in addition to and not in derogation of any other right to contribution which the Indemnified Parties may have by statute or otherwise at Law provided that Sections 19(a) and 19(b) will apply, *mutatis mutandis*, in respect of that other right.

- (d) The obligations of each OMG Party under Sections 17(a) and 18 to indemnify the Underwriter Indemnified Parties for Claims arising from:
- (i) a breach of or default of its representation, warranty and covenant pursuant to Section 17(a)(i), shall survive the completion of transactions contemplated under this agreement, the Prospectus and the Reorganization for the survival period of the corresponding representation and warranty as set out in Section 11(a); and
  - (ii) Sections 17(a)(ii) or 17(a)(iii), shall survive the completion of transactions contemplated under this agreement, the Prospectus and the Reorganization for a period of three (3) years, provided that, in respect of any Claim brought during such three (3) year period, the obligations under Sections 17 and 18 in respect of such Claim shall continue until final expiry of any appeal periods in connection therewith; and
- (e) The aggregate obligations of each Investor under Sections 17(a) and 18 to indemnify the Underwriter Indemnified Parties for a breach of or default of its representation, warranty and covenant set out in Sections 9(k), 9(l) and 9(m) to the Underwriters and of each Investor and each Siftonco under Sections 17(b) and 18 to indemnify the Fund Indemnified Parties for a breach of or default of its representation, warranty and covenant set out in Sections 9(k), 9(l) and 9(m) to the Fund shall:
- (i) in respect of the Investors' and the Siftoncos' obligations under Sections 17(b) and 18 to indemnify the Fund Indemnified Parties only, be subject to an aggregate deductible for all Fund Claims of \$1 million;
  - (ii) in the case of each Investor in respect of such Investor's obligations under Sections 17(a) and 18 to indemnify the Underwriter Indemnified Parties, be limited to \$37.5 million;
  - (iii) in the case of each Investor and each Siftonco in respect of such Person's obligations under Sections 17(b) and 18 to indemnify the Fund Indemnified Parties, be limited to 48%, 48%, 2% and 2%, respectively, of \$75 million; and
  - (iv) survive the completion of the transactions contemplated under this agreement, the Prospectus and the Reorganization for the survival period of the corresponding representation and warranty as set out in Section 11(b),

and, for greater certainty, notwithstanding any other provision of this agreement, the maximum total amount of an Investor's liability in respect of its obligations referenced in Sections 19(e)(ii) and 19(e)(iii) on an aggregate basis shall be limited to \$37.5 million.

## **20. Expenses.**

All expenses of or incidental to the Reorganization and the creation, issuance, sale, distribution and delivery of the Purchased Units and of, or incidental to, all other matters in connection with the transactions set out in this agreement, the Prospectus and the Reorganization will be borne by the Fund and Osprey Media including, without limitation:

- (a) expenses payable in connection with the qualification for distribution of the Purchased Units under applicable Securities Laws;

- (b) the fees, expenses and disbursements of the auditors, counsel to all and any of the Fund, Osprey Media and Osprey Holdings and all related foreign/local counsel;
- (c) the fees of any experts retained in connection with the sale of the Purchased Units;
- (d) all costs incurred in connection with the preparation, translation, filing and printing of the Preliminary Prospectus, the “green sheet”, the Prospectus, the U.S. Placement Memorandum, any Supplementary Material and any Unit certification costs;
- (e) all fees and expenses of the Trust Company; and
- (f) all reasonable expenses associated with the “road shows” and marketing activities of the Fund, but not including travel and lodging expenses for such “road shows”,

including Canadian federal goods and services tax and provincial sales tax exigible in respect of any of the foregoing.

Subject to the foregoing, the expenses incurred by the Underwriters in connection with their engagement hereunder including, but not limited to, the fees, taxes and disbursements of their legal counsel, any advertising, internal printing, courier, telecommunications, data search, travel (other than road show travel), entertainment and other expenses incurred by the Underwriters, together with related Good and Services Tax and provincial sales taxes, will be borne by the Underwriters. Notwithstanding this paragraph, if the Offering is not completed the terms of paragraph 11 of the letter agreement dated March 5, 2004 among Current Osprey, the Investors and the Lead Underwriters will govern the bearing of the Underwriters’ expenses.

## **21. All Terms to be Conditions.**

Each of the Fund, Osprey Media, Osprey Holdings and the Investors agree that the conditions contained in Section 13 will be complied with insofar as they relate to acts to be performed or caused to be performed by it, and that it will use its reasonable best efforts to cause all of those conditions to be complied with, provided that such conditions (except to the extent that they constitute representations, warranties or covenants under any other provision of this agreement) shall merge on the Closing. All representations, warranties, covenants and other terms of this agreement will be and will be deemed to be conditions, and any breach or failure to comply with any of them in any material respect or any of the conditions set out in Section 13 will entitle the Underwriters to terminate their obligation to purchase the Purchased Units, by written notice to that effect given to the Fund and Osprey Media at or prior to the Time of Closing. It is understood that the Underwriters may waive, in whole or in part, or extend the time for compliance with, any of those terms and conditions without prejudice to the rights of the Underwriters in respect of any of those terms and conditions or any other or subsequent breach or noncompliance, provided that to be binding on the Underwriters any such waiver or extension must be in writing.

## **22. Termination by Underwriters in Certain Events.**

- (a) In addition to any other remedies which may be available to the Underwriters, each Underwriter will also be entitled to terminate its obligation to purchase the Purchased Units by written notice to that effect given to the Fund and Osprey Media at or prior to the Time of Closing if:
  - (i) any inquiry, investigation or other proceeding, or any order, ruling or other pronouncement, is issued or announced under or pursuant to any relevant

statute or by any stock exchange, Governmental Body or other regulatory authority, or there is any change of Law (including any Law relating to the taxation of the Fund, Osprey Holdings and/or Osprey Media), or in the interpretation or administration thereof, which, in the reasonable opinion of that Underwriter, acting in good faith, after consultation with the Fund and Osprey Media, operates to prevent, suspend, hinder, delay, restrict, inhibit or otherwise adversely affect the trading in, or which materially adversely impacts the distribution of, the Purchased Units or any of them;

- (ii) any Material Adverse Change occurs, which change, in the opinion of that Underwriter, acting reasonably, after consultation with the Fund and Osprey Media, could reasonably be expected to result in the purchasers of a material number of Purchased Units exercising their right under Securities Laws to withdraw from or rescind their purchase thereof or sue for damages in respect thereof or which has or could reasonably be expected to have a significant adverse effect on the market price or value of the Purchased Units or any of them;
  - (iii) the state of the Canadian financial markets becomes such that the Purchased Units cannot, in the reasonable opinion of that Underwriter, be profitably marketed; or
  - (iv) there should develop, occur or come into effect or existence any event, action, state, condition or major financial occurrence of national or international consequence, including any act of terrorism, war or like event, or any governmental action, Law, regulation, inquiry or other occurrence of any nature which, in the reasonable opinion of that Underwriter, materially adversely affects or may materially adversely affect the financial markets in Canada or the business, operations or affairs of the Fund or Osprey Media taken as a whole.
- (b) If this agreement is terminated by any of the Underwriters pursuant to Section 22(a), there will be no further liability on the part of that Underwriter or of the Fund or Osprey Media to that Underwriter, except in respect of any liability which may have arisen or may later arise under Sections 17, 18 and 20.
- (c) The right of the Underwriters or any of them to terminate their respective obligations under this agreement is in addition to all other remedies they may have in respect of any default, act or failure to act of the Fund, Osprey Holdings or Osprey Media in respect of any of the matters contemplated by this agreement. A notice of termination given by one Underwriter under this Section 22 will not be binding upon the other Underwriters.

### **23. Stabilization.**

In connection with the distribution of the Purchased Units, the Underwriters and members of their selling group (if any) may over-allot or effect transactions which stabilize or maintain the market price of the Purchased Units at levels above those which might otherwise prevail in the open market, in compliance with Securities Laws. Those stabilizing transactions, if any, may be discontinued at any time.

## 24. Obligations of the Underwriters to be Several.

Subject to the terms and conditions of this agreement, the obligation of the Underwriters to purchase the Initial Units or the Additional Units, as the case may be, will be several and not joint. The percentage of the Purchased Units to be severally purchased and paid for by each of the Underwriters will be as follows:

|                              |        |
|------------------------------|--------|
| CIBC World Markets Inc.      | 32.15% |
| Scotia Capital Inc.          | 32.15% |
| BMO Nesbitt Burns Inc.       | 23.7%  |
| National Bank Financial Inc. | 10.0%  |
| Westwind Partners Inc.       | 2.0%   |

If an Underwriter (a “**Refusing Underwriter**”) does not complete the purchase and sale of the Initial Units which that Underwriter has agreed to purchase under this agreement (the “**Defaulted Units**”), the Lead Underwriters may delay the closing date for not more than five days and the remaining Underwriters (the “**Continuing Underwriters**”) will be entitled, at their option, to purchase all but not less than all of the Defaulted Units pro rata according to the number of Initial Units to have been acquired by the Continuing Underwriters under this agreement or in any proportion agreed upon, in writing, by the Continuing Underwriters. If no such arrangement has been made and the number of Defaulted Units to be purchased by the Refusing Underwriter does not exceed 10% of the Initial Units, the Continuing Underwriters will be obligated to purchase the Defaulted Units on the terms set out in this agreement in proportion to their obligations under this agreement. If the number of Defaulted Units to be purchased by the Refusing Underwriters exceeds 10% of the Initial Units, the Continuing Underwriters will not be obliged to purchase the Defaulted Units and, if the Continuing Underwriters do not elect to purchase the Defaulted Units:

- (a) the Continuing Underwriters will not be obliged to purchase any of the Initial Units;
- (b) the Fund will not be obliged to sell less than all of the Initial Units; and
- (c) the Fund and Osprey Media will be entitled to terminate their obligations under this agreement arising from their acceptance of this offer, in which event there will be no further liability on the part of the Continuing Underwriters or the Fund and Osprey Media except pursuant to the provisions of Sections 17, 18 and 20.

## 25. Notice.

Any notice or other communication required or permitted to be given under this agreement will be in writing and will be delivered to:

- (a) in the case of the Fund:  
100 Renfrew Drive  
Suite 110  
Markham, Ontario L3R 9R6  
  
Attention: Trustees of Osprey Media Income Fund c/o Michael G. Sifton  
Facsimile: (905) 752-1138

- (b) in the case of Osprey Media or Osprey Holdings:

100 Renfrew Drive  
Suite 110  
Markham, Ontario L3R 9R6  
Attention: Michael G. Sifton  
Facsimile: (905) 752-1138

with a copy to the Fund.

in each case under clauses (a) and (b), with a copy to:

Davies Ward Phillips & Vineberg LLP  
1 First Canadian Place  
Suite 4400  
Toronto, Ontario M5X 1B1  
Attention: William M. Ainley  
Facsimile: (416) 863-0871

- (c) in the case of CIBC:

Canadian Equity Capital Markets  
161 Bay Street, 6th Floor  
Toronto, Ontario M5J 2S8  
Attention: Daniel J. Daviau, Managing Director  
Facsimile: (416) 594-7470

- (d) in the case of Scotia:

Scotia Plaza  
40 King Street West  
P.O. Box 4085, Station "A"  
Toronto, Ontario M5W 2X6  
Attention: Sarah B. Kavanagh, Managing Director  
Facsimile: (416) 863-7117

- (e) in the case of notice to all the Underwriters:

The Underwriters  
c/o CIBC  
161 Bay Street, 6<sup>th</sup> Floor  
Toronto, Ontario M5J 2S8  
Attention: Daniel J. Daviau, Managing Director  
Facsimile: (416) 594-7470

in each case under clauses (c), (d) and (e) with a copy to:

Goodmans LLP  
250 Yonge Street  
Suite 2400  
Toronto, Ontario M5B 2M6

Attention: Stephen Pincus  
Facsimile: (416) 979-1234

(f) in the case of OTPPB:

5650 Yonge Street  
5<sup>th</sup> Floor  
Toronto, Ontario M2M 4H5

Attention: J. Mark Macdonald  
Facsimile: (416) 730-5082

(g) in the case of SMCC:

Scotia Plaza, 38<sup>th</sup> Floor  
40 King Street West  
Toronto, Ontario M5W 2X6

Attention: Andrew Brenton  
Facsimile: (416) 862-3054

(h) in the case of the Siftoncos:

100 Renfrew Drive  
Suite 110  
Markham, Ontario L3R 9R6

Attention: Michael G. Sifton  
Facsimile: (905) 752-1138

the remaining Underwriters shall provide written notice of their addresses for the purposes of notice hereunder to the head Underwriters who shall in turn provide such information to all parties hereto. The parties may change their respective addresses for notices by notice given in the manner set out above. Any notice or other communication will be in writing, and unless delivered personally to the addressee or to a responsible officer of the addressee, as applicable, will be given by telecopy and will be deemed to have been given when (i) in the case of a notice delivered personally to a responsible officer of the addressee, when so delivered; and (ii) in the case of a notice delivered or given by telecopy, on the first business day following the day on which it is sent.

## **26. Miscellaneous.**

(a) Except with respect to Sections 17, 18 and 22, all actions, determinations and notices on behalf of the Underwriters under this agreement or contemplated by this agreement may be carried out, made or given on behalf of the Underwriters by the Lead Underwriters and the Lead Underwriters will in good faith discuss with the other Underwriters the nature of any of the transactions and notices prior to giving effect to them or the delivery of them, as the case may be.

- (b) This agreement will be governed by and interpreted in accordance with the Laws of the Province of Ontario and the federal Laws of Canada applicable therein.
- (c) Time will be of the essence in this agreement and, following any waiver or indulgence by any party, time will again be of the essence in this agreement.
- (d) The words “agreement”, “hereof”, “hereunder” and similar phrases mean and refer to the agreement formed as a result of the acceptance by the Fund of this offer by the Underwriters to purchase the Purchased Units.
- (e) Each of the parties to this agreement will be entitled to rely on delivery of a facsimile copy of this agreement and acceptance by each party of any such facsimile copy will be legally effective to create a valid and binding agreement between the parties to this agreement in accordance with the terms of this agreement.
- (f) This agreement may be executed in any number of counterparts, each of which when so executed will be deemed to be an original and all of which, when taken together, will constitute one and the same agreement.
- (g) To the extent permitted by applicable Law, the invalidity or unenforceability of any particular provision of this agreement will not affect or limit the validity or enforceability of the remaining provisions of this agreement.
- (h) This agreement and the other documents referred to in this agreement constitute the entire agreement between the parties hereto relating to the subject matter of this agreement and supersede all prior agreements between those parties with respect to their respective rights and obligations in respect of the transactions contemplated under this agreement, except as expressly noted otherwise in Section 20.
- (i) The terms and provisions of this agreement will be binding upon and enure to the benefit of the Fund, Osprey Media, Osprey Holdings, the Investors, the Siftoncos and the Underwriters and their respective successors and assigns; provided that, except as otherwise provided in this agreement, this agreement will not be assignable by any party without the written consent of the others and any purported assignment without that consent will be invalid and of no force and effect.
- (j) The parties acknowledge and agree that the obligations of the Fund hereunder are not personally binding upon any trustee thereof, any registered or beneficial holder of units in the Fund, or any annuitant under a plan of which such unitholder acts as trustee or carrier, and resort shall not be had to, nor shall recourse or satisfaction be sought from, any of the foregoing or the private property of any of the foregoing, but the property of the Fund only shall be bound by such obligations. Any obligation of the Fund set out in this agreement shall, to the extent necessary to give effect to such obligation, be deemed to constitute, subject to the provisions of the previous sentence, an obligation of the trustees of the Fund in their capacity as trustees of the Fund only.
- (k) The parties’ respective rights and obligations hereunder shall not be subject to setoff.

If this letter accurately reflects the terms of the transactions which we are to enter into and are agreed to by you, please communicate your acceptance by executing the enclosed copies of this letter where indicated and returning them to us.

Yours very truly,

**UNDERWRITERS**

**CIBC WORLD MARKETS INC.**

Per: (signed) *Daniel J. Daviau*

*Name:* Daniel J. Daviau

*Title:* Managing Director

**SCOTIA CAPITAL INC.**

Per: (signed) *Sarah B. Kavanagh*

*Name:* Sarah B. Kavanagh

*Title:* Managing Director

**BMO NESBITT BURNS INC.**

Per: (signed) *John L. Easson*

*Name:* John L. Easson

*Title:* Managing Director

**NATIONAL BANK FINANCIAL INC.**

Per: (signed) *Shubo Rakhit*

*Name:* Shubo Rakhit

*Title:* Managing Director

**WESTWIND PARTNERS INC.**

Per: (signed) *Lionel Conacher*

*Name:* Lionel Conacher

*Title:* Managing Director

Accepted and agreed to by the undersigned as of the date of this letter first written above.

**OMG PARTIES**

**OSPREY MEDIA INCOME FUND, by its  
attorney, OSPREY MEDIA GROUP INC.**

Per: (signed) *Michael Sifton*

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*Name:* Michael Sifton  
*Title:* President and Chief Executive Officer

**OSPREY MEDIA GROUP INC.**

Per: (signed) *Michael Sifton*

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*Name:* Michael Sifton  
*Title:* President and Chief Executive Officer

**OSPREY MEDIA HOLDINGS INC.**

Per: (signed) *Michael Sifton*

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*Name:* Michael Sifton  
*Title:* President and Chief Executive Officer

**INVESTORS**

**ONTARIO TEACHERS' PENSION PLAN  
BOARD**

Per: (signed) *J. Mark Macdonald*

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*Name:* J. Mark Macdonald  
*Title:* Vice-President

**SCOTIA MERCHANT CAPITAL  
CORPORATION**

Per: (signed) *Andrew Brenton*

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*Name:* Andrew Brenton  
*Title:* Managing Partner

**SIFTONCOS**

**2003821 ONTARIO INC.**

Per: (signed) *Michael Sifton*

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*Name:* Michael Sifton

*Title:* President and Chief Executive Officer

**FOX DEN FARMS INC.**

Per: (signed) *Michael Sifton*

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*Name:* Michael Sifton

*Title:* President and Chief Executive Officer

## SCHEDULE 16(d)(x)

In connection with the private placement in the United States of the units (the "Units") of Osprey Media Income Fund (the "Fund") pursuant to the amended and restated underwriting agreement dated April 15, 2004 among the Fund, Osprey Media Group Inc., Osprey Media Holdings Inc., Ontario Teachers' Pension Plan Board, Scotia Merchant Capital Corporation, Fox Den Farms Inc. (as successor by amalgamation to 1505224 Ontario Inc.), 2003821 Ontario Inc. and the Underwriters named therein (the "Underwriting Agreement"), each of the undersigned does hereby certify as follows:

1. **[Name of U.S. broker-dealer Affiliate]** is a duly registered broker or dealer with the United States Securities and Exchange Commission and is a member of and in good standing with the National Association of Securities Dealers, Inc. on the date hereof and all offers and sales of Units in the United States have been and will be effected by **[Name of U.S. broker-dealer Affiliate]** in accordance with all U.S. broker-dealer requirements;
2. each offeree was provided with a copy of the U.S. private placement memorandum (the "U.S. Placement Memorandum"), including the Canadian (final) prospectus dated April 6, 2004 **[and the documents incorporated by reference therein for the offering of the Units in the United States]**;
3. immediately prior to our transmitting such U.S. Placement Memorandum to such offerees, we had reasonable grounds to believe and did believe that each offeree was, and we continue to believe that each such offeree who is a U.S. person purchasing Units from us is, a "qualified institutional buyer", as defined in Rule 144A under the Securities Act of 1933, as amended (the "1933 Act");
4. no form of general solicitation or general advertising (as those terms are used in Regulation D under the 1933 Act) was used by us, including advertisements, articles, notices or other communications published in any newspaper, magazine or similar media or broadcast over radio or television, or any seminar or meeting whose attendees had been invited by general solicitation or general advertising, in connection with the offer or sale of the Units in the United States; and
5. the offering of the Units in the United States has been conducted by us in accordance with the terms of the Underwriting Agreement.

Unless otherwise defined, terms used in this certificate have the meaning given to them in the Underwriting Agreement.

Dated this \_\_\_\_ day of \_\_\_\_\_, 2004.

**[UNDERWRITER]**

**[U.S. BROKER-DEALER AFFILIATE]**

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Name:

Title:

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Name:

Title:

**ANNEX B**

**FORM OF DECLARATION FOR REMOVAL OF LEGEND**

TO: CIBC Mellon Trust Company of Toronto, Canada,  
as registrar and transfer agent for the  
Units of Osprey Media Income Fund  
320 Bay Street  
Toronto, Ontario  
Canada M5H 4A6

The undersigned (A) represents that the sale of \_\_\_\_\_ Units (the “Units”) of Osprey Media Income Fund (the “Fund”), represented by certificate number \_\_\_ to which this declaration relates is being made in reliance on Rule 904 of Regulation S under the United States Securities Act of 1933, as amended (the “1933 Act”), and (B) certifies that (1) it is not an “affiliate” (as defined in Rule 405 under the 1933 Act) of the Fund, (2) the offer of such Units was not made to a person in the United States and either (a) at the time the buy order was originated, the buyer was outside the United States, or the seller and any person acting on its behalf reasonably believe that the buyer was outside the United States, or (b) the transaction was executed on or through the facilities of the Toronto Stock Exchange or any other designated offshore securities market and neither the seller nor any person acting on its behalf knows that the transaction has been prearranged with a buyer in the United States and (3) neither the seller, nor any affiliate of the seller nor any person acting on its behalf has engaged or will engage in any directed selling efforts in connection with the offer and sale of such Units.

Terms used herein have the meanings given to them by Regulation S under the 1933 Act.

Dated: \_\_\_\_\_

\_\_\_\_\_  
Name of Purchaser

By: \_\_\_\_\_  
Name:  
Title: