

February 21, 2018

Dear Beneficiary:

**Re: Distressed Pension Plan Workout Scheme for Pension Plans of Canadian Press Enterprises Inc.**

**Re: Appointment of Representative to Beneficiaries of the Pension Plan of the Canadian Press Enterprises Inc. and the Canadian Press Enterprises Inc. Pension Plan for Employees Represented by the Canadian Media Guild  
Our File: 2237001**

As you know, the Canadian Press Enterprises Inc. ("**CPE**") recently advised you by letter dated January 26, 2018 that it has made an election to the Office of the Superintendent of Financial Institutions to invoke the Distressed Pension Plan Workout Scheme ("**DPPWS**") provisions of the federal *Pension Benefits Standards Act, 1985* ("**PBSA**"). That letter set out more details about the DPPWS and the processes involved.

As part of the DPPWS process, Ursel Phillips Fellows Hopkinson LLP has been appointed by the Federal Court as your "Representative" and the Representative for all Beneficiaries of the Pension Plan of the Canadian Press Enterprises Inc. (the "**Excluded Plan**") and The Canadian Press Enterprises Inc. Pension Plan for Employees Represented by the Canadian Media Guild (the "**Guild Plan**") (collectively, the "**Pension Plans**").

In our role as Representative, our legal mandate is to represent you and your legal interests in connection with the issues affecting the beneficiaries of the Pension Plans during the DPPWS process.

We have been provided with your name by CPE and are writing to make contact with you and provide you with a status update of this matter.

### **Overview of the DWPPS Process**

The DWPPS scheme provides for a negotiation process to restructure future pension funding obligations of a federally regulated employer. CPE has advised that it is unable to continue to remit current payments required to fund the solvency deficit in each of its

pension plans without seriously impairing the ability of the company to continue operations.

**CPE is not insolvent, bankrupt or undergoing any kind of company-wide restructuring.** For approximately the past decade or more, CPE has benefitted from a special regulation under the PBSA which has provided similar relief with respect to payments that would otherwise have needed to be made to the pension plans.

In accordance with the PBSA, CPE is seeking to commence negotiations with various groups of stakeholders with interests in CPE's pension plans, including the Canadian Media Guild and its members, retired members of the pension plans, and non-unionized active employees. The purpose of this process is to reach an agreement on a revised solvency payment schedule. Any agreement resulting from the DPPWS negotiation process must be presented to plan members and beneficiaries for consideration and is subject to an approval process.

Our mandate is to represent your interests in the DPPWS negotiation process, and to help you understand the proceedings and answer any questions that you may have.

The legal costs of the Representatives of the Beneficiaries in the DPPWS process will be paid from CPE and not out of the pension fund.

### **Client Committee**

We wish to identify a committee of individuals from among the Beneficiaries of the Pension Plans to consult with Ursel Phillips Fellows Hopkinson LLP and provide instructions as necessary during the DPPWS negotiation process.

As a committee member, you will not be paid for your time, but we anticipate that any reasonable fees and expenses will be reimbursed. If you believe you could assist in this way and are interested in being a committee member, please let us know.

### **Communications**

We will be providing periodic updates by email to your last-known email address. If you do not have an email address registered with CPE, we will send the update to your last-known mailing address.

Where there is a need to communicate sensitive, confidential or privileged information, we will send password-protected PDF documents, and send the password to access the document in a separate email. Where you do not have an email address, we will send sensitive, confidential or privileged information via registered mail.

As a result, it is important that we have your current email and home address. If you have a change of address please contact Marissa D'Mello of Canadian Press at [marissa.d'mello@thecanadianpress.com](mailto:marissa.d'mello@thecanadianpress.com) or by phone at 416-507-2132.

**Contact Information for Ursel Phillips Fellows Hopkinson LLP**

Please contact us with any questions or concerns at [canadianpress@upflaw.ca](mailto:canadianpress@upflaw.ca).

Thank you for your attention. We anticipate that discussions will commence in May of 2018. We will keep you updated on further developments.

Yours truly,

**Ursel Phillips Fellows Hopkinson LLP**



Susan Ursel  
SU/ee