BCE-CTV Benefits Report 2001

December-August

A MESSAGE FROM THE PRESIDENT

Here it is: our first progress report. *And we couldn't be more pleased with and proud of the progress we've made so far. The BCE-CTV Benefits package has gotten off to a great start in its mission to play a key role in fostering the future of Canadian broadcasting. And we plan to accomplish even more in 2002, our first full year of activity for the package.*

Times have changed, and are changing, at a feverish pace. That's why we've departed from the usual formula for public benefits. We could have taken an easier path, but we believe that Canadian television is ready for something different. As never before, Canada has a formidable wealth of talented and dedicated people – either working or waiting in the wings – with the potential to propel the world of Canadian broadcasting and new media to previously unperceived heights of success in the 21st century. ***We know Canada can compete with the best in the business. And we're out to prove it.*** *We're well on our way to achieving our objectives. But there's plenty more work to do, and we're looking forward to it.*

Trina McQueen

Trina McQueen
President and Chief Operating Officer, CTV Inc.
December 2001

Benefits Beyond Expectations

BCE's purchase of CTV resulted in the creation and implementation of the largest and most innovative benefits package in Canadian broadcasting history. Although this unprecedented $230-million package is in the early stages of its seven-year duration, the Canadian broadcasting and new media industries are already reaping rewards of real significance.

We believe that the timing is right for the BCE-CTV package to forge a breakthrough in terms of what benefits can achieve. The various components of BCE-CTV Benefits are intended to maximize value to Canadian broadcasting through progressive, incremental initiatives. The package comprises three broad categories of benefits:

1) Priority Programming
2) Talent Development
3) News

PROGRAMMING AS A PRIORITY

A large portion of the package – $140-million – is earmarked for Priority Programming. This programming, which is being developed and produced by Canadian independent producers, encompasses the areas of drama, documentary, variety and interactive media. The expenditure will result in a minimum of 175 hours of new Canadian priority programming (for broadcast on CTV), which represents a commitment to exceed CTV's existing CRTC requirements.

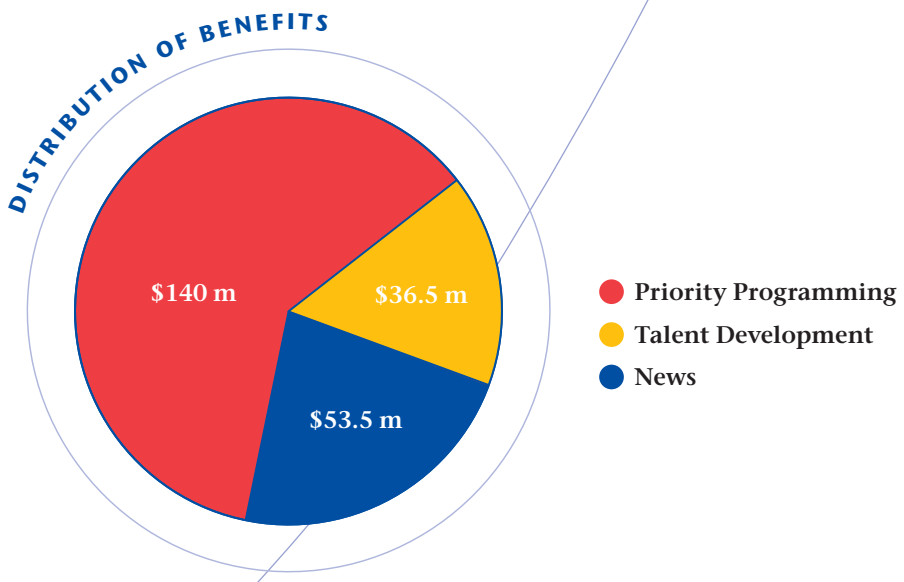
Canadian independent television producers face two major challenges that are often at odds with one another. On one hand, they must create unique, dynamic, enriching programs that entertain and enlighten Canadians. But in order to achieve this, they must negotiate an often-trying trail leading to necessary funding. While many wonderful, high-quality productions have been made in the past decade, there is no escaping how difficult it is to assemble the resources to make them.

It is our goal to invest in a very large portion of a particular project's budget so the producer can concentrate less on financial and business concerns and more on creative excellence and storytelling. By providing 60 per cent or more of a production's budget from one source, we are departing from the more conventional Canadian financing scenario. We are endeavouring to find a business model that will establish Canadian programming as a more commercially successful strategy for Canadian broadcasters, thereby helping to stabilize the future of Canadian production. Our vision and commitment are to engender the production of prime-time Canadian programs of consistently high quality to attract large audiences and revenues, both domestic and international.

A PIPELINE TO THE SCREEN

Numerous unique Talent Development initiatives are proceeding as planned. Some of these include the following: the Bell Globemedia Content Innovation Network, an exciting, new program that links three leading facilities in Canada for training in new media arts;

Our vision and commitment are to engender the production of prime-time Canadian programs of consistently high quality to attract large audiences and revenues, both domestic and international.



Community Journalism Initiatives, which generate scholarships, bursaries, monetary prizes and awards for journalism students across Canada; a new development program for the Bell Broadcast and New Media Fund, which benefits Canadian independent producers; and the BC Institute of Technology: Bell Globemedia New Media Centre of Excellence, a welcome addition to a well-known training facility to provide instruction in interactive television and new media.

ON-SCREEN: NEWS AND INFORMATION PROGRAMMING

In the area of News, CTV has undertaken many progressive steps. Among these is the implementation of a corporate action plan on diversifying programming, particularly national and local news coverage. We have also incorporated regional journalism specialists in local newsrooms. In addition, we have opened five foreign news bureaus in strategic locations throughout the world. Another exciting initiative is our new prime-time current affairs series, *21©*, produced by young journalists and targeted at the youth market.

Note: The purchase of CTV by BCE was approved in December 2000, effectively launching the BCE-CTV Benefits package at that time. While our spending consequently occurs on a January 1 - December 31 basis, our required reporting year for these benefits remains tied to the standard broadcast year from September 1 - August 31. This report covers activity from the December 7 launch to August 31, 2001.

Priority Programming

CTV's Priority Programming initiatives are still in their infancy. Most of the proposals from independent producers were received beginning in June 2001 and the reporting period of this submission ended in August. We are pleased, however, to present our successes so far, each of which voices the views of Canadian writers and producers through their stories that will be shared with the rest of the world.

WRITER-ONLY DRAMA DEVELOPMENT

In this particular benefit, CTV assumes the role of producer in the early stages of development, funding the entire development budget to allow writers to concentrate on doing what they do best: creating ideas and writing. At a later stage, an independent third-party producer will come on board. By August 31, we had contracted four talented writers: William Scoular, a published writer, experienced playwright and theatre director; award-winning actor Fabrizzio Filippo, a gifted first-time writer who demonstrates unusual potential; and Greg Spottiswood and Peter Smith, who are collaborating to create a single outstanding work. The objective here is to foster the creation of high-calibre scripts containing captivating, superbly told stories with broad viewer appeal and commercial viability.

DRAMATIC SERIES EXTENSION

One of CTV's popular and critically acclaimed Canadian dramatic series, *The Associates*, returns bolstered by the addition of five new episodes to create an extended second season of 18 episodes. This strategy, critical for audience building, gives viewers the opportunity to become more committed to the characters and engaged in the series in general.

The Associates is the story of the trials and tribulations of no ordinary law practice. Young, Barnsworth & King is a prestigious international legal firm that comprises an unparalleled collection of powerbrokers. The series follows the stormy and coming-of-age experiences of a group of exceedingly bright, young lawyers handpicked by senior partners to give the firm a formidable competitive edge.

The objective containing compelling, with

SUPERBLY TOLD STORIES WITH INTERNATIONAL APPEAL

Demore Barnes *Tamara Hickey* *Gabriel Hogan* *Shaun Benson* *Jennie Raymond*

is to foster the creation of television productions
, superbly told stories
broad viewer appeal *and* commercial viability.

Caddie Scott Houston *worships the ground*
that *Arnold Palmer walked on.*

DYNAMIC DOCUMENTARY EVENTS

GOLF: THE RIDICULOUS OBSESSION

This witty, one-hour documentary is an extraordinary exploration of the addictive and contagious nature of the grand old game. From the dedicated duffer who refuses to give up his 20-odd-year quest of trying to break 100, to the fanatical former caddie of Arnold Palmer, Scott Houston, who continues to nurture a divot carved out of the turf a long time ago by the legendary master of the links, *Golf: The Ridiculous Obsession* covers a great deal of ground, including high grass and deep sand. It's a big-budget production that includes fascinating footage from around the world, demonstrating that there are no boundaries when it comes to the relentless desire to chase a little white ball.

THE OCEAN RANGER DISASTER

Filmed in Newfoundland in the fall of 2001, this one-hour, emotionally charged documentary chronicles the worst offshore drilling accident in North American history. In the early morning hours of February 15, 1982, the Ocean Ranger, a giant oil rig, faltered and sank. All 84 members of the crew were lost. The disaster devastated Newfoundland and shocked the world.

By blending filmed re-enactments, cutting-edge computer graphics technology, poignant interviews and archival material, *The Ocean Ranger Disaster* tells the story of the startling chain of events that resulted in the tragedy. It not only focuses on the individuals whose lives were lost, but on the heroic rescuers who struggled in vain to save them. Adding to the emotional impact of the production are the heart-wrenching recollections of the victims' families.

VIBRANT VARIETY SERIES

SONIC TEMPLE

Decidedly hip and fast-paced, this weekly, one-hour variety show spotlighted many established and rising stars in entertainment. Dynamic, live performances by top Canadian talent, such as hip-hop/R&B group Jacksoul and hilarious comedian Gavin Crawford, delighted viewers throughout the country. The show also included intimate interviews with such internationally renowned performers as Janet Jackson, REM, Aerosmith and Coldplay, as well as backstage features delivered in a fresh, vibrant manner.

Kardinal Offishall

Snow

Chantal Kreviazuk

Talent Development

The BCE-CTV Benefits seek to have a profound impact on the structure of the broadcasting system through their ability to support the ideas, the talent, the creativity and the wealth of Canadian storytelling and interaction that will sustain a Canadian popular culture and identity worldwide. By providing education, training and funding initiatives, our goal is to ensure a new generation of outstanding broadcast and new media professionals. These professionals will learn to relate their stories to the world via new platforms and will bring home to viewers throughout Canada original, vital news and information as seen through Canadian eyes. ***The following is a description of just a few of these initiatives. For a complete listing, please see the charts at the end of this report.***

THE BELL GLOBEMEDIA CONTENT INNOVATION NETWORK

This progressive, new initiative links the Canadian Film Centre, the Banff New Media Institute, and l'Institute national de l'image et du son (l'INIS), three of the finest institutes in Canada for training in new media arts.

The $5-million awarded over five years to the Bell Globemedia Content Innovation Network will create the first-ever national Incubator/Accelerator Program to nurture and develop fledgling new media companies and project teams that have developed market-ready interactive cultural and entertainment prototypes. The funds allow for the construction of a virtual training environment, providing Canadian talent with an excellent opportunity to take advantage of state-of-the-art equipment and to explore the future of communications and collaborative technologies.

THE BC INSTITUTE OF TECHNOLOGY: BELL GLOBEMEDIA NEW MEDIA CENTRE OF EXCELLENCE

The BC Institute of Technology (BCIT) is a highly respected training centre for instruction in interactive television and new media. BCIT received $1.5-million to help finance the Bell Globemedia New Media Centre of Excellence. The centre houses and trains 160 new media design and animation students and, in the near future, will accommodate audio and broadcast journalism students.

ABORIGINAL PRODUCTION TRAINING: CAPILANO COLLEGE

Highly acclaimed Capilano College, sponsor of one of the first-ever Aboriginal film and television production training programs in Canada, will receive $250,000 over seven years. In 2001, $75,000 was utilized to develop and enhance the program as well as for the addition of new, state-of-the-art computer hardware.

THE BELL BROADCAST AND NEW MEDIA FUND

The total commitment to the Bell Fund by the BCE-CTV Benefits is $10-million, payable in installments over three years. Of that amount, $4-million was used by the Bell Fund in 2001 as an endowment to generate funds for a new Development Program.

iTV SPECIALISTS

Two iTV specialists have been hired in Toronto, with two more to come on stream at CTV offices in Vancouver and Halifax by the end of 2001. These specialists have begun building and strengthening relationships between the television production community and new media companies throughout Canada. In addition, they provide advice and expertise at the development stage of converged media projects.

COMMUNITY JOURNALISM INITIATIVES

Numerous post-secondary institutions, from coast to coast, collectively received more than $1-million in 2001 to provide scholarships and additional funding for students who are training to become television professionals.

THE MUSEUM OF CANADIAN BROADCASTING

Bringing alive the history of Canadian broadcasting will be a magnificent museum scheduled to open to the public in 2005. BCE-CTV Benefits funding of $250,000 will help lay the groundwork for what will be the Museum of Canadian Broadcasting – a remarkable display featuring the cultural heritage of broadcasting in this country.

RYERSON POLYTECHNIC UNIVERSITY: BELL GLOBEMEDIA CHAIR IN CONVERGENCE AND CREATIVE USE OF ADVANCED TECHNOLOGY

A $2.5-million contribution made to Ryerson Polytechnic University in 2001 helped to establish the Bell Globemedia Chair in Convergence and Creative Use of Advanced Technology. The Chair is to appoint a senior professor to develop and educate students in this area. The contribution also gives the university the monetary resources required to develop leading-edge facilities and provide students with the necessary training to keep pace with rapid progress in the broadcast and new media industries.

Aboriginal Production Training: Capilano College

Academy of Canadian Cinema and Television

BCIT: Bell Globemedia New Media Centre of Excellence

Bell Broadcast and New Media Fund

Bell Globemedia Content Innovation Network

Canadian Media Research Consortium

Canadian Television Image Bank

Canadian Women in Communications

CFTPA / APFTQ Mentorship Program

Community Journalism Initiatives

History of Canadian Broadcasting

iTV Specialists

Leave Out ViolencE (L.O.V.E.)

MNet: Media Awareness Network

Museum of Canadian Broadcasting

National Screen Institute

Ryerson Polytechnic University:
Bell Globemedia Chair in Convergence

St. John's Women's Film and Video Festival

Women in Director's Chair Workshops

WOMEN IN DIRECTOR'S CHAIR WORKSHOPS

These hands-on seminars are designed to further the careers of Canadian women in directing roles and/or women who possess a sophisticated skill set from other areas of the arts. The workshops are structured to increase the confidence and further refine the skills of women in film and television. Of the $100,000 to be endowed over seven years, a $20,000 contribution in 2001 was directed to the workshops' Mentor Director position.

MNET: MEDIA AWARENESS NETWORK

The Media Awareness Network is a not-for-profit organization centred on how children are affected by media. It concentrates on enhancing Internet literacy and teaching youngsters critical cognitive skills for comprehending messages from the media. MNet recently won the prestigious Canarie Award for its leadership in Internet literacy. The primary objective of the organization is to expand its race-relations program and other initiatives focused on privacy issues and media literacy. Our contributions will give MNet essential financial support, with the hope of enhancing the organization's prospects for enduring success. MNet received more than $70,000 in 2001 from the BCE-CTV Benefits.

THE NATIONAL SCREEN INSTITUTE

As one of the most prestigious facilities in Canada for advanced media arts education, the National Screen Institute (NSI) is developing an innovative program entitled "NSI Totally Television". It is a fresh way for the NSI to connect with new writers and producers nationwide and to train them in series television development and production. Over seven years, $1-million will be dispersed to the NSI as critical support for this initiative. The groundwork for "NSI Totally Television" started to evolve in 2001 and the program is scheduled to launch in 2002.

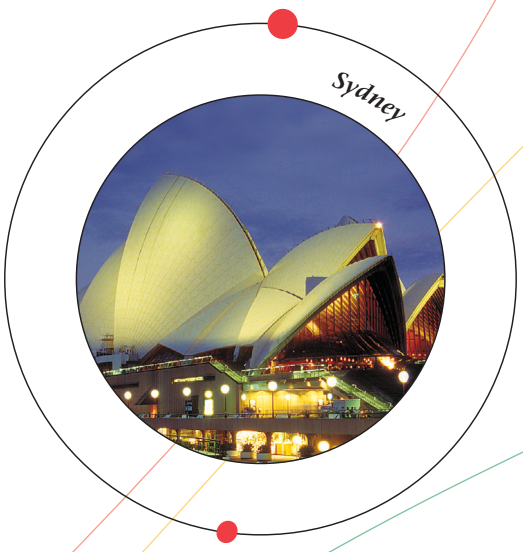
News

From establishing new foreign bureaus to implementing diversity initiatives to integrating specialty journalists into local newsrooms, we have embarked on a major mission to increase the quality, scope and originality of the news and make it more meaningful and valuable to Canadians. This is being accomplished not only by presenting significant, compelling stories emanating from outside the country and expressed from a Canadian perspective, but by relating from one region to another the important news arising from within Canada.

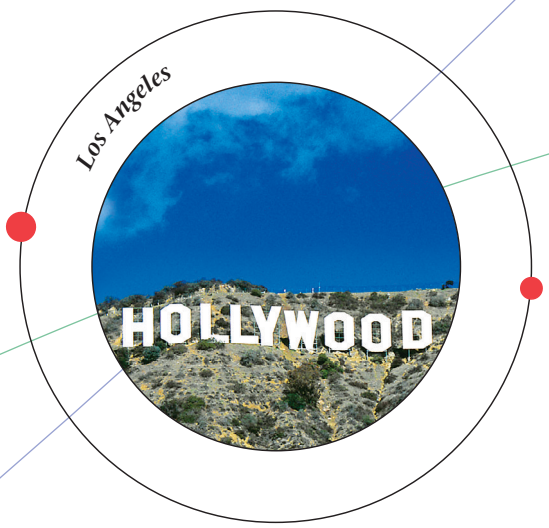
The following is a description of some of the News and Information Programming benefits. For a complete listing, please see the charts at the end of this report.

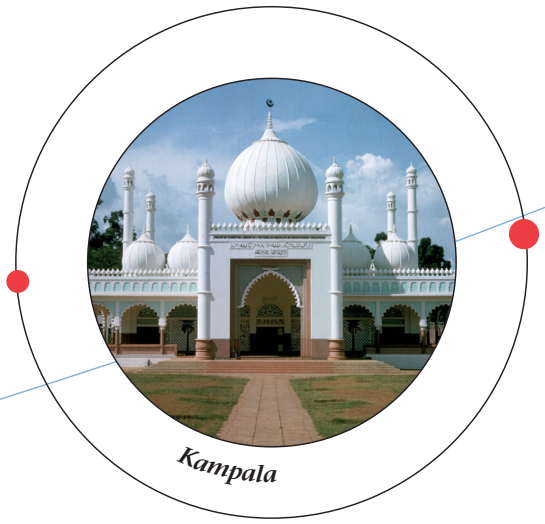
NEW FOREIGN BUREAUS

The establishment of five new foreign bureaus – Kampala, Mexico City, New Delhi, Los Angeles and Sydney – has greatly enhanced our ability to provide quality coverage of stories, from virtually anywhere in the world, to a demanding Canadian audience looking for more stories told from a Canadian point of view. Among domestic broadcasters, CTV now has the largest contingent of international bureaus to link viewers with the wider world. From a Canadian viewpoint, our foreign correspondents regularly file stories for CTV News at 11 p.m., CTV Newsnet, CTV's supper-hour shows across the country and the CTV Web site.



QUALITY COVERAGE OF STORIES, FROM VIRTUALLY ANYWHERE IN THE WORLD





DIVERSITY IN NEWS INITIATIVES

Diversifying our programming, particularly national and local news coverage, is at the heart of an ambitious corporate action plan we have undertaken. The main thrust of the plan is to produce programming that portrays cultural minorities accurately, reflects gender and other diversity issues in context, and pursues the goal of an equitable society.

We have initiated several task forces within the news division to examine the following issues:

1) Developing contacts in a wide range of communities
2) Recruiting and hiring
3) Story selection and program ideas
4) Sustaining the change: How to keep the momentum for change going

Diversity in News Initiatives include training for news staff. More than 100 people participated in a workshop focused on how to understand more clearly the issues of the diverse communities to which they broadcast. Additional workshops will be held.

In addition, we have appointed a Community and Culture producer, who is helping to champion this change by heightening the profile of community leaders, resources and traditions. This is being achieved through the encouragement of dialogue and interaction among various groups.

We have started a series of editorial boards providing members of the community the opportunity to meet senior managers at CTV to develop a better understanding of the perspectives of both sides. Furthermore, we have appointed a national reporter on Ethics and Spirituality, the only position of its kind in Canada, to provide coverage of a subject area normally given little airtime.

International stories from a Canadian viewpoint.

REGIONAL SPECIALISTS AND TRAINING

CTV has created a first in Canadian television news – a unit of Regional Specialists in the area of Health/Safety and Science/Technology. These reporters have been trained and integrated into local newsrooms in Halifax, Ottawa, Toronto, Kitchener, Regina, Calgary, Edmonton and in early 2002, Sudbury and Winnipeg. These journalists are providing local communities with the same expertise and standard of journalism that is generally only available at the national level. For example, our regional specialist in Regina, who has expertise in rural affairs, unveiled new research that found elderly drivers are much more likely to continue driving after age 65 in rural Canada than in urban areas. His report examined the significant public safety issues raised by this information. Our correspondent in Calgary, who specializes in wildlife and the environment, did an investigative feature on water quality in Alberta and a feature on Chronic Wasting disease, which is the "Mad Cow" disease of the deer and elk world. This disease has caused a government slaughter of 60,000 animals in Saskatchewan and now there is evidence it has spread to Alberta.

This unit is also unique in another way – and that is the training program designed for the development of these journalists. The first round of the program was held at Sheridan College, where the journalists participated in a course that included five days of intensive camera training and five days of training on Avid non-linear laptop editing. CTV's Agincourt studios were the site of the third week of learning, which included sessions on voice training, writing for television, filing for the Internet, journalism law and how to develop story ideas and storytelling techniques. And this training will continue year after year – their stories will be reviewed and their abilities and performance monitored and enhanced. They will be at the forefront of learning new techniques, new technical skills and new approaches in storytelling. This type of career development is the envy of every journalist in Canada.

HOT NEW CURRENT AFFAIRS SERIES FOR YOUTH

21© is an innovative, 13-part, prime-time current affairs series that examines and investigates issues, topics and lives of Canadian youth. Producing the series are young journalists, who bring new perspectives and passion for storytelling to Canadian TV. Subjects explored include family, self-image, marketing to teens, living with HIV/AIDS, bullying, homosexuality and gossip. Coverage is national in scope and reach, and continent-wide in its pursuit of the right people for the right stories. *21©* has travelled to numerous cities in Canada and the U.S., from Halifax to Vancouver and from New York City to San Francisco, in search of compelling stories pertaining to youth.

The series has a complementary, comprehensive, interactive Web site featuring all episodes on-line, producers' diaries, a highly active message-board system, and constant updates and new material that enhance stories previously told.

Dominic Patten | *Anne-Marie Mediwake*

AUDITORS' REPORT

TO THE CANADIAN RADIO-TELEVISION AND TELECOMMUNICATIONS COMMISSION ("CRTC")

At the request of Bell Globemedia Inc. (the "Company") (formerly 1406236 Ontario Inc.), we have audited the attached schedules 1 to 11 detailing program exhibition, program production, program expenditures and tangible benefit expenditures and the Company's compliance with the requirements established by the CRTC as defined in Appendix II of Decision CRTC 2000-747 dated December 7, 2000, for the period from December 7, 2000 to August 31, 2001. This programming and financial information and the Company's compliance with the requirements established in Appendix II are the responsibility of the management of the Company. Our responsibility is to express an opinion on this programming and financial information and the Company's compliance with the requirements of Appendix II based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the programming and financial information is free of material misstatement and whether the Company complied with the requirements established in Appendix II referred to above. Such an audit includes examining, on a test basis, evidence supporting the amounts in the programming and financial information and the overall compliance with Appendix II, and where applicable, assessing the accounting principles used and significant estimates made by management.

In our opinion, (i) the attached schedules 1 to 11 of program exhibition, program production, program expenditures and tangible benefit expenditures present fairly, in all material respects, the production, exhibition and program expenditures of the Company for the period from December 7, 2000 to August 31, 2001 in accordance with the requirements established in Appendix II referred to above and (ii) the Company is in compliance, in all material respects, with the requirements set out in Appendix II referred to above for the period from December 7, 2000 to August 31, 2001.

Schedule 2 of the programming and financial information for the period from December 7, 2000 to August 31, 2001 has been restated, as described in Note 1 of Schedule 2. Our report, dated December 10, 2001, on the previously issued programming and financial information has been withdrawn.

Deloitte & Touche LLP
Chartered Accountants

Toronto, Ontario
December 10, 2001
Except as to Note 1 of Schedule 2 which is as of June 10, 2002

LIST OF SCHEDULES

Schedule Number	Contents
Schedule 1	Original and repeat priority programs broadcast during the reporting year in fulfillment of CTV's base level requirement of eight hours per week of priority programming.
Schedule 2	Expenditures on base level of eight hours per week of priority programming.
Schedule 3	Incremental priority programming hours.
Schedule 4	Priority programming benefits expenditures on incremental hours.
Schedule 5	Incremental benefits expenditures on news and information programming.
Schedule 6	Broadcast licence fees for incremental programming received from specialty services operated by, or related to, CTV Inc.
Schedule 7	Sale or distribution fees received by CTV Inc. or any related company in respect of incremental programming, demonstrating that these fees are being reinvested in additional priority programming.
Schedule 8	Programs in which BCE or any related company has taken an equity investment using benefits expenditures, including details demonstrating that any profit earned from the equity investment has been reinvested into additional priority programming.
Schedule 9	Expenditures by CTV Inc. or any related company on third-party promotion in the 2000/2001 broadcast year, and incremental benefits expenditures on third party promotion of CTV-licensed television productions.
Schedule 10	Description of the television initiatives undertaken in fulfilment of benefits commitments, including a list of expenditures associated with each.
Schedule 11	All other benefits expenditures as set out in Appendix 1 to Decision CRTC 2000-747, which are not covered in the schedules above.

Schedule 4

PRIORITY PROGRAMMING INCREMENTAL BENEFIT EXPENDITURES COMMITTED TO, INCLUDING AMOUNTS SPENT, AS OF AUG. 31, 2001						
	Total Amount Committed for 7 years	Amount Committed in 2001	Amount Spent in 2001	Amount Spent to Date	Balance	Producer (Independent or Affiliated)
Priority Programming						
Drama Development	$ 5,000,000	$ 170,638	$ 76,665	$ 76,665	$ 4,923,335	Not Applicable
Damage Control						
From a Great Height						
Windermere						
Cross Cultural Development	2,000,000	-	-	-	2,000,000	
MOW Series	45,500,000	-	-	-	45,500,000	
Drama Series Extensions	25,000,000	3,572,503	245,003	245,003	24,754,997	
The Associates						Independent
Groundbreaker	23,000,000	-	-	-	23,000,000	
Promotion of Priority Programming	7,000,000	-	-	-	7,000,000	
Documentaries	18,000,000	1,211,643	385,386	385,386	17,614,614	
Golf: The Ridiculous Obsession				-		Independent
Ocean Ranger				-		Independent
Great Big Canadian Show	10,500,000	1,676,354	1,627,104	1,627,104	8,872,896	
Sonic Temple				-		Independent
Toronto Documentary Forum	1,000,000	200,000	200,000	200,000	800,000	
Documentaries at Banff	1,000,000	143,000	143,000	143,000	857,000	
National Broadcast Reading Services	2,000,000	400,000	400,000	400,000	1,600,000	
Total Incremental Expenditures	**$140,000,000**	**$7,374,138**	**$3,077,158**	**$3,077,158**	**$136,922,842**	

Schedule 5

NEWS AND INFORMATION INCREMENTAL BENEFIT EXPENDITURES AS OF AUG. 31, 2001				
	Total Amount Committed for 7 years	Amount Spent in 2001	Amount Spent to Date	Balance
News and Information Programming				
Regional Specialists	$ 14,000,000	$ 353,791	$ 353,791	$13,646,209
Diversity in News	3,500,000	144,287	144,287	3,355,713
2-Way Hot (21©)	11,000,000	179,395	179,395	10,820,605
Eyes on the World	12,000,000	210,806	210,806	11,789,194
Newslinks	10,000,000	207,689	207,689	9,792,311
APTN	3,000,000	600,000	600,000	2,400,000
Total Incremental Expenditures	**$53,500,000**	**$1,695,968**	**$1,695,968**	**$51,804,032**

Schedule 6

LICENCE FEES RECEIVED FOR INCREMENTAL PROGRAMMING FROM SPECIALTY SERVICES OPERATED BY OR RELATED TO CTV INC. AS OF AUG. 31, 2001
No fees were received from specialty services during the reporting period.

Schedule 7

SALE OR DISTRIBUTION FEES RECEIVED BY CTV INC. OR ANY RELATED COMPANY IN RESPECT OF INCREMENTAL PROGRAMMING AS OF AUG. 31, 2001
No sale or distribution fees were received during the reporting period.

Schedule 8

EQUITY INVESTMENTS USING BENEFITS EXPENDITURES AS OF AUG. 31, 2001			
Program Title	**Equity Commitments as of Aug. 31, 2001**	**Equity Recovered**	**Net Profit Reinvested in Benefits**
Sonic Temple			
The Associates (eps. 14-18)			
Ocean Ranger: Lost At Sea			
Golf: The Ridiculous Obsession			
TOTAL	$2, 271,190	$ –	$ –

Schedule 9

THIRD PARTY PROMOTION EXPENDITURES	
Base level of third-party promotion expenditures, September 1, 2000 to August 31, 2001	
	Amount Spent as of August 31, 2001
Third party promotion of priority programming	$403,601
Incremental benefits expenditures on third party promotion as of August 31, 2001	No incremental expenditures

Schedule 10

TELEVISION INITIATIVES UNDERTAKEN IN FULFILMENT OF BENEFITS COMMITMENTS AS OF AUG. 31, 2001
Please see Schedules 3, 4 and 5.

Schedule 11

OTHER BENEFITS EXPENDITURES AS OF AUG. 31, 2001					
	Total Amount Committed for 7 years	**Amount Spent in 2001**	**Amount Spent to Date**	**Balance**	**Recipient**
Pipeline to Screen					
Bell Globemedia Content Innovation Network	$ 5,000,000	$ 714,286	$ 714,286	$ 4,285,714	Canadian Film Centre, L'INIS, Banff New Media Institute
National Screen Institute	1,000,000	142,857	142,857	857,143	National Screen Institute
Women in the Director's Chair	100,000	20,000	20,000	80,000	Creative Women Workshops (Banff Centre)
iTV specialists	3,000,000	26,783	26,783	2,973,217	iTV specialists
Canadian Media Research Consortium	3,500,000	–	–	3,500,000	UBC - the School of Journalism; Université Laval; York University
Ryerson Polytechnic University: Bell Globemedia Chair in Convergence	2,500,000	2,500,000	2,500,000	–	Ryerson Polytechnic University
BCIT: Bell Globemedia New Media Centre of Excellence	1,500,000	1,500,000	1,500,000	–	British Columbia Institute of Technology
Community Journalism Initiatives	2,000,000	1,074,800	1,074,800	925,200	Numerous universities and colleges across Canada
Aboriginal Production Training - Capilano College	250,000	75,000	75,000	175,000	Capilano College
CFTPA/APFTQ Mentorship	800,000	114,857	114,857	685,143	CFTPA
St. John's Women's Film & Video Festival	100,000	100,000	100,000	–	Memorial University
Canadian Women in Communications	750,000	107,143	107,143	642,857	Canadian Women in Communications
History of Canadian Broadcasting	250,000	83,333	83,333	166,667	Canadian Communications Foundation
Museum of Canadian Broadcasting	250,000	250,000	250,000	–	Canadian Museum Broadcast Foundation
Canadian TV Image Bank	3,500,000	–	–	3,500,000	Not Applicable
Academy of Canadian Cinema and Television	1,000,000	142,857	142,857	857,143	Academy of Canadian Cinema and Television
MNet: Media Awareness Network	500,000	71,429	71,429	428,571	MNet: Media Awareness Network
Leave Out ViolencE (L.O.V.E.)	500,000	166,666	166,666	333,334	L.O.V.E.
Bell Broadcast & New Media Fund	10,000,000	4,000,000	4,000,000	6,000,000	Bell Broadcast & New Media Fund
TOTAL	**$36,500,000**	**$11,090,011**	**$11,090,011**	**$25,409,989**	

There's more work to do,
and we're looking forward to it.

Schedule 1 – (Page 1 of 2)

BASE LEVEL PRIORITY PROGRAMMING HOURS, SEPT. 1, 2000 TO AUG. 31, 2001

☐ Repeat		Comedy Now	Comedy Now	W-Five	Documentaries	Police Academy	Little Men	The Associates	Power Play	Variety	The City	Movies	Cold Squad	ENow	Twice in a Lifetime	Committed	Mysterious Ways	Other	Total
2000 Wk	Duration CRTC cat. CRTC credit	0.5 hour 07F 100%	1 hour 07F 100%	1 hour 02B 100%	1 hour 02B 100%	1 hour 07A 125%	1 hour 07A 125%	1 hour 07A 150%	1 hour 07A 100%	See list 08A/090 100%	1 hour 07A 150%	2 hours 07C See list	1 hour 07A 150%	See list 110 100%	1 hour 07A 125%	0.5 hour 07E 125%	1 hour 07A 125%	See list See list See list	
Wk	Date																		
1	Sept. 01-03					1.25	1.25		1.00		1.50	2.50	1.00					1.00	**9.50**
2	04-10											4.50		1.00	1.25		1.25		**8.00**
3	11-17				1.00							7.50		0.50	1.25		1.25		**11.50**
4	18-24				1.00							5.50		0.50	1.25		1.25		**9.50**
5	25-01				2.00							6.00		0.50	1.25		1.25		**11.00**
6	Oct. 02-08	1.00		1.00						1.00			1.50	0.50	1.25				**6.25**
7	09-15	1.00		1.00						1.00			1.50	0.50	1.25				**6.25**
8	16-22	1.00								1.00			1.50	0.50	1.25				**5.25**
9	23-29			1.00								2.50	1.50	0.50	1.25				**6.75**
10	30-05			1.00											1.25				**2.25**
11	Nov. 06-12			1.00						2.00			1.50	0.50	1.25				**6.25**
12	13-19	1.00											1.50	0.50	1.25				**4.25**
13	20-26	1.00												0.50	1.25				**2.75**
14	27-03			1.00						1.00		2.50	1.50						**6.00**
15	Dec. 04-10	1.00								1.00			1.50		1.25				**4.75**
16	11-17		1.00										1.50		1.25				**3.75**
17	18-24		2.00		1.00					1.00					1.00			1.25	**6.25**
18	25-31	0.50	1.00	1.00	3.00		1.25					5.00	1.50		5.00			0.75	**19.00**
2001 19	Jan. 01-07	1.00					1.00			1.00			1.50		4.25		1.25		**10.00**
20	08-14	1.00		1.00									1.50	0.50	1.25				**5.25**
21	15-21							1.50									1.25		**2.75**
22	22-28			1.00				1.50		2.00		2.00	1.50	0.50			1.25		**9.75**
23	29-04	1.00						1.50					1.50	0.50	1.25		1.25		**7.00**
24	Feb. 05-11							1.50				2.50	1.50				1.25		**6.75**
25	12-18			1.00								2.50	1.50				1.25		**6.25**
26	19-25		1.00	1.00				1.50					1.50	0.50	1.25		1.25		**8.00**
27	26-04	1.00						1.50					1.50	0.50	1.25		1.25		**7.00**
28	Mar. 05-11		1.00	1.00				1.50					1.50	0.50	1.25	0.63	1.25		**8.63**
29	12-18	1.00		1.00				1.50					1.50	0.50	1.25	0.63	1.25		**8.63**
30	19-25													1.50		0.63	1.25		**3.38**
31	26-01			1.00				1.50		2.00			1.50	0.50		0.63			**7.13**
32	Apr. 02-08	1.00						1.50					1.50	0.50	1.25	0.63	1.25		**7.63**
33	09-15	1.00		1.00				1.50					1.50	0.50	1.25	0.63	1.25		**8.63**
34	16-22	1.00		1.00				1.50					1.50	0.50	1.25	0.63			**7.38**
35	23-29	1.00		1.00				1.50					1.50	0.50	1.25	0.63	1.25		**8.63**
36	30-06		1.00										1.50	0.50	1.25	0.63	1.25		**6.13**
37	May 07-13		1.00	1.00									1.50	0.50	1.25	0.63	1.25		**7.13**
38	14-20		1.00	1.00									1.50	0.50	1.25	0.63			**5.88**
39	21-27		1.00	1.00								2.50	1.50		1.25				**7.25**
40	28-03			1.00				1.50		1.00			1.50				2.50		**7.50**
41	June 04-10			1.00				1.50				3.00	1.50	0.50	1.25	0.63	1.25		**10.63**
42	11-17				1.00			1.50				2.00	1.50	0.50	1.25		1.25		**9.00**
43	18-24	0.50			1.00			3.00				5.00	3.00	0.50	1.25		1.25		**15.50**
44	25-01	0.50			1.00			1.50				2.00	1.50	0.50	1.25		1.25		**9.50**
45	July 02-08	0.50		1.00				3.00				3.00	1.50	0.50	1.25		1.25		**12.00**
46	09-15	0.50		1.00						1.00		2.50		0.50	1.25		1.25		**8.00**
47	16-22	1.50						1.50		1.00		2.50	1.50	0.50	1.25		1.25		**11.00**
48	23-29	1.50								1.00		2.50	1.50	0.50	1.25		1.25		**9.50**
49	30-05	1.00						1.50		1.00		3.00	1.50	0.50	1.25		1.25		**11.00**
50	Aug. 06-12	1.00						1.50		1.00		3.00	1.50	0.50	1.25		1.25		**11.00**
51	13-19	1.00						1.50		1.00		3.00	1.50	0.50	1.25		1.25		**11.00**
52	20-26	0.50			1.00					1.00		3.00	1.50	0.50	1.25		1.25		**10.00**
53	27-31				2.00									0.50					**2.50**
TOTAL:		**24.00**	**10.00**	**24.00**	**14.00**	**1.25**	**3.50**	**37.50**	**1.00**	**21.00**	**1.50**	**80.00**	**64.00**	**21.50**	**60.25**	**7.56**	**42.50**	**3.00**	**416.56**

Schedule 1 – (Page 2 of 2)

BASE LEVEL PRIORITY PROGRAMMING HOURS, SEPT. 1, 2000 TO AUG. 31, 2001
SUPPLEMENTARY INFORMATION FOR PRIORITY HOURS, SEPT. 1, 2000 TO AUG. 31, 2001

1 Documentaries				
Title	**Broadcast Date**	**CRTC Credit**	**Duration**	**Category**
Toronto, City of Dreams P1	Sept. 17/00	100%	1 hour	02B
Toronto, City of Dreams P2	Sept. 20/00	100%	1 hour	02B
Toronto, City of Dreams P3	Sept. 27/00	100%	1 hour	02B
Pierre Trudeau: A Canadian Affair	Sept. 29/00	100%	1 hour	02B
Mirror, Mirror, How's My Hair	Dec. 22/00	100%	1 hour	02B
Voice Set Free	Dec. 26/00	100%	1 hour	02B
In Search of Lucille	Dec. 27/00	100%	1 hour	02B
Ice Time For Old Guys	Dec. 30/00	100%	1 hour	02B
Breakaway: A Tale of Two Survivors	June 17/01	100%	1 hour	02B
Made In China	June 24/01	100%	1 hour	02B
Beaverbrook	July 1/01	100%	1 hour	02B
To Love, Honour and Obey	Aug. 26/01	100%	1 hour	02B
The Bunny Years	Aug. 31/01	100%	2 hours	02B
2 Movies				
Title	**Broadcast Date**	**CRTC Credit**	**Duration**	**Category**
The Return of Alex Kelly	Sept. 3/00	125%	2 hours	07C
The Girl Next Door	Sept. 8/00	125%	2 hours	07C
Falling For You	Sept. 9/00	100%	2 hours	07C
Nuremberg Part 1	Sept. 11/00	125%	2 hours	07C
Nuremberg Part 2	Sept. 12/00	125%	2 hours	07C
Bookfair Murders	Sept. 15/00	125%	2 hours	07C
Love & Murder	Sept. 22/00	150%	2 hours	07C
Family of Cops III	Sept. 23/00	125%	2 hours	07C
Deadly Appearances	Sept. 29/00	150%	2 hours	07C
Murder Most Likely	Sept. 30/00	150%	2 hours	07C
Hound of The Baskervilles	Oct. 28/00	125%	2 hours	07C
The Magician's House	Dec. 2/00	125%	2 hours	07C
Catch A Falling Star	Dec. 25/00	125%	2 hours	07C
Dr. Lucille	Dec. 28/00	125%	2 hours	07C
Rent-A-Kid	Jan. 28/01	100%	2 hours	07C
Haven Part 1	Feb. 11/01	125%	2 hours	07C
Haven Part 2	Feb. 13/01	125%	2 hours	07C
Catch A Falling Star	May 25/01	125%	2 hours	07C
Murder Most Likely	June 9/01	150%	2 hours	07C
The Girl Next Door	June 16/01	100%	2 hours	07C
Dr. Lucille	June 18/01	125%	2 hours	07C
Bookfair Murders	June 23/01	125%	2 hours	07C
Falling For You	June 30/01	100%	2 hours	07C
Legend of Sleepy Hollow	July 7/01	150%	2 hours	07C
Hound of The Baskervilles	July 14/01	125%	2 hours	07C
Seasons of Love P1	July 21/01	125%	2 hours	07C
Seasons of Love P2	July 28/01	125%	2 hours	07C
Love & Murder	Aug. 4/01	150%	2 hours	07C
Deadly Appearances	Aug. 11/01	150%	2 hours	07C
Wandering Soul Murders	Aug. 18/01	150%	2 hours	07C
A Colder Kind of Death	Aug. 25/01	150%	2 hours	07C
3 E-Now				
All E-Now episodes are 0.5 hour in length, except for the following episodes:	**Broadcast Date**	**CRTC Credit**	**Duration**	**Category**
	Sept. 9/00	100%	1 hour	110
	Mar. 24/01	100%	1.5 hours	110
4 Variety				
Title	**Broadcast Date**	**CRTC Credit**	**Duration**	**Category**
Barenaked Ladies Live	Oct. 7/00	100%	1 hour	08A
Amanda Marshall Special	Oct. 14/00	100%	1 hour	08A
Jann Arden: Live At Last	Oct. 21/00	100%	1 hour	08A
Master Card Skate Canada International	Nov. 11/00	100%	2 hours	09O
Rita MacNeil's Christmas Special	Dec. 3/00	100%	1 hour	09O
Celine Dion: Let's Talk About Love	Dec. 7/00	100%	1 hour	08A
Rita MacNeil's Christmas Special	Dec. 23/00	100%	1 hour	09O
Jann Arden: Live At Last	Jan. 2/01	100%	1 hour	08A
Bank of Montreal Canadian Figure Skating Exhibition	Jan. 27/01	100%	2 hours	09O
Figure Skating: 2001 World Exhibition	Mar. 31/01	100%	2 hours	09O
Sonic Temple (repeat)	June 2/01	100%	1 hour	09O
Sonic Temple (repeat)	July 14/01	100%	1 hour	09O
Sonic Temple (repeat)	July 21/01	100%	1 hour	09O
Sonic Temple (repeat)	July 28/01	100%	1 hour	09O
Sonic Temple (repeat)	Aug. 4/01	100%	1 hour	09O
Sonic Temple (repeat)	Aug. 11/01	100%	1 hour	09O
Sonic Temple (repeat)	Aug. 18/01	100%	1 hour	09O
Sonic Temple (repeat)	Aug. 25/01	100%	1 hour	09O
5 Other				
Title	**Broadcast Date**	**CRTC Credit**	**Duration**	**Category**
FX: The Series	Sept. 2/00	100%	1 hour	07A
Christmas Angel	Dec. 23/00	125%	0.5 hour	07E
Little Buck	Dec. 23/00	125%	0.5 hour	07E
Feeling Called Glory	Dec. 26/00	150%	0.5 hour	07C

Schedule 2

BASE LEVEL PRIORITY PROGRAMMING EXPENDITURES, SEPT. 1, 2000 TO AUG. 31, 2001

Category 02B: Long-form Documentaries	$ 3,161,498
Category 07: Drama and Comedy	25,101,643
Category 08 and 09: Music and Variety	1,000,000
Category 110: Entertainment Magazines	1,545,109
Total expenditures on base level priority programming	**$30,808,250**

Note 1: This schedule has been revised from the original report dated December 10, 2001. Costs in the amount of $2,789,298 related to Long-form Documentaries programming had been omitted, and are now correctly reflected.

Schedule 3

PRIORITY PROGRAMMING INCREMENTAL HOURS COMMITTED TO, INCLUDING HOURS BROADCAST, AS OF AUG. 31, 2001

Program Title	Producer (Independent or Affiliate)	Benefit Strand	Benefit Year Spent	CRTC Program Category	Total Number of Incremental Hours	Program Length per Episode (Hours)	Date, Time of Original Broadcast	Cdn. Recog. #
The Associates (eps. 14-18)	Big Firm II Productions Ltd. (independent) & Alliance Atlantis International Television Distribution Ltd. (independent)	Series Extension	Year 1-2001	Dramatic Series (Category 07)	5	1		
Sonic Temple (eps. 1-9)	Insight Production Company Ltd. (independent)	Great Big Canadian Show	Year 1-2001	Variety Series (Category 09)	9	1	May 5, 2001: 10pm; May 12, 2001: 10pm; May 19, 2001: 10pm; May 26, 2001: 10pm; June 9, 2001: 10pm; June 16, 2001: 10pm; June 23, 2001: 10pm; June 30, 2001: 10pm; July 7, 2001: 10pm.	C19173
Golf: The Ridiculous Obsession	International Documentary Television Corporation (independent)	Documentary Event	Year 1-2001	Documentary (Category 02B)	1	1		
The Ocean Ranger Disaster	Ocean Ranger Productions Inc. (independent)	Documentary Event	Year 1-2001	Documentary (Category 02B)	1	1		
				Total Incremental Hours	**16**			

We know Canada can compete with the best in the business. And we're out to prove it.