

District of: Ontario
Division No. 09 - Toronto
Court No. 31-2212648
Estate No. 31-2212648

FORM 68
Notice of Bankruptcy, First Meeting of Creditors
(Subsection 102(1) of the Act)

Original Amended


In the matter of the bankruptcy of
ARC Productions Ltd.
of the City of Toronto, in the Province of Ontario

Take notice that:

1. ARC Productions Ltd. filed (or was deemed to have filed) an assignment on the 31st day of January 2017, and the undersigned, Deloitte Restructuring Inc., was appointed as trustee of the estate of the bankrupt by the official receiver (or the Court), subject to affirmation by the creditors of the trustee's appointment or substitution of another trustee by the creditors.
2. The first meeting of creditors of the bankrupt will be held on the 15th day of February 2017, at 10:00 AM, at the office of Deloitte Restructuring Inc., at 22 Adelaide Street West, Suite 200, Toronto, ON, M5H 0A9.
3. To be entitled to vote at the meeting, a creditor must lodge with the trustee, before the meeting, a proof of claim and, where necessary, a proxy.
4. Enclosed with this notice is a proof of claim form, proxy form, and list of creditors with claims amounting to \$25 or more showing the amounts of their claims.
5. Creditors must prove their claims against the estate of the bankrupt in order to share in any distribution of the proceeds realized from the estate.

Dated at the City of Toronto in the Province of Ontario, this 31st day of January 2017.

Deloitte Restructuring Inc.



Bay Adelaide Centre, East Tower
22 Adelaide Street West, Suite 200
Toronto ON M5H 0A9
Phone: (416) 601-6072 Fax: (416) 601-6690

District of: Ontario
 Division No. 09 - Toronto
 Court No.
 Estate No.

Original Amended

- Form 78 -
 Statement of Affairs (Business Bankruptcy) made by an entity
 (Subsection 49(2) and Paragraph 158(d) of the Act / Subsections 50(2) and 62(1) of the Act)
 In the matter of the bankruptcy of
 ARC Productions Ltd.
 of the City of Toronto, in the Province of Ontario

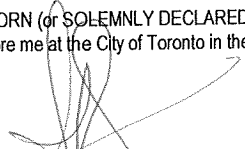
To the bankrupt:
 You are required to carefully and accurately complete this form and the applicable attachments showing the state of your affairs on the date of the bankruptcy, on the 30th day of January 2017. When completed, this form and the applicable attachments will constitute the Statement of Affairs and must be verified by oath or solemn declaration.

LIABILITIES (as stated and estimated by the officer)	
1. Unsecured creditors as per list "A"	23,664,903.86
Balance of secured claims as per list "B"	12,198,197.40
Total unsecured creditors	35,863,101.26
2. Secured creditors as per list "B"	30,053,386.92
3. Preferred creditors as per list "C"	0.00
4. Contingent, trust claims or other liabilities as per list "D" estimated to be reclaimable for	0.00
Total liabilities	65,916,488.18
Surplus	NIL

ASSETS (as stated and estimated by the officer)	
1. Inventory	0.00
2. Trade fixtures, etc.	0.00
3. Accounts receivable and other receivables, as per list "E"	
Good	0.00
Doubtful	0.00
Bad	0.00
Estimated to produce	0.00
4. Bills of exchange, promissory note, etc., as per list "F" ...	0.00
5. Deposits in financial institutions	0.00
6. Cash	656,311.92
7. Livestock	0.00
8. Machinery, equipment and plant	1.00
9. Real property or immovable as per list "G"	0.00
10. Furniture	0.00
11. RRSPPs, RRIFs, life insurance, etc.	0.00
12. Securities (shares, bonds, debentures, etc.)	0.00
13. Interests under wills	0.00
14. Vehicles	0.00
15. Other property, as per list "H"	29,397,074.00
If bankrupt is a corporation, add:	
Amount of subscribed capital	0.00
Amount paid on capital	0.00
Balance subscribed and unpaid	0.00
Estimated to produce	0.00
Total assets	30,053,386.92
Deficiency	35,863,101.26

I, Deloitte Restructuring Inc. as Receiver of ARC Productions Ltd., of the City of Toronto in the Province of Ontario, do swear (or solemnly declare) that this statement and the attached lists are to the best of my knowledge, a full, true and complete statement of my affairs on the 30th day of January 2017 and fully disclose all property of every description that is in my possession or that may devolve on me in accordance with the Act.

SWORN (or SOLEMNLY DECLARED)
 before me at the City of Toronto in the Province of Ontario, on this 30th day of January 2017.



 Anna Koroneos, Commissioner of Oaths
 For the Province of Ontario
 Expires June 3, 2019



 Deloitte Restructuring Inc. as Receiver of
 ARC Productions Ltd.

FOR: PAUL H. CASEY
 JUNIOR VICE-PRESIDENT

Anna Koroneos, a Commissioner, etc.
 Province of Ontario
 for Deloitte Restructuring Inc.
 Licensed Insolvency Trustee
 Expires June 3, 2019

District of: Ontario
 Division No. 09 - Toronto
 Court No.
 Estate No.

FORM 78 – Continued

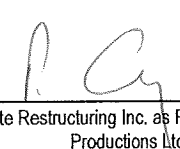
List "A"
 Unsecured Creditors

ARC Productions Ltd.

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
1	1302207 Ontario Limited	134 Peter Street Toronto ON M5V 2H2	1.00	0.00	1.00
2	364 Richmond Street West Inc.	364 Richmond Street West Toronto ON M5V 1X6	1.00	0.00	1.00
3	Aaron Behl	1525 Selby Ave., Apt 205 Los Angeles CA 90024 USA	1,670.80	0.00	1,670.80
4	Accountivity	3700 Steeles Avenue West, Suite 103 Vaughan ON L4L8K8	17,964.90	0.00	17,964.90
5	ACTRA I&R	625 Church Street, Suite300 Toronto ON M4Y2G1	0.00	2,065.23	2,065.23
6	Advantage Audio, Inc	1026 Hollywood Way Burbank CA 91505	57,017.08	0.00	57,017.08
7	Alejandro Mozqueda Torres	Unit 523 - 46 East Liberty Toronto ON M6K3P2	2,039.65	0.00	2,039.65
8	Alex Feign	230 Richmond Street East, 2nd Floor Toronto ON M5A1P4	73.38	0.00	73.38
9	Alicja Urbach	1009-185 SHAUGHNESSY BLVD Toronto ON M2J1K2	89.08	0.00	89.08
10	All City Storage Ltd	145 Eastern Ave Toronto ON M5A1H7	1,248.65	0.00	1,248.65
11	Allied Properties REIT	520 King Street West Toronto ON M5V1L7	28,219.81	0.00	28,219.81
12	Andrew Stokes	112 Balsam Avenue Toronto ON M4E3B7	160.50	0.00	160.50
13	Applied Electronics Ltd.	5170B Timberlea Blvd Mississauga ON L4W2S5	23,645.25	0.00	23,645.25
14	Art of Food	11 Curity Ave Unit 2 Toronto ON M4B1X4	2,820.87	0.00	2,820.87
15	Atlas Lighting & Sales Ltd.	3800 Victoria Park Ave Toronto ON M2H3H7	335.61	0.00	335.61
16	Awesome Entertainment (8456828 Canada Inc.)	157 Princess Street Toronto ON M5X1A3	9,686.30	0.00	9,686.30
17	B Goodchild LLC	11640 Woodbridge Street Studio City CA 91604	7,500.00	0.00	7,500.00
18	Beanfield	506-77 Mowat Ave Toronto ON M6K3E3	131,243.09	0.00	131,243.09
19	Beck Taxi	1 Credit Union Dr Toronto ON M4A2S6	11,050.76	0.00	11,050.76
20	Bell Mobility	PO Box 5102 Burlington ON L7R4R7	137.59	0.00	137.59
21	BK2BRAC Holdings Inc.	500 South Buena Vista Blvd. Burbank CA 91521-4859	0.00	1.00	1.00
22	Blake, Cassels & Graydon LLP	199 Bay St., Ste 4000, Commerce Court West Toronto ON M5L1A9	43,605.84	0.00	43,605.84
23	Blazing Kitchen	1 Wiltshire Ave, #113 Toronto ON M6N2V1	3,153.00	0.00	3,153.00
24	Borden Ladner Gervais LLP	Scotia Plaza, 40 King St W., 44th Flr Toronto ON M5H3Y4	5,656.84	0.00	5,656.84

30-Jan-2017

Date


 Deloitte Restructuring Inc. as Receiver of ARC
 Productions Ltd.

District of: Ontario
 Division No. 09 - Toronto
 Court No.
 Estate No.

FORM 78 – Continued


List "A"
 Unsecured Creditors

ARC Productions Ltd.

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
25	Brocade Communications Switzerland Sarl	29, route de L'Aeroport CP105 Geneva, GE, 1215 Switzerl Switzerland	10,914.24	0.00	10,914.24
26	Bullhom Inc	po box 842935 Boston MA 02284-2935	873.97	0.00	873.97
27	Calavera Studio	533 College Street, Suite 304 Toronto ON M6G1A8	668.96	0.00	668.96
28	Canada Revenue Agency (GST/HST)	Ottawa Technology Centre 875 Heron Rd. Ottawa ON K1A 1B1	678,422.00	0.00	678,422.00
29	Canada Revenue Agency Source Deductions	Ottawa Technology Centre 875 Heron Road Ottawa ON K1A1B1	1,429,865.00	0.00	1,429,865.00
30	Canadian Springs	PO Box 4514, STN A Toronto ON M5W4L7	1,230.57	0.00	1,230.57
31	CDW Canada Inc	20 Carlson Crt. Suite 300 Toronto ON M9W7K6	136,826.64	0.00	136,826.64
32	Cesmic	7600 Hwy 27, Unit 6 Vaughan ON L4H0P8	7,366.48	0.00	7,366.48
33	Charls Thomas	230 Richmond Street East Toronto ON M5A1P4	66.28	0.00	66.28
34	Cindy Diogo	2507-155 LEGION ROAD NORTH Etobicoke ON M8Y0A7	245.00	0.00	245.00
35	Cindy Zeng	230 Richmond Street East Toronto ON M5A1P4	27.75	0.00	27.75
36	Codes Pro Media Canada Ltd	123 Niagara Street Toronto ON M5V1C6	242.95	0.00	242.95
37	Cory Goodwin	65 WADE SQUARE Courtice ON L1E3E6	1,604.60	0.00	1,604.60
38	Cris Kovacs	230 Richmond Street East Toronto ON M5A1P4	9.91	0.00	9.91
39	Daniel Santana	224 Evelyn Ave Toronto ON M6P2Z9	27.63	0.00	27.63
40	Delttech Communications Group Inc.	250 Shields Court Unit 12 and 13 Toronto ON L3R9W7	37,880.59	0.00	37,880.59
41	DGNJ Inc C/O SAG A	C/O D Panaro - Abrams Artists Agency 750 North San Vicente Blvd, East Twr, 11th Flr Los Angeles CA 90069 USA	146,036.25	0.00	146,036.25
42	DISCREET	C/O Art Productions Ltd. B-44, Sector 52 Noida, Guatam Nagar UP 20130-1 India	106,682.42	0.00	106,682.42
43	DurAbond Janitorial Services Ltd	4380 South Service Road, Unit 8 Burlington ON L7L5Y6	7,709.11	0.00	7,709.11
44	Eder Cardoso	230 Richmond Street East Toronto ON M5A1P4	12.98	0.00	12.98
45	EmbroidMe	2333 Wyecroft rd, Unit 10 Oakville ON L6L6L4	927.37	0.00	927.37
46	Employees	C/O Deloitte Restructuring Inc. 22 Adelaide St. West, Ste 200 Toronto ON M5H 0A9	17,210,362.00	0.00	17,210,362.00

30-Jan-2017

Date


 Deloitte Restructuring Inc. as Receiver of ARC
 Productions Ltd.

District of: Ontario
 Division No. 09 - Toronto
 Court No.
 Estate No.

FORM 78 – Continued


List "A"
 Unsecured Creditors

ARC Productions Ltd.

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
47	Enbridge Gas Distribution	425-1st St SW Calgary AB T2P3L8	87.51	0.00	87.51
48	Engie MultiTech Ltd.	2640 Argenta Road Mississauga ON L5N6C5	6,166.98	0.00	6,166.98
49	Enter Laughing Inc. F/S/O N Crone, C/O Jordan & Associates	675 King Street West, Suite 201 Toronto ON M5V1M9	1,493.53	0.00	1,493.53
50	Equitable Life of Canada	One Westmount Rd. N., PO Box 1603, Stn. Waterloo ON N2J4C7	66,346.07	0.00	66,346.07
51	Ergonomic Equipment & Supplies Inc	7370 Bramalea Road, Unit 35 Mississauga ON L5S1N6	8,868.07	0.00	8,868.07
52	Erin Klatt	1610 DEWBERRY CRESCENT Mississauga ON L4W3B7	13.50	0.00	13.50
53	Eurest Services	1 Prologis Boulevard, Suite 400 Mississauga ON L5W0G2	23,343.32	0.00	23,343.32
54	Famous Players LP	1303 Yonge St Toronto ON M4T2Y9	1,186.50	0.00	1,186.50
55	FCDQ	PO Box 8601 STN Centre-Ville Montreal QC H3C3V2	9,144.48	0.00	9,144.48
56	FCI Tech	24 Greenfield Ave Barrie ON L4N2V8	204,032.80	0.00	204,032.80
57	Federal Express Canada Ltd.	PO Box 4626, STN A Toronto ON M5W5B4	4,100.48	0.00	4,100.48
58	Fedex Trade Network Can Inc.	7075 Ordan Dr Mississauga ON L5T1K6	1,621.25	0.00	1,621.25
59	Flux Consulting Inc	88 Bidewell Avenue Toronto ON M3H1J9	38,716.01	0.00	38,716.01
60	Goodmans LLP Barristers & Solicitors	333 Bay Street, Suite 3400 Toronto ON M5H2S7	60,776.82	0.00	60,776.82
61	Goran Backman	230 Richmond Street East, 2nd Floor Toronto ON M5A1P4	13.56	0.00	13.56
62	Gould Leasing	1220 Yonge St. Suite 201 Toronto ON M4T 1W1	0.00	1.00	1.00
63	Gray Krauss Stratford Sandler Des Rocher	207 West 25th Street - Suite 600 New York NY 10001	8,219.48	0.00	8,219.48
64	Gregoire Picher	44 ATHOL AVENUE Etobicoke ON M8Z2A4	3.28	0.00	3.28
65	Grosvenor Park Media Fund LP	1310 Montana Avenue, 2nd Floor Santa Monica CA 90403	0.00	9,938,687.98	9,938,687.98
66	Harkel Office	1743 Creditstone Road Vaughan ON L4K5X7	69,112.76	0.00	69,112.76
67	Hewlett-Packard Financial Svcs Canada Co	Lockbox 910820, PO Box 4090 STN A Toronto ON M5W0E9	0.00	170,760.34	170,760.34
68	Hicks Morley	77 King St West 39th Flr, Box 371, TD Ctr Toronto ON M5K1K8	10,585.13	0.00	10,585.13
69	Hitachi Data Systems	750 Central Expressway Santa Clara CA 95050	11,590.20	0.00	11,590.20
70	HKMB HUB International	2265 Upper Middle Rd. E, Suite 700 Oakville ON L6H0G5	7,849.44	0.00	7,849.44

30-Jan-2017

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 Deloitte Restructuring Inc. as Receiver of ARC
 Productions Ltd.

District of: Ontario
 Division No. 09 - Toronto
 Court No.
 Estate No.

FORM 78 – Continued

List "A"
 Unsecured Creditors

ARC Productions Ltd.

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
71	Icon Creative Studio Inc	120 Second Street, Third Floor San Francisco CA 94105	84,210.16	0.00	84,210.16
72	Icon Security Inc.	701 Rossland Road East Whitby ON L1N8Y9	64,174.68	0.00	64,174.68
73	Impark	P.O BoX 2072, Station Terminal Vancouver BC V6B3S3	20,120.20	0.00	20,120.20
74	Iron Mountain Canada Corp	PO Box 3527, Station A Toronto ON M5W3G4	15,546.14	0.00	15,546.14
75	Jackknife Inc	401 Richmond Street West, suite 430 Toronto ON M5V3A8	11,757.65	0.00	11,757.65
76	James Hartnett c/o Grand Wave Entertainment Inc.	56 EarlsCourt Ave Toronto ON M6E4A6	1,659.48	0.00	1,659.48
77	Jane Sobol	230 Richmond Street East Toronto ON M5A1P4	1,738.54	0.00	1,738.54
78	Jeffrey Klug	188 bellfair avenue Toronto ON M4L 3T9	100.00	0.00	100.00
79	Jenna Warren C/O BRB	10 St.Mary Street, Suite 310 Toronto ON M4Y1P9	1,151.95	0.00	1,151.95
80	Joe Woodward	7990 Post Road Niagara Falls ON L2H2L3	3,390.00	0.00	3,390.00
81	John Barrington	35 Boardwalk Drive, Suite 422 Toronto ON M4L3Y8	0.00	9,846.00	9,846.00
82	Josa Porter	230 Richmond Street East Toronto ON M5A1P4	10.74	0.00	10.74
83	Jump IT Computer Systems Centre	275 College Street Toronto ON M5T1S2	17,314.22	0.00	17,314.22
84	Justin Ustel	230 Richmond Street East Toronto ON M5A1P4	24.66	0.00	24.66
85	K.G Talent C/O Jonathan Tan	55A Sumach Street Toronto ON M5A3J6	2,987.05	0.00	2,987.05
86	Kagan, Kallan	230 Richmond Street East Toronto ON M5A1P4	2,400.00	0.00	2,400.00
87	Kate Somerville Skincare	144 S Beverly Drive Beverly Hills CA 90212	9,929.27	0.00	9,929.27
88	Key 2 Communications Inc	14-3650 Langstaff Road Woodbridge ON L4L9A8	14,120.13	0.00	14,120.13
89	Kit Care Corp	151 Carlingview Dr, Unit 4-5 Toronto ON M9W5S4	813.71	0.00	813.71
90	Kosta Iavrinuk	230 Richmond Street East, 2nd Floor Toronto ON M5A1P4	46.30	0.00	46.30
91	Kristen Hudecki	230 Richmond Street East, 2nd Floor Toronto ON M5A1P4	144.08	0.00	144.08
92	Kwik Kopy Printing	320 Richmond St E, Unit 106 Toronto ON M5A1P9	614.71	0.00	614.71
93	Lannick Group Inc	4110-77 King St W, PO Box 262 Toronto ON M5K1J5	1,712.00	0.00	1,712.00
94	Law Offices of Eric A. Altoon	19360 Rinaldi Street Northridge CA 91326	1,974.72	0.00	1,974.72

30-Jan-2017

Date


 Deloitte Restructuring Inc. as Receiver of ARC
 Productions Ltd.

District of: Ontario
 Division No. 09 - Toronto
 Court No.
 Estate No.

FORM 78 – Continued


List "A"
 Unsecured Creditors

ARC Productions Ltd.

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
95	LifeWorks	125 Garry Street Winnipeg MB R3C3P2	5,457.90	0.00	5,457.90
96	Maple Express Courier Service Ltd	200-1252 Lawrence Ave E Toronto ON M3A1C3	16.95	0.00	16.95
97	Marianne Culbert	230 Richmond Street East, 2nd Floor Toronto ON M5A1P4	750.00	0.00	750.00
98	Matt Frigault	230 Richmond Street East, 2nd Floor Toronto ON M5A1P4	20.46	0.00	20.46
99	Matthew Berkowitz	1041 N Formosa Ave., Sant Monica Bldng, Ste D West Hollywood CA 90046	4,116.27	0.00	4,116.27
100	mercury filmworks	53 Auriga Drive Ottawa ON K2E8C3	35,260.52	0.00	35,260.52
101	Microsoft Corporation	c/o 910430, PO Box 4090 STN A Toronto ON M5W0E9	2,945.91	0.00	2,945.91
102	Mike Chaffe	230 Richmond Street East, 2nd Floor Toronto ON M5A1P4	14.10	0.00	14.10
103	Ministry of Finance	33 King St West, PO Box 620 Oshawa ON L1H8E9	2,855.40	0.00	2,855.40
104	Murray, Tom	208-295 DAVENPORT ROAD Toronto ON M5R1K5	9,204.76	0.00	9,204.76
105	Naomi Dalle	230 Richmond Street East, 2nd Floor Toronto ON M5A1P4	150.00	0.00	150.00
106	NFS Leasing	40 King St West, Suite 2100 Toronto ON M5H 3C2	0.00	74,589.90	74,589.90
107	Ng, Markus	230 Richmond Street East, 2nd Floor Toronto ON M5A1P4	27.36	0.00	27.36
108	Nissae Isen c/o AMI Artists Mgmt Inc.	464 King Street East Toronto ON M5A1L7	1,493.53	0.00	1,493.53
109	Office Move Pro	2495 Stanfield Rd, Unit 3 Mississauga ON L4Y1R6	11,089.74	0.00	11,089.74
110	OneConnect Services Ltd	48 Yonge Street, suite 1200 Toronto ON M5E1G6	6,552.21	0.00	6,552.21
111	Ontario Media Development Corporation	175 Bloor St E S Tower, Suite 501 Toronto ON M4W3R8	5,000.00	0.00	5,000.00
112	Ontario Ministry of Finance	33 King St. West Oshawa ON L1H 8H5	1.00	0.00	1.00
113	Paladin Security Group	#201 - 3001 Wayburne Drive Burnaby BC V5G4W3	17,848.94	0.00	17,848.94
114	Pat Rhodes	230 Richmond Street East, 2nd Floor Toronto ON M5A1P4	153.84	0.00	153.84
115	Patrice Berube	230 Richmond Street East, 2nd Floor Toronto ON M5A1P4	222.86	0.00	222.86
116	Paul Bouchard	65 Windermere Avenue, Unit 407 Toronto ON M6S3J4	9,040.00	0.00	9,040.00
117	Paul Stodolny	230 Richmond Street East, 2nd Floor Toronto ON M5A1P4	12.36	0.00	12.36
118	People's United Bank	One Post Office Square, Suite 3710 Boston MA 02109	0.00	1.00	1.00

30-Jan-2017

Date


 Deloitte Restructuring Inc. as Receiver of ARC
 Productions Ltd.

District of: Ontario
 Division No. 09 - Toronto
 Court No.
 Estate No.

FORM 78 -- Continued

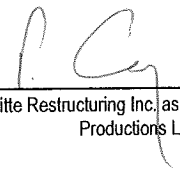
List "A"
 Unsecured Creditors

ARC Productions Ltd.

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
119	Performers Rights Society	625 Church Street, Suite 200 Toronto ON M4Y2G1	419.41	0.00	419.41
120	Phil Bonner	86 Wolfrey Ave. Toronto ON M4K 1K8	51.75	0.00	51.75
121	Phil Bredehoeft	# 2610-5500 Yonge St. Toronto ON M2N 7L1	11.30	0.00	11.30
122	Pixar Animation Studios	1200 Park Avenue Emeryville CA 94608	20,810.73	0.00	20,810.73
123	Point 360	PO BOX 51309 Los Angeles CA 90051-5609	1,083.28	0.00	1,083.28
124	Price Waterhouse Coopers LLC	250 Howe St, Suite 700 Vancouver BC V6C3S7	167,677.53	0.00	167,677.53
125	Quebec Inc/QA Courier	1100 Beaver Hall Hill Montreal QC H2Z1S8	460.35	0.00	460.35
126	R. Geoffrey Browne	187 Cottingham St Toronto ON M4V1C4	0.00	4,350.00	4,350.00
127	Receiver General of Canada	875 HERON RD Ottawa ON K1A1B1	5,000.00	0.00	5,000.00
128	Red Scarf Promotions	19100 Centre Street Mount Albert ON L0G1M0	2,214.31	0.00	2,214.31
129	Reisman Law Offices	14 Belmont Street Toronto ON M5R1P8	7,594.17	0.00	7,594.17
130	Reliant Worldwide	250 Highway 30 Brighton ON K0K1H0	22,655.50	0.00	22,655.50
131	Relish Interactive Inc.	205 Augusta Ave., 2nd Floor Toronto ON M5T2L4	452.00	0.00	452.00
132	Richard Chen	230 Richmond Street East, 2nd Floor Toronto ON M5A1P4	87.90	0.00	87.90
133	Rick Miller c/o Fountainhead Talent Inc.	131 Davenport Road Toronto ON M5R1H8	4,436.66	0.00	4,436.66
134	Rob Ormond	364 Richmond Street West Toronto ON M5V1X6	2,000.00	0.00	2,000.00
135	Rogers	PO Box 9100 Toronto ON M3C3P9	7,649.42	0.00	7,649.42
136	Rosemary Angelo	7 Middle Woods Court Parkton MD 21120 USA	1,667.76	0.00	1,667.76
137	Rozeena Khote	29,06-45 Grenoble Drive Toronto ON M3C1C5	10.00	0.00	10.00
138	Ryan Pike	230 Richmond Street East, 2nd Floor Toronto ON M5A1P4	25.85	0.00	25.85
139	Ryan Smith	57 HILLHURST CRESCENT Courtice ON L1E2A4	375.38	0.00	375.38
140	Samantha Maggiolo	230 Richmond Street East, 2nd Floor Toronto ON M5A1P4	44.00	0.00	44.00
141	Samuel Patterson	230 Richmond Street East, 2nd Floor Toronto ON M5A1P4	7.90	0.00	7.90
142	Scalar Decisions Inc.	36 Toronto St., Suite 408 Toronto ON M5C2C5	1,575,282.22	0.00	1,575,282.22

30-Jan-2017

Date


 Deloitte Restructuring Inc. as Receiver of ARC
 Productions Ltd.

District of: Ontario
 Division No. 09 - Toronto
 Court No.
 Estate No.

FORM 78 – Continued


List "A"
 Unsecured Creditors

ARC Productions Ltd.

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
143	Scott Gorman c/o AMI	464 King St. E Toronto ON M5A1L7	1,493.53	0.00	1,493.53
144	Sean McAlear	230 Richmond Street East, 2nd Floor Toronto ON M5A1P4	1,101.77	0.00	1,101.77
145	Sedona Pamham	230 Richmond Street East, 2nd Floor Toronto ON M5A1P4	35.92	0.00	35.92
146	Shrinkala Sharma	3317 STALYBRIDGE DRIVE Oakville ON L6M0L1	7.74	0.00	7.74
147	Shuang Ye	230 Richmond Street East, 2nd Floor Toronto ON M5A1P4	11.30	0.00	11.30
148	Side Effects Software Inc	123 Front St W, Suite 1401 Toronto ON M5J2M2	40,457.50	0.00	40,457.50
149	SmartRecruiters Inc	56 Tehama Street San Francisco CA 94105	13,175.40	0.00	13,175.40
150	Stanton Chase	404 Bay Street, Suite 1440 PO Box 40 Toronto ON M5H2Y4	76,275.00	0.00	76,275.00
151	STARZ MEDIA, LLC	8900 LIBERTY CIRCLE Englewood CA 80224	0.00	1.00	1.00
152	Stephanie Fong	230 Richmond Street East, 2nd Floor Toronto ON M5A1P4	7.10	0.00	7.10
153	Stephanie Garth	230 Richmond Street East, 2nd Floor Toronto ON M5A1P4	42.54	0.00	42.54
154	Steve Lowry	230 Richmond Street East, 2nd Floor Toronto ON M5A1P4	23.38	0.00	23.38
155	Steven Hecht	22 Inglewood Dr Toronto ON M4T1G8	10,835.27	0.00	10,835.27
156	Stolo Canada inc	4200 St. Laurent Montreal QC H2W2R2	33,900.00	0.00	33,900.00
157	Stoten, David	230 Richmond Street East, 2nd Floor Toronto ON M5A1P4	569.73	0.00	569.73
158	Streamline Resource Group	25 Artisans Crescent London ON N5V5E9	2,500.13	0.00	2,500.13
159	Style 5 Animation	82 Roseheath Avenue Toronto ON M4C3P5	5,650.00	0.00	5,650.00
160	Super Sonics Productions Inc	135 Berkeley St. Toronto ON M5A2X1	8,233.91	0.00	8,233.91
161	Support Warehouse	7111 Syntex Drive Mississauga ON L5N8C3	8,731.51	0.00	8,731.51
162	Susan Dehdari	230 Richmond Street East, 2nd Floor Toronto ON M5A1P4	45.58	0.00	45.58
163	TDS Personnel Ltd	1240 Bay Street, suite 805 Toronto ON M5R2A7	525.45	0.00	525.45
164	Terry Bradley	230 Richmond Street East, 2nd Floor Toronto ON M5A1P4	12.98	0.00	12.98
165	The Brew Centre	2600 Williams Parkway Brampton ON L6S5X7	9,287.76	0.00	9,287.76
166	The Gorfaine/Schwartz Agency Inc	#509-4111 W Alameda Ave Burbank CA 91505	2,067.54	0.00	2,067.54

30-Jan-2017

Date


 Deloitte Restructuring Inc. as Receiver of ARC
 Productions Ltd.

District of: Ontario
 Division No. 09 - Toronto
 Court No.
 Estate No.

FORM 78 – Continued


List "A"
 Unsecured Creditors

ARC Productions Ltd.

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
167	The Mason Group Inc	2 Robert Speck Parkway, suite 690 Mississauga ON L4Z1H8	57,982.56	0.00	57,982.56
168	The Monk Studios Ltd.	Phatthanakan 17 Alley Suan Laung, Bangkok, BKK 10250 Thailand	38,488.23	0.00	38,488.23
169	The Printing House Ltd	1403 Bathurst Street Toronto ON M5R3H8	1,597.65	0.00	1,597.65
170	Tibor kovacs	3 Navy Wharf Court Suite 2001 Toronto ON M5V 3V1	108.46	0.00	108.46
171	Tigerdirect Canada	55 E Beaver Creek Rd, Unit G Richmond Hill ON L4B1E5	3,641.56	0.00	3,641.56
172	Tracy Blagdon	230 Richmond Street East, 2nd Floor Toronto ON M5A1P4	249.06	0.00	249.06
173	Trillium Architectural Products Ltd	52 Prince Andrew Place Toronto ON M3C2H4	118.65	0.00	118.65
174	TSO Logic Inc.	425 Carrall , Suite 610 Vancouver BC V6B6E3	3,777.21	0.00	3,777.21
175	ULINE Shipping Supply Specialists	BOX 3500 ,RPO STREETSVILLE Mississauga ON L5M0S8	53.70	0.00	53.70
176	Universal Music Publishing Group	2100 Colorado Avenue Santa Monica CA 90404	2,500.00	0.00	2,500.00
177	V House Animation LLC	Vasil Gjorgov 20a Skopje, SK 1000 Macedonia	62,543.25	0.00	62,543.25
178	Verve Talent & Literary Agency	#100-6310 Vicente Blvd Los Angeles CA 90048	12,807.00	0.00	12,807.00
179	Vesta Networks	6-1500 Upper Middle Road, Suite 321 Oakville ON L6M0C2	254.27	0.00	254.27
180	Vestacon	4211 Yonge St, Suite 301 Toronto ON M2P2A9	0.00	1,990,602.50	1,990,602.50
181	Video House Ltd.	34A Skopje 1000, Macedonia Skopje SKOPJE Macedonia	366,450.21	0.00	366,450.21
182	White Paper Company	9990 River Way Delta BC V4G1M9	162.60	0.00	162.60
183	X-Design Inc.	1135 Dundas Street East Toronto ON M4M1R9	52,296.97	0.00	52,296.97
184	Xerox Canada Ltd	33 Bloor ST. East, 3rd Floor Toronto ON M4W 3H1	0.00	7,291.45	7,291.45
185	Young, Jeff	230 Richmond Street East, 2nd Floor Toronto ON M5A1P4	53.94	0.00	53.94
186	Zachary Dembinski	230 Richmond Street East, 2nd Floor Toronto ON M5A1P4	40.71	0.00	40.71
Total:			23,664,903.86	12,198,197.40	35,863,101.26

30-Jan-2017

Date


 Deloitte Restructuring Inc. as Receiver of ARC
 Productions Ltd.

District of: Ontario
 Division No. 09 - Toronto
 Court No.
 Estate No.

FORM 78 – Continued

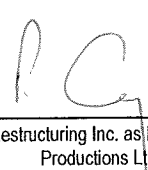
List "B"
 Secured Creditors

ARC Productions Ltd.

No.	Name of creditor	Address	Amount of claim	Particulars of security	When given	Estimated value of security	Estimated surplus from security	Balance of claim
1	ACTRA I&R	625 Church Street, Suite300 Toronto ON M4Y2G1	2,066.23	Other - Unknown		1.00		2,065.23
2	BK2BRAC Holdings Inc.	500 South Buena Vista Blvd. Burbank CA 91521-4859	1.00	Other - Unknown		0.00		1.00
3	Gould Leasing	1220 Yonge St. Suite 201 Toronto ON M4T 1W1	1.00	Business Assets - Machinery - Office		0.00		1.00
4	Grosvenor Park Media Fund LP	1310 Montana Avenue, 2nd Floor Santa Monica CA 90403	39,992,072.90	Other - Tax Credits Other - Tax Credits from Related Parties Cash on Hand - Cash in bank - Funds held in receivership Cash on Hand - Cash in bank - Funds Held in receivership		3,725,330.00 25,671,743.00 463,243.10 193,068.82		9,938,687.98
5	Hewlett-Packard Financial Svcs Canada Co	Lockbox 910820, PO Box 4090 STN A Toronto ON M5W0E9	170,761.34	Business Assets - Machinery - Office		1.00		170,760.34
6	John Barrington	35 Boardwalk Drive, Suite 422 Toronto ON M4L3Y8	9,846.00	Other - Unknown		0.00		9,846.00
7	NFS Leasing	40 King St West, Suite 2100 Toronto ON M5H 3C2	74,589.90	Business Assets - Machinery - Office		0.00		74,589.90
8	People's United Bank	One Post Office Square, Suite 3710 Boston MA 02109	1.00	Other - Unknown		0.00		1.00
9	R. Geoffrey Browne	187 Cottingham St Toronto ON M4V1C4	4,350.00	Other - Unknown		0.00		4,350.00
10	STARZ MEDIA, LLC	8900 LIBERTY CIRCLE Englewood CA 80224	1.00	Other - Unknown		0.00		1.00
11	Vestacon	4211 Yonge St, Suite 301 Toronto ON M2P2A9	1,990,602.50	Business Assets - Machinery - Office		0.00		1,990,602.50
12	Xerox Canada Ltd	33 Bloor ST. East, 3rd Floor Toronto ON M4W 3H1	7,291.45	Business Assets - Machinery - Office		0.00		7,291.45
Total:			42,251,584.32			30,053,386.92	0.00	12,198,197.40

30-Jan-2017

Date


 Deloitte Restructuring Inc. as Receiver of ARC
 Productions Ltd.

District of: Ontario
Division No. 09 - Toronto
Court No.
Estate No.

FORM 78 -- Continued


List "C"
Preferred Creditors for Wages, Rent, etc.

ARC Productions Ltd.

No.	Name of creditor	Address and occupation	Nature of claim	Period during which claim accrued	Amount of claim	Amount payable in full	Difference ranking for dividend
Total:					0.00	0.00	0.00

30-Jan-2017

Date


Deloitte Restructuring Inc. as Receiver of ARC
Productions Ltd.

District of: Ontario
Division No. 09 - Toronto
Court No.
Estate No.

FORM 78 -- Continued


List "D"
Contingent or Other Liabilities

ARC Productions Ltd.

No.	Name of creditor or claimant	Address and occupation	Amount of liability or claim	Amount expected to rank for dividend	Date when liability incurred	Nature of liability
Total:			0.00	0.00		

30-Jan-2017

Date


Deloitte Restructuring Inc. as Receiver of ARC
Productions Ltd.

District of: Ontario
 Division No. 09 - Toronto
 Court No.
 Estate No.

FORM 78 – Continued

List "E"
 Debts Due to the Bankrupt

ARC Productions Ltd.

No.	Name of debtor	Address and occupation	Nature of debt	Amount of debt (good, doubtful, bad)	Folio of ledgers or other book where particulars to be found	When contracted	Estimated to produce	Particulars of any securities held for debt
			Total:	0.00 0.00 0.00			0.00	

30-Jan-2017

Date

Deloitte Restructuring Inc. as Receiver of ARC
 Productions Ltd.

District of: Ontario
Division No. 09 - Toronto
Court No.
Estate No.

FORM 78 – Continued

List "F"

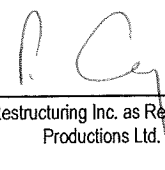
Bills of Exchange, Promissory Notes, Lien Notes, Chattel
Mortgages, etc., Available as Assets

ARC Productions Ltd.

No.	Name of all promissory, acceptors, endorsers, mortgagors, and guarantors	Address	Occupation	Amount of bill or note, etc.	Date when due	Estimated to produce	Particulars of any property held as security for payment of bill or note, etc.
				Total: 0.00		0.00	

30-Jan-2017

Date


Deloitte Restructuring Inc. as Receiver of ARC
Productions Ltd.

District of: Ontario
Division No. 09 - Toronto
Court No.
Estate No.


FORM 78 – Continued

List "G"
Real Property or Immovables Owned by Bankrupt
ARC Productions Ltd.

Description of property	Nature of bankrupt interest	In whose name does title stand	Total value	Particulars of mortgages, hypothecs, or other encumbrances (name, address, amount)	Equity or surplus
Total:			0.00		0.00

30-Jan-2017

Date


Deloitte Restructuring Inc. as Receiver of ARC
Productions Ltd.

District of: Ontario
 Division No. 09 - Toronto
 Court No.
 Estate No.

FORM 78 – Concluded

List "H"
 Property

ARC Productions Ltd.

FULL STATEMENT OF PROPERTY

Nature of property	Location	Details of property	Original cost	Estimated to produce
(a) Stock-in-trade			0.00	0.00
(b) Trade fixtures, etc.			0.00	0.00
(c) Cash in financial institutions			0.00	0.00
(d) Cash on hand		Cash on hand	463,243.10	463,243.10
		Cash on hand	193,068.82	193,068.82
(e) Livestock			0.00	0.00
(f) Machinery, equipment and plant	364 Richmond St.W,Ste100, Toronto,ON M5V 1X6	Office	0.00	1.00
(g) Furniture			0.00	0.00
(h) Life insurance policies, RRSPs, etc.			0.00	0.00
(i) Securities			0.00	0.00
(j) Interests under wills, etc.			0.00	0.00
(k) Vehicles			0.00	0.00
(l) Taxes			0.00	0.00
(m) Other		Tax Credits	0.00	3,725,330.00
		Unknown	0.00	1.00
		Tax Credits from Related Parties	0.00	25,671,743.00
			Total:	30,053,386.92

30-Jan-2017

Date


 Deloitte Restructuring Inc. as Receiver of ARC
 Productions Ltd.

Court No.

File No.

In the matter of the bankruptcy of
ARC Productions Ltd.
of the City of Toronto, in the Province of Ontario

Form 78 (Bill C-12)
Statement of affairs (Business bankruptcy)

Deloitte Restructuring Inc.

Bay Adelaide Centre, East Tower
22 Adelaide Street West, Suite 200
Toronto ON M5H 0A9
Phone: (416) 601-6072 Fax: (416) 601-6690

District of: Ontario
Division No. 09 - Toronto
Court No. 31-2212648
Estate No. 31-2212648

FORM 31
Proof of Claim
(Sections 50.1, 81.5, 81.6, Subsections 65.2(4), 81.2(1), 81.3(8), 81.4(8), 102(2), 124(2), 128(1),
and Paragraphs 51(1)(e) and 66.14(b) of the Act)

In the matter of the bankruptcy of
ARC Productions Ltd.
of the City of Toronto, in the Province of Ontario

All notices or correspondence regarding this claim must be forwarded to the following address:

In the matter of the bankruptcy of ARC Productions Ltd. of the City of Toronto in the Province of Ontario and the claim of _____, creditor.
I, _____ (name of creditor or representative of the creditor), of the city of _____ in the province of _____, do hereby certify:

1. That I am a creditor of the above named debtor (or I am _____ (position/title) of _____, creditor).

2. That I have knowledge of all the circumstances connected with the claim referred to below.

3. That the debtor was, at the date of bankruptcy, namely the 31st day of January 2017, and still is, indebted to the creditor in the sum of \$ _____, as specified in the statement of account (or affidavit) attached and marked Schedule "A", after deducting any counterclaims to which the debtor is entitled. (The attached statement of account or affidavit must specify the vouchers or other evidence in support of the claim.)

4. (Check and complete appropriate category.)

A. UNSECURED CLAIM OF \$ _____
(other than as a customer contemplated by Section 262 of the Act)

That in respect of this debt, I do not hold any assets of the debtor as security and
(Check appropriate description.)

Regarding the amount of \$ _____, I claim a right to a priority under section 136 of the Act.

Regarding the amount of \$ _____, I do not claim a right to a priority.
(Set out on an attached sheet details to support priority claim.)

B. CLAIM OF LESSOR FOR DISCLAIMER OF A LEASE \$ _____

That I hereby make a claim under subsection 65.2(4) of the Act, particulars of which are as follows:
(Give full particulars of the claim, including the calculations upon which the claim is based.)

C. SECURED CLAIM OF \$ _____

That in respect of this debt, I hold assets of the debtor valued at \$ _____ as security, particulars of which are as follows:
(Give full particulars of the security, including the date on which the security was given and the value at which you assess the security, and attach a copy of the security documents.)

D. CLAIM BY FARMER, FISHERMAN OR AQUACULTURIST OF \$ _____

That I hereby make a claim under subsection 81.2(1) of the Act for the unpaid amount of \$ _____
(Attach a copy of sales agreement and delivery receipts.)

- E. CLAIM BY WAGE EARNER OF \$ _____
- That I hereby make a claim under subsection 81.3(8) of the Act in the amount of \$ _____,
- That I hereby make a claim under subsection 81.4(8) of the Act in the amount of \$ _____,
- F. CLAIM BY EMPLOYEE FOR UNPAID AMOUNT REGARDING PENSION PLAN OF \$ _____
- That I hereby make a claim under subsection 81.5 of the Act in the amount of \$ _____,
- That I hereby make a claim under subsection 81.6 of the Act in the amount of \$ _____,
- G. CLAIM AGAINST DIRECTOR \$ _____

(To be completed when a proposal provides for the compromise of claims against directors.)
 That I hereby make a claim under subsection 50(13) of the Act, particulars of which are as follows:
(Give full particulars of the claim, including the calculations upon which the claim is based.)

- H. CLAIM OF A CUSTOMER OF A BANKRUPT SECURITIES FIRM \$ _____

That I hereby make a claim as a customer for net equity as contemplated by section 262 of the Act, particulars of which are as follows:
(Give full particulars of the claim, including the calculations upon which the claim is based.)

5. That, to the best of my knowledge, I _____ (am/am not) (or the above-named creditor _____ (is/is not)) related to the debtor within the meaning of section 4 of the Act, and _____ (have/has/have not/has not) dealt with the debtor in a non-arm's-length manner.

6. That the following are the payments that I have received from, and the credits that I have allowed to, and the transfers at undervalue within the meaning of subsection 2(1) of the Act that I have been privy to or a party to with the debtor within the three months (or, if the creditor and the debtor are related within the meaning of section 4 of the Act or were not dealing with each other at arm's length, within the 12 months) immediately before the date of the initial bankruptcy event within the meaning of Section 2 of the Act: *(Provide details of payments, credits and transfers at undervalue.)*

7. *(Applicable only in the case of the bankruptcy of an individual.)*

- Whenever the trustee reviews the financial situation of a bankrupt to redetermine whether or not the bankrupt is required to make payments under section 68 of the Act, I request to be informed, pursuant to paragraph 68(4) of the Act, of the new fixed amount or of the fact that there is no longer surplus income.
- I request that a copy of the report filed by the trustee regarding the bankrupt's application for discharge pursuant to subsection 170(1) of the Act be sent to the above address.

Dated at _____, this _____ day of _____,

 Witness

 Creditor

Phone Number: _____
 Fax Number : _____
 E-mail Address : _____

NOTE: If an affidavit is attached, it must have been made before a person qualified to take affidavits.
 WARNINGS: A trustee may, pursuant to subsection 128(3) of the Act, redeem a security on payment to the secured creditor of the debt or the value of the security as assessed, in a proof of security, by the secured creditor.
 Subsection 20(1) of the Act provides severe penalties for making any false claim, proof, declaration or statement of account.

Instructions To Creditors

Proof of Claim form

General

Creditors are required to file their claims with the Trustee prior to the time appointed for the meeting of creditors in order to be eligible to vote.

The proper name of the claimant and its complete address, to which all notices or correspondence are to be forwarded, must be shown.

The proof of claim form must be completed by a person, not by a corporation. The person completing the proof of claim form on behalf of a corporation shall indicate his official capacity, such as "Credit Manager", "Secretary", "Authorized Agent", etc.

A proper proof of claim must be supported by a Statement of Account, marked "A", providing details, such as date, invoice numbers and amounts owing, the total of which agrees with the amount indicated on the claim.

All sections of the proof of claim must be completed. Any non-applicable wording should be crossed out.

The signature of the creditor or declarant on the claim must be witnessed.

Paragraph 3

A detailed statement of account must be attached to the proof of claim and must show the date, the number and the amount of all the invoices or charges, together with the date, the number and the amount of all credits or payment. A statement of account is not complete if it begins with an amount brought forward.

Paragraph 4

The individual completing the proof of claim must strike out those subsections which do not apply. The priority referred to in subsection C a landlord for rent arrears and acceleration rent, if included in the lease, municipalities, if their claims are not a charge against title, and departments of federal and provincial governments.

All Secured Creditors must attach to their proofs of claim, a certified true copy of their security documents and details of registration.

Paragraph 5

All claimants must indicate whether or not they are related to the debtor, as defined by The Bankruptcy & Insolvency Act, by striking out "ARE" or "ARE NOT".

Paragraph 6

All claimants must attach a detailed list of all payments or credits received or granted, as follows:

- a) within the three (3) months preceding the bankruptcy or the proposal, in the case where the claimant and the debtor are not related.
- b) within the twelve (12) months preceding the bankruptcy or proposal, in the case where the claimant and the debtor are related.

Voting/Proxy

Any unsecured creditor may vote in person or by proxy, but when a proxy is attending the meeting, he must be so appointed by the creditor. When the creditor is a corporation, the person attending the meeting of the creditors, including the declarant, must be appointed proxy by an officer of the corporation having status to make such an appointment.

Note

Section 201(1) of The Bankruptcy & Insolvency Act states: "Where a creditor, or a person claiming to be a creditor, in any proceedings under this Act, wilfully and with intent to defraud, makes any false claim or any proof, declaration or statement of account, that is untrue in any material particular, he is guilty of an offence and is liable on summary conviction to a fine not exceeding one thousand dollars, or to imprisonment for a term not exceeding one year, or both."

Deloitte Restructuring Inc.
Attention: Jonathan Chu
Bay Adelaide Centre, East Tower
22 Adelaide Street West, Suite 200
Toronto, Ontario M5H 0A9
Telephone: (416) 643-8261
Fax : (416) 601-6690

District of: Ontario
Division No. 09 - Toronto
Court No. 31-2212648
Estate No. 31-2212648

FORM 36
Proxy
(Subsection 102(2) and paragraphs 51(1)(e) and 66.15(3)(b) of the Act)

In the matter of the bankruptcy of
ARC Productions Ltd.
of the City of Toronto, in the Province of Ontario

I, _____, of _____, a creditor in the above matter, hereby
appoint _____, of _____, to be
my proxyholder in the above matter, except as to the receipt of dividends, _____ (with or without)
power to appoint another proxyholder in his or her place.

Dated at _____, this _____ day of _____, _____.

Witness

Individual Creditor

Witness

Name of Corporate Creditor

Per _____
Name and Title of Signing Officer

Return To:

Deloitte Restructuring Inc.

Bay Adelaide Centre, East Tower
22 Adelaide Street West, Suite 200
Toronto ON M5H 0A9
Phone: (416) 601-6072 Fax: (416) 601-6690



Deloitte Restructuring Inc.
Bay Adelaide Centre, East Tower
22 Adelaide Street West, Suite 200
Toronto ON M5H 0A9

Tel: (416) 874-3539
Fax: (416) 601-6690
www.deloitte.ca

C A N A D A
DISTRICT OF ONTARIO
DIVISION No.: 09- Toronto
COURT No.:
ESTATE No.:

IN THE MATTER OF THE BANKRUPTCY OF: **ARC Productions Ltd.** ("Arc" or the "Bankrupt"), formed under the laws of Ontario, formerly having its head office at 364 Richmond St W, Suite 100, Toronto, Ontario, M5V 1X6

Bankrupt

TRUSTEE'S REPORT TO CREDITORS ON PRELIMINARY ADMINISTRATION

The *Bankruptcy and Insolvency Act* provides for a first meeting of creditors. The purpose of this Report is to provide information to the creditors of the Bankrupt for consideration at the first meeting of creditors.

SECTION A – BACKGROUND

Deloitte Restructuring Inc. was appointed as Receiver (the "Receiver") of Arc by Order of the Superior Court of Justice (the "Court") on August 10, 2016. For a copy of the appointment order, subsequent Court orders, the four Reports of the Receiver to date and further information on the activities of the Receiver, including the sale of assets to Jam Filled Entertainment (Toronto) Inc. ("Jam Filled"), please refer to the Receivership website at:

<http://www.insolvencies.deloitte.ca/en-ca/Pages/ArcProductionsLtd.aspx?searchpage=Search-Insolvencies.aspx>

The background and sale process supporting the Receiver's recommendation for Court approval of the sale of Arc's business and operating assets to Jam Filled are set out in the Second Report of the Receiver dated August 16, 2016 (the "Receiver's Second Report"). By Order dated August 19, 2016, the Court approved the sale transaction with Jam Filled. The Receiver closed the sale transaction on August 22, 2016 and transferred the purchased assets and the assigned premises to Jam Filled. The Receiver exited the remaining premises days later. The Receiver understands that many of the former employees of Arc were offered positions with Jam Filled.

Arc's unaudited balance sheet as of June 30, 2016 was attached as Appendix "A" to the Receiver's Second Report and showed a deficit of assets to liabilities of approximately \$32.9 million. The largest asset of the Arc estate is Federal and Provincial film tax credit recoveries. These tax credits did not form part of the assets sold to Jam Filled and remain part of the receivership estate for administration and collection.

The largest creditor of the estate is Grosvenor Park Media Fund L.P. ("Grosvenor Park") who has made advances to Arc of approximately \$40 million. As security for its advances, Grosvenor Park holds first-ranking security over all of the assets of these estates (and specifically including the federal and provincial tax credits recoverable). In our capacity as Court-appointed Receiver, we provided the opinion of our independent legal counsel on the validity and enforceability of Grosvenor Park's security in Appendix "A" of our Fourth Report of the Receiver dated December 5, 2016 which can be accessed via the weblink above.

The ultimate collection of these tax credit recoveries is expected to take many years. Taking into account the expected recovery of all tax credits to which Arc may be entitled, the Receiver advises that Grosvenor Park will suffer

a significant shortfall on its secured indebtedness with the result that there will be no funds available for distribution to the unsecured creditors of the estate.

On January 27, 2017, the Court made an Order authorizing the Receiver to assign Arc into bankruptcy. The Receiver has done so, and the Office of the Superintendent of Bankruptcy issued a Certificate of Appointment of Deloitte Restructuring Inc. as trustee of Arc on January 30, 2017.

SECTION B – PRELIMINARY EVALUATION OF ASSETS AND DETILS OF SECURITY INTERESTS

A preliminary evaluation of the assets and liabilities of Arc as at the Date of Bankruptcy is as follows:

Arc Productions Ltd. Summary Financial Position as at January 27, 2017 (in 000's)	
Assets	
Cash in Receiver's Account	\$656
Provincial and Federal Tax Credits Recoverable	\$3,725
Tax Credits due from Related Parties	\$25,672
Total Receivership Assets	\$30,053
Liabilities	
Secured claims:	
Grosvenor Park Media Fund LP	\$39,992
Other (See List "B" in Form 78)	\$2,259
Total Secured claims	\$42,251
Unsecured claims (excluding contingent claims and WEPP recoveries)	\$23,665
Total Liabilities (excluding contingent claims and WEPP recoveries)	\$65,916
Deficit	(\$35,863)

As noted above, the business and operating assets of Arc were sold to Jam Filled in August 2016. The only remaining assets in the receivership estate are the bank account balances in the receivership trust account and the federal and provincial tax credits recoverable. These assets total approximately \$30.0 million. Estimated secured claims against the estate exceed \$40.0 million. There will be a significant shortfall on the repayment of the secured indebtedness against the estate with the result that there will be no funds available for distribution to the unsecured creditors of the estate.

As noted in in the Fourth Report of the Receiver dated December 5, 2016, the Receiver has administered the employees' Wage Earner Protection Program ("WEPP") applications and responded to employee inquiries as received. As of November 30, 2016, 537 proofs of claim, out of 543 total employees, have been submitted by former employees of Arc and reviewed by the Receiver. 535 former employees have been paid their WEPP claims by Service Canada. The total amount paid to these 535 employees was \$1.9 million comprised of \$1.7 million for wages and \$0.2 million for vacation, termination and severance pay. These recoveries by the former employees have not been deducted from the unsecured claims reported in the table above or in the Statement of Affairs of Arc as of January 27, 2017. Former employees of Arc who have submitted proofs of claim to the Receiver do not need to re-submit proofs of claim to the Trustee for the purpose of the bankruptcy administration. All accepted claims filed with the Receiver will be accepted by the trustee, subject to the appropriate reduction in claims for WEPP receipts.

SECTION C – BOOKS AND RECORDS

The Trustee, via the Receiver, has access to available books and records of Arc.

SECTION D – CONSERVATORY AND PROTECTIVE MEASURES

Upon appointment, the Receiver took possession of all of the assets and undertaking of Arc and remains in possession of the residual assets noted above. Accordingly, there are no assets in the possession and control of the trustee.

SECTION E – PROVABLE CLAIMS AND DESCRIPTION OF CREDITORS

Based on the books and records of the Company, there are 728 unsecured creditors owed approximately \$23.7 million. In addition to the security granted by the Company in favour of Grosvenor Park, other parties have registered security interest against Arc as evidenced by the *Personal Property Security Act* search result provided by the Receiver's independent legal counsel. Leased assets have either been assigned to Jam Filled or returned to lessors.

These claims are summarized in the table above. The Trustee will update the creditors on proofs of claim received at the first meeting.

SECTION F – LEGAL PROCEEDINGS, REVIEWABLE TRANSACTIONS AND PREFERENCE PAYMENTS

A general contractor, Vestacon Limited, is claiming \$2.0 million for the provision of construction services and materials supplied to the improvements located at 134 Peter St and 364 Richmond St W in Toronto. Vestacon registered a construction lien on June 6, 2016 and issued a statement of claim on July 19, 2016. Counsel for Vestacon has also advised the Receiver that it may be entitled to claims pursuant to the trust provisions of the *Construction Lien Act*.

Grosvenor Park has filed a Statement of Claim against Arc and certain other parties in the sum of USD \$32.0 million less any recovered security amounts for damages for negligent misrepresentations made to Grosvenor Park.

The Trustee will perform an assessment of preferences and transactions at undervalue and will report any findings at the first meeting of creditors.

SECTION G – DETAILS OF THIRD PARTY DEPOSITS OR GUARANTEES

As there are no assets in the bankruptcy estate to fund any claims, fees and costs of administration, the Trustee has requested that Grosvenor Park indemnify the Trustee and fund the fees and disbursements, including legal fees, by way of advances to the bankrupt estate from Court-approved distributions from Arc's receivership estate.

SECTION H – TRUSTEE'S INTENTION TO ACT FOR SECURED CREDITORS

As noted above, Deloitte Restructuring Inc. acts as the Court-appointed Receiver of Arc and will continue to do so for the purpose of realizing on the remaining assets of Arc, making Court-approved distributions to creditors and eventual discharge. As Court-appointed Receiver, Deloitte Restructuring Inc. acts as an officer of the Court and does not act as agent for any secured creditor.


SECTION I – PROJECTED DISTRIBUTION AND TRUSTEE COMMENTS ON ANTICIPATED ASSET REALIZATIONS

As noted above, the Trustee advises that after the claims of the secured creditors there will be no assets available for distribution to unsecured creditors.

Dated at Toronto, Ontario this 30th day of January, 2017.

DELOITTE RESTRUCTURING INC.

In its capacity as
Trustee in bankruptcy of Arc Productions Inc.

Per: 
Paul M. Casey, CPA, CA, FCIRP, LIT
Senior Vice-President