

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

THE HONOURABLE

JUSTICE NEUBOURD

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WEDNESDAY, THE 19TH
DAY OF AUGUST, 2016



GROSVENOR PARK MEDIA FUND L.P.

Plaintiff

- and -

ARC PRODUCTIONS LTD., ARC HOLDINGS INC., ARC INVESTMENTS LTD.,
ARC/DARK CRYSTAL PRODUCTIONS INC., KICK PRODUCTIONS LTD., IN THE
JUNGLE PRODUCTIONS INC., TF I PRODUCTIONS INC., BL II PRODUCTIONS INC.,
ARCADIA PRODUCTIONS LTD., EGGS LTD., PRINCESS PRODUCTIONS INC.,
UNDERZOO PRODUCTIONS INC., HOLE IN THE BELLY PRODUCTIONS LTD., SIR
SIMON PRODUCTION LTD., SAMURAI PRODUCTIONS LTD., THOMAS MURRAY,
KALLAN KAGAN and PETER KOZIK

ORDER

THIS MOTION, made by Koskie Minsky LLP ("**Proposed Representative Counsel**") was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Michael Chaffe, sworn August 18, 2016, and the First and Second Reports of Deloitte Restructuring Inc., in its capacities as interim receiver and receiver (the "**Receiver**"), and on hearing the submissions of Proposed Representative Counsel, counsel for the Receiver, counsel to Grosvenor Park Media Fund L.P., and such other parties as were present,

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record is hereby abridged and validated so that this Motion is properly returnable today and that further service thereof is hereby dispensed with.

2. **THIS COURT ORDERS** the appointment of Koskie Minsky LLP ("**KM**") as Representative Counsel to advise and represent the former employees (the "**Employees**" or individually "**Employee**") of Arc Productions Ltd. ("**Arc**") who were terminated by Order of the Court dated August 2, 2016, in respect of any Claims (as defined herein) which the Employees may have against Arc for unpaid wages, vacation pay, severance or other rights, entitlements or benefits in the Receivership Proceedings (as herein defined) of Arc, and with the power and authority to act on behalf of the Employees in the Receivership or in any subsequent bankruptcy or other related proceedings (collectively, the "**Receivership Proceedings**").

3. **THIS COURT DECLARES** that a Claim includes any claim which has now arisen or may arise under:

- (a) common law or equity related to notice of termination or severance entitlements; or
- (b) federal or provincial legislation, or regulations thereunder, including but not limited to, claims under employment standards legislation or any other provincial or federal legislation, or regulation applicable to employees or otherwise (collectively with (a) above, "**Labour Laws**").

4. **THIS COURT ORDERS** that, in furtherance of its mandate to assist Employees in asserting Claims, Representative Counsel shall, at its expense, have access to and the right to examine all relevant records and data kept by Arc in respect of its capacity as an employer of the Employees under Labour Laws, whether they are kept on paper, electronic or any other form, including access to Proofs of Claim received from Employees by the Receiver.

5. **THIS COURT ORDERS THAT** pursuant to section 7(3)(c) of the *Personal Information Protection and Electronic Documents Act* S.C. 2000, c. 5, the Receiver is authorized and permitted to disclose personal information of identifiable individuals who are believed to be Employees to Representative Counsel. Representative Counsel shall maintain and protect the privacy of such information and shall limit the use of such information to its role as Representative Counsel.

6. **THIS COURT ORDERS** that KM will review the information for Employees posted on the Receiver's dedicated website at <http://www.insolvencies.deloitte.ca/> and will determine whether further communication with the Employees is necessary at this time. KM is authorized to send written notice ("**Written Notice**") to all of the Employees at the addresses and contact information provided by the Receiver, by email or regular mail to the last known residential or email address of each employee, explaining its appointment and engagement as Representative Counsel, explaining the process for opting out of representation by KM, and inviting interested Employees to sit on a committee (the "**Committee**") to provide instructions to KM as required. The Written Notice shall also be posted by the Receiver on its dedicated website for this proceeding.

7. **THIS COURT ORDERS** that KM is authorized to establish the Committee, in consultation with the Receiver, which will, upon establishment, provide instructions to KM as needed.

8. **THIS COURT ORDERS** that Representative Counsel is authorized to take all steps and to do all necessary or desirable acts in carrying out the terms of the Order, including dealing with any regulatory body and any other government or ministry, department or agency, and to take all such steps as are necessary or incidental thereto.

9. **THIS COURT ORDERS** that notice of the issuance of this Order, substantially in the form attached hereto as **Schedule "A"** (the "**Notice**") shall be:

- (a) posted by Representative Counsel on its firm's website within two calendar days of the date of this Order;
- (b) included in the Written Notice described in paragraph 7 above; and
- (c) posted by the Receiver on its dedicated website for this proceeding.

10. **THIS COURT ORDERS** that any individual Employee who does not wish to be represented by KM in the Receivership Proceedings shall, within 10 business days of the granting of this Order, notify the Receiver and KM in writing that he or she wishes to opt out of representation by KM and shall thereafter not be bound by the actions of KM and is free to represent himself or herself or be represented by any other counsel that he or she may retain exclusively at his or her own expense (an "**Opt-Out Individual**").

11. **THIS COURT ORDERS** that from and after August 3, 2015, the reasonable legal costs and disbursements of the Employees plus applicable taxes (collectively, the "Costs") shall be paid by the Receiver on the rendering of accounts by Representative Counsel, subject to the approval of this Court, provided that in no event shall the amount of the Costs to be paid by the Receiver or the estate of Arc exceed CAD\$25,000 (inclusive of taxes and disbursements), and provided further that under no circumstances shall any amount be payable by the Receiver or the estate of Arc to cover the legal costs or disbursements in connection with any effort by the Employees to investigate or challenge the priority of another stakeholder, or to litigate a priority dispute, over funds in the estate of Arc.

12. **THIS COURT ORDERS** that KM and the Committee shall have no liability as a result of their appointment or the fulfilment of their duties in carrying out the provisions of this Order, save and except for any claims based on gross negligence or wilful misconduct on their part.

13. **THIS COURT ORDERS** that KM and the Committee shall be at liberty and are authorized at any time to apply to this Court for advice and directions in the discharge or variation of their powers and duties hereunder.



ENTERED AT / INSCRIT À TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO:

AUG 19 2016

PER / PAR: 

SCHEDULE "A"

Court File No. 16-CV-11472-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

GROSVENOR PARK MEDIA FUND L.P.

Plaintiff

- and -

ARC PRODUCTIONS LTD., ARC HOLDINGS INC., ARC INVESTMENTS LTD.,
ARC/DARK CRYSTAL PRODUCTIONS INC., KICK PRODUCTIONS LTD., IN THE
JUNGLE PRODUCTIONS INC., TF I PRODUCTIONS INC., BL II PRODUCTIONS INC.,
ARCADIA PRODUCTIONS LTD., EGGS LTD., PRINCESS PRODUCTIONS INC.,
UNDERZOO PRODUCTIONS INC., HOLE IN THE BELLY PRODUCTIONS LTD., SIR
SIMON PRODUCTION LTD., SAMURAI PRODUCTIONS LTD., THOMAS MURRAY,
KALLAN KAGAN and PETER KOZIK

Defendants

NOTICE TO ALL ARC PRODUCTIONS LTD. EMPLOYEES

On or about August 2, 2016, Arc Productions Ltd. ("**Arc**") became subject to an interim receivership pursuant to a court order on the application of Grosvenor Park Media Fund L.P. Deloitte Restructuring Inc. was appointed the interim receiver of the estate of Arc. On August 10, 2016, the court expanded the interim receiver's powers to appoint it as a full receiver over Arc.

TAKE NOTICE THAT, pursuant to Order of the Court dated August 19, 2016:

Koskie Minsky LLP ("**Representative Counsel**") was appointed as representative counsel of all Arc Employees in the receivership proceeding (the "Proceeding").

Contact Information for Representative Counsel:

Website: ●

Email: ●

Toll-free Hotline: ●

IF YOU DO NOT WISH TO BE REPRESENTED in the Proceeding by Representative Counsel, you must, before August ●, 2016, provide notice in writing (by letter or email) to both Koskie Minsky LLP and Deloitte Restructuring Inc. at the addresses below stating that you wish to opt-out of such representation.

<p>Koskie Minsky LLP 20 Queen Street West Suite 900, Box 52 Toronto, ON M5H 3R3</p> <p>Email: ●@kmlaw.ca</p>	<p>Deloitte Restructuring Inc. Bay Adelaide East 22 Adelaide Street West, Suite 200 Toronto, ON M5H 0A9</p> <p>Attention: Warren Leung Telephone: 416-874-4461 Fax: 416-601-6690 Email: waleung@deloitte.ca</p> <p>OR, contact Jay Tailor at: Telephone: 416-601-6517 Fax: 416-601-6690 Email: jtaylor@deloitte.ca</p>
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REGARDLESS OF WHETHER YOU CHOOSE TO be represented by Koskie Minsky or not, you should still review, amend as may be necessary, and file your Proof of Claim with the court-appointed receiver (Deloitte Restructuring Inc.) as soon as possible to allow the receiver to input your claim into the Service Canada Wage Earner Protection Program Act portal. Otherwise, your Wage Earner Protection Program claim cannot be processed.

GROSVENOR PARK MEDIA FUND L.P.
Plaintiff

v. ARC PRODUCTIONS LTD. et al.
Defendants

Court File No. 16-CV-11472-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding commenced at **TORONTO**

ORDER

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Proposed Representative Counsel to Employees
of Arc Productions Ltd.

KM-2213867v1