

## FORM 87

### Notice and Statement of the Receiver (Subsections 245(1) and 246(1) of the Act)

The receiver gives notice and declares that:

1. On the 2<sup>nd</sup> day of August, 2016, I, Deloitte Restructuring Inc. ("Deloitte"), became the interim receiver in respect of the property of Arc Productions Ltd. (the "Company"), an insolvent company, that is described below:

Description	Book Value (*) as at June 30, 2016
Cash	\$ 56,550
Accounts Receivable	\$ 2,874,935
Film Tax Credits Recoverable	\$ 32,836,893
Prepaid Expenses and Deposits	\$ 661,748
Investment in Production and Development	\$ 730,573
Property and Equipment	\$ 5,049,910
Deferred Loan Costs	\$ 778,234
Other Assets	\$ 202,888

(\*) Based on information compiled by the Company. Deloitte has not audited, reviewed, or otherwise attempted to verify the accuracy or completeness of the information and, accordingly, Deloitte expresses no opinion or other form of assurance on the information contained herein.

2. Deloitte became the interim receiver by virtue of being appointed by Order ("Appointment Order") dated August 2<sup>nd</sup>, 2016 of the Honourable Justice Penny of the Ontario Superior Court of Justice (Commercial List) pursuant to Section 47 of the *Bankruptcy and Insolvency Act*.

3. The undersigned commenced the exercise of its power in respect of that appointment on the 2<sup>nd</sup> day of August, 2016.

4. The following information relates to the receivership:

- (a) Address of insolvent company: 364 Richmond Street West, Suite 100  
Toronto, Ontario, M5V 1X6
- (b) Principal line of business: Animation production
- (c) Location(s) of business: Toronto, Ontario
- (d) Amounts owed by the Company to each creditor who appears to hold a security interest on the property described above include:

Grosvenor Park Media Fund LP	\$ 39,992,073
Hewlett Packard	\$ 170,761
NFS Leasing Canada Ltd.	\$ 74,589
John P. Barrington	\$ 9,846
Xerox	\$ 7,291
The Geoffrey Browne Family Trust	\$ 4,350
ACTRA Performers' Rights Society	\$ 2,066
People's United Bank (Boston)	Unknown
Gould Leasing	Unknown
BK2BRAC Holdings Inc. (California)	Unknown

- (e) Attached is a list of creditors to be notified of the receivership which includes the parties identified as secured creditors, and potential Government creditors.

(f) All employees of the Company were terminated pursuant to the Appointment Order. The intended plan of action of the interim receiver, to the extent that such a plan has been determined, is as follows: To facilitate the Wage Earner Protection Program administration for the former employees of the Company, to provide information and guidance to prospective purchasers on an urgent basis with respect to their interest in purchasing the assets of Arc and potentially carrying on the business on some basis, and to realize on the accounts receivable and film tax credits recoverable.

(g) Contact person for receiver:

Warren Leung, CPA, CA  
Deloitte Restructuring Inc.  
22 Adelaide Street West, Suite 200  
Toronto, ON M5H 0A9  
Telephone: 416-874-4461  
Fax: 416-601-6690

Dated at Toronto, ON, this 5<sup>th</sup> day of August, 2016.

**DELOITTE RESTRUCTURING INC.,**

solely in its capacity as Court-Appointed Receiver of the assets, undertakings and properties of Arc Productions Ltd., and not in its personal or corporate capacity

Per: 

Paul M. Casey, CPA, CA, CIRP  
Senior Vice-President

## Notice and Statement of Receiver

### Listing of Creditors of

### Arc Productions Ltd.

(unaudited)

(all amounts in CAD)

#### Secured Creditors

GROSVENOR PARK MEDIA FUND LP	\$ 39,992,073
HEWLETT-PACKARD FINANCIAL SVCS CANADA CO	170,761
NFS LEASING	74,589
JOHN BARRINGTON	9,846
XEROX CANADA LTD	7,291
R. GEOFFREY BROWNE	4,350
ACTRA I&R	2,066
PEOPLE'S UNITED BANK	Unknown
GOULD LEASING	Unknown
BK2BRAC HOLDINGS INC.	Unknown
<b>Total Secured Debt</b>	<b><u>\$ 40,260,976</u></b>

#### Unsecured Creditors

DISCREET	106,682
Aaron Behl	1,671
Accountivity	17,965
Advantage Audio, Inc	57,017
Alejandro Mozqueda Torres	2,040
Alex Feign	73
Alicja Urbach	89
All City Storage Ltd	1,249
Allied Properties REIT	28,220
Andrew Stokes	161
Applied Electronics Ltd.	23,645
Art of Food	2,821
Atlas Lighting & Sales Ltd.	336
Awesome Entertainment	9,686
B Goodchild LLC	7,500
Beanfield	131,243
Beck Taxi	11,051
Bell Mobility	138
Blake, Cassels & Graydon LLP	43,606
Blazing Kitchen	3,153
Borden Ladner Gervais LLP	5,657
Brocade Communications Switzerland SarL	10,914
Bullhorn Inc	874
Calavera Studio	669
Canadian Springs	1,231
CDW Canada Inc	136,827
Cesmic	7,366
Charls Thomas	66
Cindy Diogo	245

Arc Productions Ltd. – Receivership  
Listing of Creditors

Cindy Zeng	28
Codes Pro Media Canada Ltd	243
Cory Goodwin	1,605
Cris Kovacs	10
Daniel Santana	28
Deltech Communications Group Inc.	37,881
DGNJ Inc C/O SAG A	146,036
DurAbond Janitorial Services Ltd	7,709
Eder Cardoso	13
EmbroidMe	927
Enbridge Gas Distribution	88
Engie MultiTech Ltd.	6,167
Enter Laughing Inc.	1,494
Equitable Life of Canada	66,346
Ergonomic Equipment & Supplies Inc	8,868
Erin Klatt	14
Eurest Services	23,343
Famous Players LP	1,187
FCDQ	9,144
FCI Tech	204,033
Federal Express Canada Ltd.	4,100
Fedex Trade Network Can Inc.	1,621
Flux Consulting Inc	38,716
Goodmans LLP	60,777
Goran Backman	14
Gray Krauss Stratford Sandler Des Rocher	8,219
Gregoire Picher	3
Harkel Office	69,113
Hicks Morley	10,585
Hitachi Data Systems	11,590
HKMB HUB International	7,849
Icon Creative Studio Inc	84,210
Icon Security Inc.	64,175
Impark	20,120
Iron Mountain Canada Corp	15,546
Jacknife Inc	11,758
James Hartnett	1,659
Jane Sobol	1,739
Jeffrey Klug	100
Jenna Warren	1,152
Joe Woodward	3,390
Josa Porter	11
Jump IT Computer Systems Centre	17,314
Justin Ustel	25
K.G Talent	2,987
Kagan, Kallan	2,400
Kate Somerville Skincare	9,929
Key 2 Communications Inc	14,120
Kit Care Corp	814
Kosta Iavrinuk	46
Kristen Hudecki	144
Kwik Kopy Printing	615
Lannick Group Inc	1,712
Law Offices of Eric A. Altoon	1,975
LifeWorks	5,458
Maple Express Courier Service Ltd	17

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Marianne Culbert	750
Matt Frigault	20
Matthew Berkowitz	4,116
mercury filmworks	35,261
Microsoft Corporation	2,946
Mike Chaffe	14
Ministry of Finance	2,855
Murray, Tom	9,205
Naomi Dalle	150
Ng, Markus	27
Nissae Isen	1,494
Office Move Pro	11,090
OneConnect Services Ltd	6,552
Ontario Media Development Corporation	5,000
Paladin Security Group	17,849
Pat Rhodes	154
Patrice Berube	223
Paul Bouchard	9,040
Paul Stodolny	12
Performers Rights Society	419
Phil Bonner	52
Phil Bredehoeft	11
Pixar Animation Studios	20,811
Point 360	1,083
Price Waterhouse Coopers LLC	167,678
Quebec Inc/QA Courier	460
Receiver General of Canada	5,000
Red Scarf Promotions	2,214
Reisman Law Offices	7,594
Reliant Worldwide	22,656
Relish Interactive Inc.	452
Richard Chen	88
Rick Miller	4,437
Rob Ormond	2,000
Rogers	7,649
Rosemary Angelo	1,668
Rozeena Khote	10
Ryan Pike	26
Ryan Smith	375
Samantha Maggiolo	44
Samuel Patterson	8
Scalar Decisions Inc.	1,575,282
Scott Gorman c/o AMI	1,494
Sean McAlear	1,102
Sedona Parnham	36
Shrinkala Sharma	8
Shuang Ye	11
Side Effects Software Inc	40,458
SmartRecruiters Inc	13,175
Stanton Chase	76,275
STARZ MEDIA, LLC	0
Stephanie Fong	7
Stephanie Garth	43
Steve Lowry	23
Steven Hecht	10,835
Stolo Canada inc	33,900

Arc Productions Ltd. – Receivership  
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Stoten, David	570
Streamline Resource Group	2,500
Style 5 Animation	5,650
Super Sonics Productions Inc	8,234
Support Warehouse	8,732
Susan Dehdari	46
TDS Personnel Ltd	525
Terry Bradley	13
The Brew Centre	9,288
The Gorfaine/Schwartz Agency Inc	2,068
The Mason Group Inc	57,983
The Monk Studios Ltd	38,488
The Printing House Ltd	1,598
Tibor kovacs	108
Tigerdirect Canada	3,642
Tracy Blagdon	249
Trillium Architectural Products Ltd	119
TSO Logic Inc.	3,777
ULINE Shipping Supply Specialists	54
Universal Music Publishing Group	2,500
V House Animation LLC	62,543
Verve Talent & Literary Agency	12,807
Vesta Networks	254
Vestacon	1,990,603
Video House Ltd.	366,450
White Paper Company	163
X-Design Inc.	52,297
Young, Jeff	54
Zachary Dembinski	41
Canada Revenue Agency	Unknown
Employees	Unknown
Ontario Ministry of Finance	Unknown
<b>Total Unsecured Debt</b>	<b><u><u>\$ 6,336,854</u></u></b>