

**ONTARIO  
SUPERIOR COURT OF JUSTICE - COMMERCIAL LIST**

IN THE MATTER OF AN APPLICATION PURSUANT TO SECTION 47 OF  
BANKRUPTCY AND INSOLVENCY ACT, R.S.C. 1985, C B-3, AS AMENDED AND  
SECTION 101 OF THE COURTS OF JUSTICE ACT, R.S.O. 1990, C 43, AS  
AMENDED

BETWEEN:

THE FOREST ROAD COMPANY, LLC

Applicant

- and -

SKYLINE 2 PRODUCTIONS INC.

Respondent

**APPLICATION RECORD  
(RETURNABLE AUGUST 17, 2021)**

JULY 21, 2021

**MILLER THOMSON LLP**

Scotia Plaza  
40 King Street West, Suite 5800  
P.O. Box 1011  
Toronto, ON Canada M5H 3S1

**Craig A. Mills LSO#: 40947B**

Tel: 416.595.8596  
Fax: 416.595.8695  
Email: cmills@millerthomson.com

**Elsir Tawfik, LSO#: 79819D**

Tel: 416.595.2663  
Fax: 416.595.8695  
Email: etawfik@millerthomson.com

Lawyers for the Applicant

**TO:** **SKYLINE 2 PRODUCTIONS INC.**  
250 Yonge Street  
Suite 2201  
Toronto, ON M5V 2L7

**SKYLINE 2 PRODUCTIONS INC.**  
121 John Street, Suite 1  
Toronto, Ontario  
M5V 2E2

**SKYLINE 2 PRODUCTIONS INC.**  
369 Terminal Avenue, Suite 520  
Vancouver BC  
V6A 4C4

Attention: Matthew Chausse  
matthewchausse@gmail.com

**AND TO:** **David Glenn Strause**  
12855 Runway Rd  
Suite 1208  
Playa Vista, California  
United States of America  
[dave@hydraulx.com](mailto:dave@hydraulx.com)

**John Walters**  
7 Middlehead Trail  
Nobleton, ON L7B 0A6

**Matthew Chausse**  
matthewchausse@gmail.com

**AND TO:** **MNP Ltd.**  
111 Richmond Street West  
Toronto, Ontario  
M5H 2G4

**Sheldon Title**  
Tel: (416) 263-6945  
Fax: (416) 323-5240  
E-Mail: [sheldon.title@mnp.ca](mailto:sheldon.title@mnp.ca)

*Proposed Interim Receiver*

**AND TO: DEPARTMENT OF JUSTICE CANADA**  
Ontario Regional Office  
Tax Law Services Division  
The Exchange Tower  
130 King St. West, Suite 3400, Box 36  
Toronto, ON M5X 1K6

**Diane Winters**

Tel: (416) 973-3172

Email: [diane.winters@justice.gc.ca](mailto:diane.winters@justice.gc.ca)

**AND TO: MINISTRY OF FINANCE**  
Legal Services Branch  
33 King Street West, 6th Floor  
Oshawa, ON L1H 8H5

**Insolvency Unit**

Tel: (905) 433-6934

E-mail: [insolvency.unit@ontario.ca](mailto:insolvency.unit@ontario.ca)

**AND TO: ACTRA PERFORMERS' RIGHTS SOCIETY**  
625 CHURCH STREET, SUITE 300  
Toronto, ON M4Y 2G1

**ONTARIO  
SUPERIOR COURT OF JUSTICE - COMMERCIAL LIST**

IN THE MATTER OF AN APPLICATION PURSUANT TO SECTION 47 OF  
BANKRUPTCY AND INSOLVENCY ACT, R.S.C. 1985, C B-3, AS AMENDED AND  
SECTION 101 OF THE COURTS OF JUSTICE ACT, R.S.O. 1990, C 43, AS  
AMENDED

BETWEEN:

THE FOREST ROAD COMPANY, LLC

Applicant

- and -

SKYLINE 2 PRODUCTIONS INC.

Respondent

INDEX

TAB	DOCUMENT	PAGE NO.
1.	Notice of Application	1-12
2.	Affidavit of Idan Shani, sworn July 16, 2021	13-25
EXHIBIT A	Corporate profile report for Skyline 2	26-30
EXHIBIT B	Term Sheet and Term Sheet Addendum	31-52
EXHIBIT C	Promissory Note	53-54
EXHIBIT D	General Security Agreement dated October 25, 2019	55-68
EXHIBIT E	PPSA search results as against Skyline 2 in Ontario and British Columbia	69-77
EXHIBIT F	Actra Acknowledgement	78-79
EXHIBIT G	Assignment dated October 25, 2019	80-97
EXHIBIT H	Direction	98-100

EXHIBIT I	Power of Attorney	101-105
EXHIBIT J	Consent	106-107
EXHIBIT K	Mr. Mauro's email dated October 27, 2020	108-118
EXHIBIT L	Demand Letter dated November 18, 2020	119-121
EXHIBIT M	Miller Thomson's letter dated June 21, 2021	122-127
3.	Consent to act as Receiver	128-130
4.	Draft Order	131-170

TAB 1

Court File No.:  
CV-21-00665781-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE - COMMERCIAL LIST**

IN THE MATTER OF AN APPLICATION PURSUANT TO SECTION 47 OF  
BANKRUPTCY AND INSOLVENCY ACT, R.S.C. 1985, C B-3, AS AMENDED AND  
SECTION 101 OF THE COURTS OF JUSTICE ACT, R.S.O. 1990, C 43, AS  
AMENDED

BETWEEN:

THE FOREST ROAD COMPANY, LLC

Applicant

- and -

SKYLINE 2 PRODUCTIONS INC.

Respondent



**NOTICE OF APPLICATION**

TO THE RESPONDENT:

A LEGAL PROCEEDING HAS BEEN COMMENCED by the applicant. The claim made by the applicant appears on the following page.

THIS APPLICATION will come on for a hearing

- In person
- By telephone conference
- By video conference

at a date to be set at a scheduling appointment before Mr. Justice Koehnen which has been scheduled on July 20, 2021 at 2:00pm.

Please advise Elsir Tawfik if you intend to join the hearing of this motion by emailing [etawfik@millerthomson.com](mailto:etawfik@millerthomson.com) and a zoom link will be circulated.

IF YOU WISH TO OPPOSE THIS APPLICATION, to receive notice of any step in the application or to be served with any documents in the application, you or an Ontario lawyer acting for you must forthwith prepare a notice of appearance in Form 38A prescribed by the *Rules of Civil Procedure*, serve it on the applicant's lawyer or, where the applicant does not have a lawyer, serve it on the applicant, and file it, with proof of service, in this court office, and you or your lawyer must appear at the hearing.

IF YOU WISH TO PRESENT AFFIDAVIT OR OTHER DOCUMENTARY EVIDENCE TO THE COURT OR TO EXAMINE OR CROSS-EXAMINE WITNESSES ON THE APPLICATION, you or your lawyer must, in addition to serving your notice of appearance, serve a copy of the evidence on the applicant's lawyer or, where the applicant does not have a lawyer, serve it on the applicant, and file it, with proof of service, in the court office where the application is to be heard as soon as possible, but at least four days before the hearing.

IF YOU FAIL TO APPEAR AT THE HEARING, JUDGMENT MAY BE GIVEN IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU. IF YOU WISH TO OPPOSE THIS APPLICATION BUT ARE UNABLE TO PAY LEGAL FEES, LEGAL AID MAY BE AVAILABLE TO YOU BY CONTACTING A LOCAL LEGAL AID OFFICE.



Date: July 19, 2021

Issued by

---

Local registrar

Address of court office 9<sup>th</sup> Floor  
330 University Avenue  
Toronto, Ontario  
M5G 1R7

TO: THIS HONOURABLE COURT

**AND TO: SKYLINE 2 PRODUCTIONS INC.**  
250 Yonge Street  
Suite 2201  
Toronto, ON M5V 2L7

**SKYLINE 2 PRODUCTIONS INC.**  
121 John Street, Suite 1  
Toronto, Ontario  
M5V 2E2

**SKYLINE 2 PRODUCTIONS INC.**  
369 Terminal Avenue, Suite 520  
Vancouver BC  
V6A 4C4

Attention: Matthew Chausse

**AND TO: David Glenn Strause**  
12855 Runway Rd  
Suite 1208  
Playa Vista, California  
United States of America

**John Walters**  
7 Middlehead Trail  
Nobleton, ON L7B 0A6

**Matthew Chausse**  
matthewchausse@gmail.com

**AND TO: DEPARTMENT OF JUSTICE CANADA**

Ontario Regional Office  
Tax Law Services Division  
The Exchange Tower  
130 King St. West, Suite 3400, Box 36  
Toronto, ON M5X 1K6

**Diane Winters**

Tel: (416) 973-3172

Email: [diane.winters@justice.gc.ca](mailto:diane.winters@justice.gc.ca)

**AND TO:**

**MINISTRY OF FINANCE**

Legal Services Branch  
33 King Street West, 6th Floor  
Oshawa, ON L1H 8H5

**Insolvency Unit**

Tel: (905) 433-6934

E-mail: [insolvency.unit@ontario.ca](mailto:insolvency.unit@ontario.ca)

**AND TO:**

**ACTRA PERFORMERS' RIGHTS SOCIETY**

625 CHURCH STREET, SUITE 300  
Toronto, ON M4Y 2G1

## APPLICATION

1. The Applicant, The Forest Road Company. LLC (the “**Applicant**” or “**FRC**”) makes application for:

- (a) if necessary, an Order abridging the time for the service of this Notice of Application and the materials filed in support thereof, if necessary, and validating service hereby;
- (b) an Order pursuant to section 47(1) of *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the “**BIA**”) and section 101 of the Courts of Justice Act, R.S.O. 1990, c. C.43, as amended (the “**CJA**”), appointing MNP Ltd.. (“**MNP**”) as interim receiver (“**Interim Receiver**”) over all property, assets and undertaking of Skyline 2 Productions Inc. (“**Skyline 2**” or the “**Debtor**”) in substantially the form of the draft Order included in the Application Record at Tab 4;
- (c) judgment in the amount of \$1,396,061 USD pursuant to the terms of the Term Sheet and the Promissory Note (as defined below);
- (d) pre-judgment and post-judgment interest at the Default Interest Rate (as defined below) in accordance with the Paragraph 9 of the Term Sheet;
- (e) In the alternative, pre-judgment and post-judgment interest in accordance with the *Courts of Justice Act* R.S.O. 1990, Chapter C. 43 (the “**CJA**”);
- (f) costs of this Application, plus all applicable taxes; and

- (g) granting such other relief as counsel may request and this Honourable Court may deem just.

2. The grounds for the Application are:

### **Parties**

- (a) The Applicant, FRC is a specialty financing company that, among other things, lends against tax credits to film production companies. It is located in New York City, U.S.A.;
- (b) The Debtor, Skyline 2 is an Ontario corporation and is extraprovincially registered in British Columbia. Skyline 2 carries on business as a film production company. Skyline 2 is the producer of a series entitled “Ed Quinn Vs.” (the “**Production**”);

### **Loan and Security**

- (c) On September 25, 2019, FRC, as lender, and Skyline 2, as borrower, entered into a Term Sheet and Term Sheet Addendum (collectively, the “**Term Sheet**”). The Term Sheet contemplated that FRC would provide funding to Skyline 2 of up to the United States dollar equivalent of forty percent (40%) of the expected refund amount of certain tax credits earned under the British Columbia Production Services Tax Credit and Canadian Federal Production Services Tax Credit (collectively, the “**Tax Credits**”) in respect to the Production, not exceeding one million U.S. dollars (USD\$1,000,000), subject to adjustments (the “**Loan**”);

- (d) The Term Sheet provides that the amount to be repaid by Skyline 2 is an amount equal to: (i) 114% of the net loan amount, plus (ii) any default interest and any reasonable costs of enforcement or collection incurred by the Lender (the “**Repayment Amount**”);
- (e) The maturity date under the Term Sheet (“**Maturity Date**”) is the earlier of:
  - (a) one (1) year from the date of the initial advance, (b) three (3) business days after the date any proceeds from the Tax Credits are received, or (c) upon an event of default.
- (f) In connection with the Term Sheet, Skyline 2 executed a promissory note in favour of FRC on October 25, 2019 (the “**Promissory Note**”), by which it acknowledged that it is indebted to and promised to pay FRC the principal amount of \$1,000,000 USD plus interest on demand;
- (g) Skyline 2’s obligations under the Loan are secured by a first position security interest pursuant to a General Security Agreement executed by Skyline 2 on October 25, 2019 (the “**GSA**”). Under the GSA, Skyline 2 granted security interests in favour of the Applicant over all of its property, assets and undertaking, including the Tax Credits (the “**Property**”). It is a term of the Security that FRC may appoint a receiver upon default by a debtor in any of its obligations to FRC;
- (h) FRC registered its security interest against the Debtor pursuant to the *Personal Property Security Act* (Ontario). FRC is the first registrant against Skyline 2;

- (a) Garbo Holdings LLC, Vitality Visual Effects LLC, David G. Strause, and Linda L. Strause (collectively, the “**Guarantors**”) executed guarantees in respect to Skyline 2’s obligations under the Loan;
- (b) As noted above, FRC agreed to advance the Loan on the basis that Skyline 2 was entitled to and would receive Tax Credits from the British Columbia Production Services Tax Credit and Canadian Federal Production Services Tax Credit;
- (c) In accordance with the terms of the Loan, Skyline 2 assigned the Tax Credits and their proceeds (the “**Tax Credit Proceeds**”) to FRC. Skyline 2 also executed: (i) a direction authorizing Canada Revenue Agency, Canadian Audio-Visual Certification Office, Creative BC and BC Ministry of Tourism, Arts and Culture (collectively, the “**Tax Authorities**”) to pay the Tax Credit Proceeds to FRC, and (ii) consents authorizing FRC to communicate with the Tax Authorities to obtain information regarding the Tax Credits and the Tax Credit Proceeds;

### **The Default**

- (d) As the initial advance was made on November 12, 2019, the Maturity Date for the Loan was November 12, 2020;
- (e) By letter dated November 18, 2020, FRC demanded payment of the Loan from Skyline 2. Skyline 2 failed to respond to the demand;

- (f) In addition, despite FRC's requests for information, neither Skyline 2 nor the Tax Authorities have provided FRC with any information on the status of the Tax Credits Proceeds in respect to the Production;
- (g) Further, Skyline 2 failed and/or refused to execute and deliver updated forms allowing FRC to communicate with CRA despite multiple requests;
- (h) Skyline 2 has also refused to authorize its accountants to disclose any details regarding the Tax Credits or the Tax Credit Proceeds to FRC;
- (i) FRC, through its counsel, issued a further demand for payment to Skyline 2 on June 21, 2021 and delivered a Notice of Intention to Enforce Security pursuant to section 244 of the BIA;
- (j) as of June 18, 2021, the outstanding Repayment Amount due and owing under the Loan is \$1,396,061 USD, inclusive of accrued interest and costs (the "**Indebtedness**");
- (k) Under the terms of the Loan, interest accrues at the default rate commencing on the Maturity Date as provided in the Term Sheet (the "**Default Interest Rate**");
- (l) Skyline 2 has failed to pay the Indebtedness and any other amounts owing and due under the Term Sheet and the Promissory Note;
- (m) In light of Skyline 2's breaches and defaults under the terms of the Loan and the lack of cooperation from its management, FRC has lost trust and

confidence in the Debtor. It is also very concerned about the status of the Tax Credits Proceeds as these represent a significant asset under FRC's security;

- (n) The appointment of the Interim Receiver is: (1) necessary and urgent to ensure the conservation and protection of the Debtor's estate for the benefit of all creditors of the Debtor, including the Applicant; and (2) just and convenient in these circumstances;
- (o) MNP has consented to act as Interim Receiver;
- (p) section 47(1) of the BIA, section 101 of the CJA and Rules 1.04, 2.01, 2.03, 3.02, 14.05, 38 and 41 of the *Rules of Civil Procedure*, R.R.O 1990, Reg. 194; and
- (q) Such further and other grounds as counsel may advise and this Honourable Court may permit.

3. The following documentary evidence will be used at the hearing of the application:

- (a) the Affidavit of Idan Shani, sworn July \_\_\_\_, 2021;
- (b) the Consent executed by MNP; and
- (c) such further and other material as counsel may advise and this Court may permit.



July 19, 2021

**MILLER THOMSON LLP**

Scotia Plaza  
40 King Street West, Suite 5800  
P.O. Box 1011  
Toronto, ON Canada M5H 3S1

Craig A. Mills LSO#: 40947B  
Tel: 416.595.8596  
Fax: 416.595.8695  
Email: cmills@millerthomson.com

Elsir Tawfik, LSO#: 79819D  
Tel: 416.595.2663  
Fax: 416.595.8695  
Email: etawfik@millerthomson.com

Lawyers for the Applicant

THE FOREST ROAD COMPANY, LLC  
Applicant

And

SKYLINE 2 PRODUCTONS INC.et al.  
Respondent

Court File No.: CV-21-00665781-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE -  
COMMERCIAL LIST**

Proceeding commenced at TORONTO

**NOTICE OF APPLICATION**

**MILLER THOMSON LLP**

Scotia Plaza  
40 King Street West, Suite 5800  
P.O. Box 1011  
Toronto, ON Canada M5H 3S1

Craig A. Mills LSO#: 40947B  
Tel: 416.595.8596  
Fax: 416.595.8695  
Email: cmills@millerthomson.com

Elsir Tawfik, LSO#: 79819D  
Tel: 416.595.2663  
Fax: 416.595.8695  
Email: etawfik@millerthomson.com

Lawyers for the Applicant

TAB 2

Court File No.:

**ONTARIO  
SUPERIOR COURT OF JUSTICE - COMMERCIAL LIST**

IN THE MATTER OF AN APPLICATION PURSUANT TO SECTION 47 OF  
BANKRUPTCY AND INSOLVENCY ACT, R.S.C. 1985, C B-3, AS AMENDED AND  
SECTION 101 OF THE COURTS OF JUSTICE ACT, R.S.O. 1990, C 43, AS  
AMENDED

BETWEEN:

THE FOREST ROAD COMPANY, LLC

Applicant

- and -

SKYLINE 2 PRODUCTIONS INC.

Respondent

**AFFIDAVIT OF IDAN SHANI  
(sworn JULY 16, 2021)**

I, Idan Shani, of the City of New York, in the State of New York, in the United States of America, MAKE OATH AND SAY:

1. I am the Chief Operating Officer and Chief Financial Officer for the Applicant, The Forest Road Company, LLC (“**FRC**” or the “**Applicant**”) and, as such, I have knowledge of the matters to which I hereinafter depose. Unless I indicate to the contrary, the facts herein are within my own personal knowledge and are true. Where I depose based upon information and belief obtained from others, I have stated the source of that information and belief and I believe it to be true.

2. I make this Affidavit in support of FRC’s application for the appointment of MNP Ltd. (“**MNP**”) as the proposed interim receiver (the “**Proposed Interim**

**Receiver**) of the assets, undertaking and business of the Respondent, Skyline 2 Productions Inc. ("**Skyline 2**" or the "**Debtor**") pursuant to section 47 of *Bankruptcy and Insolvency Act* (the "**BIA**") and section 101 of the *Courts of Justice Act* (the "**CJA**") on the basis that the appointment of an interim receiver is necessary to preserve and protect, among other things, the Respondent's business, assets, books and records.

3. As is set out in more detail below:

- (a) The Applicant is owed approximately \$1.4 million USD pursuant to the terms of the Loan (as defined below);
- (b) The Loan was secured by both a general security agreement and, in particular, the assignment of certain Tax Credits and Tax Credit Proceeds (both defined below) under the British Columbia Production Services Tax Credit and Canadian Federal Production Services Tax Credit related to the production of a television series;
- (c) The Loan has come due and the Debtor has failed to repay the Loan or provide any information regarding the status of the Tax Credits or the Tax Credit Proceeds;
- (d) Despite the fact that the Tax Credits and Tax Credit Proceeds were assigned to FRC, FRC has been unable, despite multiple efforts, to obtain any information about their status from the Debtor, Canada Revenue Agency ("**CRA**") or the Debtor's accountants; and

- (e) As a result, FRC is extremely concerned about a deterioration of its security position and is seeking the appointment of the Proposed Interim Receiver to preserve and protect its security and obtain information from the Debtor, CRA and the Debtor's accountants regarding the Tax Credits.

### ***The Parties***

4. The Applicant, FRC, is a specialty finance company that, among other things, makes loans to film production companies secured by tax credits. FRC's principal office is located in New York City, U.S.A.

5. The Debtor, Skyline 2, is an Ontario corporation and is extraprovincially registered in British Columbia. Skyline 2 carries on business as a film production company. Skyline 2 is the producer of a series entitled "Ed Quinn Vs." (the "**Production**"). I attach as **Exhibit A** a copy of the corporate profile report for Skyline 2.

6. To the best of my knowledge, the directors of Skyline 2 are David G. Strause and John Walters.

### **Loan and Security**

7. On September 25, 2019, FRC, as lender, and Skyline 2, as borrower, entered into a Term Sheet and Term Sheet Addendum (collectively, the "**Term Sheet**"). The Term Sheet contemplates that FRC would provide funding to Skyline 2 of up to the United States dollar equivalent of forty percent (40%) of the expected refund amount

of certain film production tax credits earned under the British Columbia Production Services Tax Credit and Canadian Federal Production Services Tax Credit (collectively, the "**Tax Credits**") in respect to the Production, not exceeding one million U.S. dollars (USD\$1,000,000), subject to adjustments (the "**Loan**"). Now shown to me and attached as **Exhibit B** are copies of the Term Sheet and Term Sheet Addendum.

8. The Term Sheet provides that the amount to be repaid by Skyline 2 is an amount equal to: (i) 114% of the loan amount, plus (ii) any default interest and any reasonable costs of enforcement or collection incurred by the Lender (the "**Repayment Amount**"). The maturity date under the Term Sheet ("**Maturity Date**") is the earlier of: (a) one (1) year from the date of the initial advance, (b) three (3) business days after the date any proceeds from the Tax Credits are received, or (c) upon an event of default. The initial advance was made on November 12, 2019.

9. In connection with the Term Sheet, Skyline 2 executed a promissory note in favour of FRC on October 25, 2019 (the "**Promissory Note**"). Pursuant to the terms of the Promissory Note, it acknowledged that it is indebted to and promised to pay FRC the principal amount of \$1,000,000 USD plus interest on demand. A copy of the Promissory Note is attached as **Exhibit C**.

10. Skyline 2's obligations under the Loan are secured by a security interest pursuant to a General Security Agreement executed by Skyline 2 on October 25, 2019 (the "**GSA**"). Under the GSA, Skyline 2 granted a security interest in favour of

the Applicant over all of its property, assets and undertaking, including the Tax Credits (the “**Property**”). A copy of the GSA is attached hereto as **Exhibit D**.

11. The GSA provides that FRC may appoint a receiver upon default by a debtor in any of its obligations under the Loan documents.

12. On October 18, 2019, FRC registered its security interest against the Debtor pursuant to the *Personal Property Security Act* (Ontario) and the *Personal Property Security Act* (British Columbia). In Ontario, FRC is the first secured creditor as Actra Performers’ Rights Society (“**Actra**”) has subordinated its registered security interest to FRC’s security pursuant to an Acknowledgment and Confirmation dated November 5, 2019 (the “**Actra Subordination**”). In British Columbia, FRC is the only registrant against Skyline 2. Copies of the PPSA search results as against Skyline 2 in Ontario and British Columbia are attached to my affidavit as **Exhibit E**. A copy of the Actra Subordination is attached as **Exhibit F**.

13. In support of the Loan, Garbo Holdings LLC, Vitality Visual Effects LLC, David G. Strause, and Linda L. Strause (collectively, the “**Guarantors**”) executed guarantees in favour of FRC in respect to Skyline 2’s obligations under the Loan.

### **Assignment of the Tax Credits**

14. As noted in the Term Sheet, FRC agreed to advance the Loan on the basis that Skyline 2 was entitled to and would receive Tax Credits from the British



Columbia Production Services Tax Credit and Canadian Federal Production Services Tax Credit.

15. As part of the loan transaction, Skyline 2 executed an Assignment dated October 25, 2019 (the “**Assignment**”) by which it irrevocably assigned the Tax Credits and their proceeds (the “**Tax Credit Proceeds**”) as security to FRC. Under the terms of the Assignment, Skyline 2 covenanted to file tax returns in any taxation year for which Tax Credit Proceeds may be claimed, provide any documentation as required by FRC to facilitate the assignment of the Tax Credit Proceeds and authorize communication with CRA and hold the Tax Credit Proceeds in trust for FRC. A copy of the Assignment is attached hereto as **Exhibit G**.

16. In addition, Skyline 2 executed: (i) a direction (“**Direction**”) authorizing Canada Revenue Agency (“**CRA**”), the Canadian Audio-Visual Certification Office, Creative BC and the BC Ministry of Tourism, Arts and Culture (collectively, the “**Tax Authorities**”) to pay the Tax Credit Proceeds to FRC; (ii) a Power of Attorney in favour of FRC (“**POA**”); and (iii) a consent (“**Consent**”) authorizing FRC to communicate with CRA to obtain information regarding the Tax Credits and the Tax Credit Proceeds. Copies of the Direction, POA and Consent are attached as **Exhibits H, I and J**.

### **Efforts to Obtain Information on the Tax Credits**

17. Beginning in December 2019, FRC began to make inquiries of Skyline 2 on the timing of the filing of the Debtor's tax returns in order to ascertain the timing for the Tax Credits.

18. In that regard, FRC made inquiries through the Debtor's tax accountants, Baker Tilly Canada ("**Baker Tilly**"), in January 2020. Baker Tilly confirmed that Skyline 2's tax returns were filed and that they were in the pre-assessment period.

19. I am advised by Divya Shahani of Miller Thomson LLP, counsel for FRC, and believe that on April 2, 2020 she reached out to Inderpreet Mand of Baker Tilly to get an update on the status of the Debtor's tax returns. Ms. Mand advised her that the returns had been assessed and that cheques in respect to the Tax Credits had actually been issued. However, as the cheques had been sent to the wrong address (as the unit number had not been included in the tax filing), Ms. Mand indicated that the cheques had to be reissued so that they could be sent to Skyline's Toronto office.

20. I am further advised by Ms. Shahani and believe that she spoke with Ms. Mand again on April 7, 2020 regarding the timing of the reissued cheque. Ms. Mand advised her that the timing would be impacted by the restrictions and office closings resulting from the COVID-19 pandemic. As processing entertainment tax credits were considered to be a "non-essential service", Ms. Mand advised her that she could not give Ms. Shahani a timeline on when the new cheque would be reissued.

21. In light of the issues with the cheque and to ensure that the Tax Credit Proceeds were paid directly to FRC, FRC requested in June 2020 that Skyline 2 jointly setup and execute an account control agreement as a protective measure. Although Skyline 2 did execute documentation to setup such controlled account, it ceased all communication shortly thereafter.

22. At the same time, FRC continued its efforts to get information from Skyline 2, Baker Tilly and CRA regarding the status of the Tax Credits. However, despite its best efforts, FRC was unable to get any further information from the Debtor and Baker Tilly.

23. Further, FRC was unable to get any information on the Debtor's tax account from CRA despite the fact that the Debtor had executed a Consent authorizing CRA to provide information to FRC. Apparently, CRA had adopted a new consent form (AUT-01) which replaced the original form (known as an RC-59). As the Consent executed by the Debtor was not in the current form, I understand that it was not recognized by CRA.

24. To rectify this, FRC requested in October 2020 and onward that Skyline 2 execute the new consent form and to authorize Baker Tilly to provide information to FRC on the status of the Tax Credits. However, Skyline 2 never did so.

25. By email dated October 27, 2020, Emilio Mauro, an officer of Skyline 2, advised that Skyline 2 had engaged a lawyer to assist in FRC's inquires and requests for the authorization and information. Mr. Mauro advised that the lawyer would be

reaching out to FRC to deal with these inquiries. I attach as **Exhibit K** a copy of Mr. Mauro's email dated October 27, 2020.

26. I am advised by Ariana Assaf, an employee of FRC, and believe that it was not until November 6, 2020 that she and other members of the FRC team were able to speak with Lawrence Ecoff, the lawyer engaged by Skyline 2, about FRC's requests that Skyline 2 execute the AUT-01 (the new Consent required by CRA) and authorize Baker Tilly to speak with FRC. At the conclusion of the call, I am advised by Ms. Assaf and believe that it was her understanding that Mr. Ecoff would review these requests with his client and attempt to cooperate with FRC.

27. Despite Ms. Assaf's persistent follow up with Mr. Ecoff in the following weeks, I am advised by Ms. Assaf that she did not hear back from him or his client on these requests.

28. Aside from Ms. Assaf discovering in late October 2020 that CRA was moving forward with an audit, FRC has been unable to get the Debtor's cooperation or any clear information on the status of the Tax Credits.

### **The Default and Demands for Payment**

29. The Maturity Date for the Loan was November 12, 2020.

30. By letter dated November 18, 2020 (the "**Demand Letter**"), FRC provided notice of Skyline 2's default under the Loan and demanded payment. The events of default noted in the Demand Letter included the Debtor's nonpayment of the Loan, its

failure to comply with FRC's requests that a fresh consent be signed and Skyline 2's failure to provide clear information about the status of the refund or the Tax Credits. I attach as **Exhibit L** a copy of the November 18<sup>th</sup> Demand Letter.

31. By letter dated June 21, 2021, Miller Thomson LLP, counsel for FRC, issued a further demand for payment to Skyline 2 and delivered a Notice of Intention to Enforce Security pursuant to section 244 of the BIA. A copy of Miller Thomson's letter dated June 21, 2021 is attached as **Exhibit M**.

32. Skyline 2 has failed to respond to either of these letters.

### **The Indebtedness**

33. As of June 18, 2021, the outstanding amount due and owing under the Loan to FRC is \$1,396,061 USD, inclusive of accrued interest and costs (the "**Indebtedness**").

34. Skyline 2 has failed to pay the Indebtedness and any other amounts owing and due under the Term Sheet and the Promissory Note

### **FRC's Concerns and Need for a Receiver**

35. FRC has made every effort to obtain information from the Debtor, Baker Tilly and CRA regarding the status of the Tax Credits and the Tax Credit Proceeds. It has given Skyline 2 every opportunity to cooperate with FRC by way of executing a fresh

consent for CRA and providing authorization to Baker Tilly to communicate with FRC. However, Skyline 2 and its principals have been completely non-responsive.

36. In light of Skyline 2's breaches and defaults under the terms of the Loan and the lack of cooperation from its management, FRC has completely lost trust and confidence in the Debtor. It is also very concerned about the status of the Tax Credits Proceeds as they are a significant asset under FRC's security.

37. On the basis of the details set out above, the appointment of the Proposed Interim Receiver is: (1) necessary and urgent to ensure the conservation and protection of the Debtor's estate for the benefit of all creditors of the Debtor, including the Applicant; and (2) just and convenient in these circumstances;

38. The appointment of the Proposed Interim Receiver would also facilitate communications with the Debtor, CRA and the Debtor's accountants regarding the status of the Tax Credits and any ongoing audits.

39. MNP is a licensed insolvency trustee and has consented to being appointed as an interim receiver, without security, of all assets, property and undertaking of Skyline 2. A copy of its Consent to act as Receiver is attached at Tab 3 to the Motion Record.

40. I make this affidavit in support of FRC’s application to appoint MNP as interim receiver of the assets, property and undertakings of the Debtor and for no other or improper purpose.

**SWORN BEFORE ME:**  in person  by video conference

by Idan Shani at the City of Dix Hills, New York, in the United States of America, before me at the City of Toronto, in the Province of Ontario, on July 16, , 2021, in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

Commissioner for Taking Affidavits *(or as may be)*

DocuSigned by:  
*Craig Mills*  
EE378B46B4B142A...  
\_\_\_\_\_  
Signature of Commissioner *(or as may be)*  
Craig Mills

DocuSigned by:  
*Idan Shani*  
B849BDDF8D0F4EA...  
\_\_\_\_\_  
Idan Shani

**This is Exhibit "A" referred to in the affidavit  
of IDAN SHANI, SWORN BEFORE ME**

**this 16th date of July, 2021.**

DocuSigned by:

*Craig Mills*

EE378B46B4B142A...

**— A COMMISSIONER FOR TAKING AFFIDAVITS  
CRAIG MILLS**



Request ID: 026303946  
 Transaction ID: 79628378  
 Category ID: UN/E

Province of Ontario  
 Ministry of Government Services

Date Report Produced: 2021/06/15  
 Time Report Produced: 10:23:01  
 Page: 1

## CORPORATION PROFILE REPORT

Ontario Corp Number	Corporation Name	Incorporation Date
2461340	SKYLINE 2 PRODUCTIONS INC.	2015/04/08
		Jurisdiction
		ONTARIO
Corporation Type	Corporation Status	Former Jurisdiction
ONTARIO BUSINESS CORP.	ACTIVE	NOT APPLICABLE
Registered Office Address	Date Amalgamated	Amalgamation Ind.
250 YONGE STREET	NOT APPLICABLE	NOT APPLICABLE
<b>Suite # 2201</b> TORONTO ONTARIO CANADA M5V 2L7	New Amal. Number	Notice Date
	NOT APPLICABLE	NOT APPLICABLE
Mailing Address	Letter Date	NOT APPLICABLE
250 YONGE STREET	Revival Date	Continuation Date
<b>Suite # 2201</b> TORONTO ONTARIO CANADA M5V 2L7	NOT APPLICABLE	NOT APPLICABLE
	Transferred Out Date	Cancel/Inactive Date
	NOT APPLICABLE	NOT APPLICABLE
	EP Licence Eff.Date	EP Licence Term.Date
	NOT APPLICABLE	NOT APPLICABLE
	Number of Directors	
	Minimum	Maximum
	00001	00003
Activity Classification	Date Commenced in Ontario	Date Ceased in Ontario
NOT AVAILABLE	NOT APPLICABLE	NOT APPLICABLE

Request ID: 026303946  
Transaction ID: 79628378  
Category ID: UN/E

Province of Ontario  
Ministry of Government Services

Date Report Produced: 2021/06/15  
Time Report Produced: 10:23:01  
Page: 2

## CORPORATION PROFILE REPORT

**Ontario Corp Number**

2461340

**Corporation Name**

SKYLINE 2 PRODUCTIONS INC.

**Corporate Name History**

SKYLINE 2 PRODUCTIONS INC.

**Effective Date**

2015/04/08

**Current Business Name(s) Exist:**

NO

**Expired Business Name(s) Exist:**

NO

**Administrator:****Name (Individual / Corporation)**

DAVID  
GLENN  
STRAUSE

**Address**

12855 RUNWAY RD

Suite # 1208  
PLAYA VISTA  
CALIFORNIA  
UNITED STATES OF AMERICA 90094

**Date Began**

2016/09/09

**First Director**

NOT APPLICABLE

**Designation**

DIRECTOR

**Officer Type****Resident Canadian**

N

Request ID: 026303946  
Transaction ID: 79628378  
Category ID: UN/E

Province of Ontario  
Ministry of Government Services

Date Report Produced: 2021/06/15  
Time Report Produced: 10:23:01  
Page: 3

# CORPORATION PROFILE REPORT

**Ontario Corp Number**

2461340

**Corporation Name**

SKYLINE 2 PRODUCTIONS INC.

**Administrator:****Name (Individual / Corporation)**

DAVID  
GLENN  
STRAUSE

**Address**

12855 RUNWAY RD

Suite # 1208  
PLAYA VISTA  
CALIFORNIA  
UNITED STATES OF AMERICA 90094

**Date Began**

2016/09/09

**First Director**

NOT APPLICABLE

**Designation**

OFFICER

**Officer Type**

PRESIDENT

**Resident Canadian**

N

**Administrator:****Name (Individual / Corporation)**

JOHN  
WALTERS

**Address**

7 MIDDLEHEAD TRAIL

NOBLETON  
ONTARIO  
CANADA L7B 0A6

**Date Began**

2019/10/16

**First Director**

NOT APPLICABLE

**Designation**

DIRECTOR

**Officer Type****Resident Canadian**

Y

Request ID: 026303946  
Transaction ID: 79628378  
Category ID: UN/E

Province of Ontario  
Ministry of Government Services

Date Report Produced: 2021/06/15  
Time Report Produced: 10:23:01  
Page: 4

# CORPORATION PROFILE REPORT

**Ontario Corp Number**

2461340

**Corporation Name**

SKYLINE 2 PRODUCTIONS INC.

**Last Document Recorded**

Act/Code	Description	Form	Date
CIA	CHANGE NOTICE	1	2020/10/21 (ELECTRONIC FILING)

**THIS REPORT SETS OUT THE MOST RECENT INFORMATION FILED BY THE CORPORATION ON OR AFTER JUNE 27, 1992, AND RECORDED IN THE ONTARIO BUSINESS INFORMATION SYSTEM AS AT THE DATE AND TIME OF PRINTING. ALL PERSONS WHO ARE RECORDED AS CURRENT DIRECTORS OR OFFICERS ARE INCLUDED IN THE LIST OF ADMINISTRATORS.  
ADDITIONAL HISTORICAL INFORMATION MAY EXIST ON MICROFICHE.**

The issuance of this report in electronic form is authorized by the Ministry of Government Services.

**This is Exhibit “B” referred to in the affidavit  
of IDAN SHANI, SWORN BEFORE ME**

**this 16th day of July, 2021.**

DocuSigned by:

*Craig Mills*

EE378B46B4B142A...

---

**A COMMISSIONER FOR TAKING AFFIDAVITS  
CRCRAIG MILLSAIG MILLS**

**TERM SHEET**

**The Forest Road Company, LLC**  
 238 Cedar Avenue  
 Hewlett, NY 11557

As of September 25, 2019

Skyline 2 Productions Inc  
 369 Terminal Avenue, Unit 520  
 Vancouver, BC V64 4C4

Re: Ed Quinn Vs (the "Project") – Canadian Federal & British Columbia Production Services Tax Credits

- 1. Lender:** The Forest Road Company, LLC, or an affiliate company thereof.
- 2. Borrower:** Skyline 2 Productions Inc shall be referred to herein each as the "Borrower." Borrower shall be organized as required by applicable tax credit regulations. Borrower must ensure that it has no Province of British Columbia or Federal Canadian tax liability in the tax years in which it claims the Tax Credits.
- 3. Nature of Financing:** Senior tax credit loan secured primarily by tax credits earned under the British Columbia Production Services Tax Credit and Canadian Federal Production Services Tax Credit (the "Tax Credits").
- 4. Net Loan Amount:** Subject to satisfaction of all funding conditions in the Financing Documents, as defined herein, Lender will provide funding to the Borrower of up to the United States dollar equivalent of forty percent (40%) of the expected refund amount of the Tax Credits, not to exceed one million U.S. dollars (USD\$1,000,000), as determined in the Opinion Letter (as defined herein below), subject to any adjustments resulting from due diligence (the "Net Loan Amount"). The Net Loan Amount shall be funded through one cash advance upon execution of the Financing Documents, as defined herein, and satisfaction of all conditions therein.
- 5. Maturity Date:** The "Maturity Date" shall mean the date that is the earlier of: (a) one (1) year from the initial advance, (b) three (3) business days after the date any proceeds from the sale of the Tax Credits are received, or (c) upon an Event of Default as described herein. The promissory note associated with this loan (the "Note") shall become due and payable on the Maturity Date.
- 6. Repayment Amount:** An amount equal to (i) 114% of the Net Loan Amount (the "Loan Amount") plus (ii) any Default Interest, as described herein, accrued thereon and any reasonable costs of enforcement or collection incurred by Lender (the "Repayment Amount"). Upon repayment of the Repayment Amount, Lender shall remit to BondIt, LLC an amount equal to 1% of the Net Loan Amount. All payments of the Repayment Amount to Lender shall be made in United States dollars.
- 7. Financing Fee** \$0.00, paid from the first advance of the Net Loan Amount
- 8. Directed Payments:** USD\$25,000 paid by Borrower to be withheld from the proceeds of the Net Loan Amount. USD\$16,000 of such commission shall be paid to BondIt, LLC upon funding of the Net Loan Amount; USD\$4,500 shall be paid to BondIt, LLC upon full and indefeasible payment of the Repayment Amount to Lender;

and USD\$4,500 shall be retained by Lender upon full and indefeasible payment of the Repayment Amount to Lender. Not less than USD\$500,000 to be withheld from the proceeds of the Net Loan Amount and paid to Head Gear directly by Lender. The foregoing funds due to BondIt and Head Gear shall be wired at closing into an escrow account maintained by Borrower's counsel. In addition, a to-be-agreed-upon amount of funds necessary to lock in foreign exchange rates shall also be withheld from the Net Loan Amount and shall be wired into the escrow account at closing.

**9. Default Interest Rate:**

To the fullest extent permitted by applicable law, commencing on the Maturity Date, "Default Interest" shall begin to accrue on the outstanding balance for each Default Interest Period as follows: (i) at the quarterly rate of five percent (5%) for the first Default Interest Period; (ii) at the quarterly rate of seven percent (7%) for the second Default Interest Period; (iii) at the quarterly rate of nine percent (9%) for the third Default Interest Period; (iv) at the quarterly rate of eleven percent (11%) for the fourth Default Interest Period; and (v) at the annual rate of fifteen percent (15%) for each Default Interest Period thereafter. For the purposes hereof, a "Default Interest Period" shall mean each ninety (90) day period following the Maturity Date, with the first Default Interest Period commencing as of the Maturity Date and ending ninety (90) days following the Maturity Date, the second Default Interest Period commencing on the 91<sup>st</sup> day following the Maturity Date and ending 180 days following the Maturity Date, etc.

Default Interest calculated hereunder shall be computed on the outstanding principal balance of the Note as of the first day of the applicable Default Interest Period and shall be compounded quarterly. For clarity, Default Interest shall be applicable for the entire Default Interest Period as of the first day of such Default Interest Period (e.g., as of the 91<sup>st</sup> day following the Maturity Date, the outstanding balance of the Note shall be compounded 6%).

To the extent that anything herein causes the interest charged to be higher than permitted by applicable law, the Default Interest charged shall automatically be reduced to conform with applicable laws.

**10. Due Diligence Fee:**

Borrower acknowledges that, in committing to make such loan to Borrower, Lender shall incur opportunity costs and costs associated with, among other things, the Opinion Letter and Canadian Counsel. As such, Borrower hereby agrees to pay unto Lender, upon execution of this Term Sheet, a due diligence fee in the amount of USD\$20,000 (the "Due Diligence Fee").

Immediately upon receipt thereof, Lender will be reimbursed for legal costs paid to prior Canadian counsel in connection with the Project in the amount of USD\$9,000 (the "Legacy Legal Costs"). Any additional costs associated with the Opinion and Canadian Counsel shall be paid out of the remaining balance of the Due Diligence Fee proceeds. To the extent sufficient proceeds are not available to cover any and all such associated costs, any deficit will be offset from the Net Loan Amount.

The Expiration Date may be extended by Lender in Lender's sole discretion, it being understood that Lender shall have no obligation to extend the Expiration Date.

**11. Reporting and Administration:**

Borrower shall make available, at Lender's request, reports containing reasonable detail on production activities, including cost reports, copies of the general ledger, timeline to and budget for completion of production and post-

production. In addition, Borrower will concurrently copy Lender on all email correspondence with any government agency associated with the Tax Credits.

Lender shall be designated with signatory authority where possible on all other accounts associated with the Tax Credits and shall have an irrevocable power of attorney to act on Borrower's behalf in connection therewith.

- 12. Security:** All obligations of the Borrower shall be secured by (i) a first-position, priority security interest in all right, title and interest in and to the Tax Credits and any proceeds or refunds in connection therewith associated with the Project and (ii) a perfected security interest in all other assets of Borrower, including without limitation the proceeds from the distribution of the Project. Borrower will provide the Lender with a copyright mortgage and Lender is hereby authorized to file a UCC-1 financing statement, or Canadian equivalent, in any applicable jurisdiction. Lender shall be a party to a collection account management agreement approved by Lender in connection with the Project to secure repayment of the loan, as applicable.
- 13. Guarantor:** A solvent corporate and personal guarantor acceptable to Lender shall jointly, severally and solidarily guarantee all obligations of Borrower to Lender.
- 14. Financing Documents:** The following documents and all others required under this commitment shall constitute the Financing Documents:
- i.) Term Sheet
  - ii.) Offer of Credit; as required by Canadian Counsel;
  - iii.) Promissory Note;
  - iv.) Security Agreement;
  - v.) Direction re: Tax Credits;
  - vi.) Applicable CRA forms;
  - vii.) Consent to Communicate;
  - viii.) Official Designee Affidavit;
  - ix.) Subordination Agreement;
  - x.) Head Gear Tax Credit Step-back Letter;
  - xi.) Power of Attorney;
  - xii.) Intercreditor Agreement or Subordination Agreement with other lienholders, if applicable;
  - xiii.) Required corporate documentation, including resolutions, certificates and legal opinion of Borrower's counsel;
  - xiv.) Collection Account Management Agreement, if applicable
  - xv.) Step back letter or the like from any professional guilds, as applicable;
  - xvi.) Personal and Corporate Guaranty; and
  - xvii.) Any other documents as deemed necessary by Lender or Canadian Counsel.

All Financing Documents shall be in form and substance satisfactory to Lender and, unless otherwise agreed by Lender, prepared by Lender's counsel.

- 15. Servicing Companies:** Lender, in consultation with BondIt, LLC, shall engage an independent CPA to provide a report estimating the expected value of the Tax Credits (the "Opinion Letter"). Lender shall also retain Canadian counsel ("Canadian Counsel") to draft, review and finalize the Financing Documents. The cost of such Opinion Letter and Canadian Counsel ("Canadian Legal Costs") shall be paid by Borrower and withheld from the funding of the Net Loan Amount.
- 16. Conditions:** The funding of the Net Loan Amount is subject to Borrower's compliance with each of the following conditions:



- i. Full execution of all required Financing Documents;
- ii. Payment to Lender of the Due Diligence Fee;
- iii. Payment to Lender of the Legacy Legal Costs;
- iv. Lender will receive the Opinion Letter from a Lender-approved accountant confirming the expected value of the refund of the Tax Credits based on the final, locked budget, actual expenditure documentation or other acceptable financial information;
- v. Lender's intention to make this loan is contingent upon there being, prior to the time of closing, no adverse change in Borrower's condition, financial or otherwise, or financial business prospects from that represented in any financial statement or other information submitted to Lender or upon which Lender has relied;
- vi. Lender shall have received, in form and substance satisfactory to Lender, copies of all agreements or documents, and all amendments thereto, relating to the formation, existence, power, authority and governance of Borrower, together with copies of all certificates which are required to be, or may be, filed in connection with the creation of Borrower; and
- vii. Receipt and satisfactory review by Lender and Lender's counsel of the all relevant documents, including but not limited to: (a) copy of the certifications from the SFO; and (b) Project's chain of title documents.

**17. Right of Cancellation:**

If at any time prior to funding any part of the Net Loan Amount any of the following has occurred (as determined by Lender in its sole and absolute discretion), Lender shall have no obligation to advance any portion of the Net Loan Amount:

- i. Failure of Borrower to comply, or cause to be complied within the time specified, with any of the provisions or conditions applicable to this Term Sheet or the Financing Documents;
- ii. Non-payment within the prescribed time of any fees and expenses provided for in this Term Sheet or the Financing Documents;
- iii. Lender's due diligence investigation of Borrower (including background and credit checks on key personal) or any collateral, including the Tax Credits, or Borrower's operations, including but not limited to, the budget, post production, cash flow schedule, screenplay, and the Project's chain of title documents, is deemed unsatisfactory to Lender;
- iv. Filing by or against Borrower or other persons required to execute any of the Financing Documents, of any petition in bankruptcy or insolvency, or for reorganization or for the appointment of a receiver or a trustee, or the making of an assignment for the benefit of creditors or the filing of a petition for arrangement;
- v. Any change, subsequent to this Term Sheet, deemed by Lender to be material or substantial with regard the assets, net worth or credit standing of Borrower, or the initiation of a lawsuit against Borrower

which, in the sole discretion of Lender, materially affects its credit standing;

- vi. Any lien (other than the liens as set forth herein), suits, trusteeships, bankruptcies or court actions pending, commenced or threatened against Borrower;
- vii. Any material misstatement or omission of fact in the documents submitted hereunder which materially affects Lender;
- viii. Any material change in the budget, elements, financing structure, timing of post-production, Borrower's key production team or other change which materially affects Lender; or
- ix. Any laws, rules, administrative procedures or similar authority of any other relevant governmental agencies of the Province of British Columbia or the Canadian Federal Government are changed, altered or construed in any manner to prevent or delay the issuance of the Tax Credits, or to defer beyond the dates set forth herein, eliminate or suspend the ability to use or issue the Tax Credits.

**18. Legal Fees**

Borrower agrees to defend and indemnify Lender and its members, managers, officers and affiliates against all claims, obligations or liabilities, including court costs and reasonable, outside attorneys' fees, arising out of or related in any way to any material breach of this agreement or the Financing Documents, or material breach of the representations, warranties and covenants contained herein or the in the Financing Documents that impairs the repayment of Borrower's loan obligations hereunder other than that caused by Lender's acts or omissions.

**19. Default**

Within seven (7) business days of the date on which any Event of Default (as defined below) has occurred, Borrower shall pay to Lender the Reimbursement Amount (as defined herein)

The Reimbursement Amount shall be an amount equal to the excess of (A) the Repayment Amount over (B) cash previously delivered to Lender in repayment of the Repayment Amount.

The following events shall constitute an "Event of Default":

- i. The Province of British Columbia or the Canadian federal government determines that Borrower has not earned, or will not earn, a sufficient amount of Tax Credits in order to fully repay all indebtedness owed to Lender.
- ii. Any uncured material breach by Borrower of any representation or warranty of Borrower in this Term Sheet or any of the Financing Documents, if remaining uncured ten (10) days after receipt of notice provided by Lender.
- iii. Any failure of Borrower to comply with its deliveries or post-closing obligations within any of the Financing Documents.

- iv. A written determination by the Province of British Columbia or the Canadian Federal Government that any of the Tax Credits actually issued must be recaptured under Canadian law or regulation.
- v. Borrower commences a voluntary proceeding seeking liquidation, reorganization or other relief with respect to itself or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or a substantial part of its property or shall consent to any such relief or to the appointment of or taking possession by any such official in an involuntary case or other proceeding commenced against it or shall make a general assignment for the benefit of creditors or shall generally fail to pay its debts as they become due or shall generally fail to pay its debts as they become due or shall take any corporate action to authorize any of the foregoing.
- vi. An involuntary proceeding is commenced against Borrower seeking liquidation, reorganization or other relief with respect to it or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of trustee, receiver, liquidator, custodian or other similar official for it or a substantial part of its property, and such involuntary proceeding shall remain undismissed and unstayed for a period of sixty (60) days.
- vii. Borrower, without prior written approval of Lender, dissolves, liquidates, merges into another entity or sells all or substantially all of its assets.
- viii. If there shall exist or occur any event or condition which in Lender's good faith business judgment (exercised in Lender's sole discretion) would have a material, adverse effect on the ability or obligation of Borrower to repay its obligations under the Financing Documents to Lender.

- 20. Lender's Credits:** An on-screen financing credit the end-crawl in the form "Financing Provided by The Forest Road Company." Lender shall be authorized to memorialize such credit on IMDb.com.
- 21. Assignment:** Neither this Term Sheet nor the proceeds of the loan are assignable by Borrower. Lender may assign, syndicate or participate the Loan Amount provided Lender shall continue to administer the loan with Borrower.
- 22. Expiration Date:** October 31, 2019. If Borrower has not satisfied all of the obligations and conditions contained in the Financing Documents on or before October 31, 2019, Lender's commitment to advance the Net Loan Amount shall

automatically expire and Lender shall have no further obligations to Borrower under this Term Sheet or the Financing Documents.

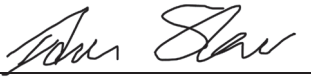
**23. Choice of Law:**

This Term Sheet shall be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein, and shall be binding upon and inure to the benefits of the parties hereto and their successors and permitted assigns. In any action brought under or arising out of this Term Sheet, the undersigned hereby irrevocably submits to the jurisdiction of the state courts of the State of New York and to the jurisdiction of the United States District Court for the Southern District of New York and hereby consents to service of process by registered mail at the address set out herein.

The parties shall enter into the Financing Documents, to be negotiated in good faith, reflecting the terms and conditions of this Term Sheet prior to the making of the loan. Until such time as the Financing Documents are executed, the terms hereof shall be binding on the parties.

THE FOREST ROAD COMPANY, LLC

SKYLINE 2 PRODUCTIONS INC

By:   
Its: COO/CFO  
Date: November 12, 2019

By:   
Its:  
Date



**TERM SHEET ADDENDUM**

As of September 25, 2019

Skyline 2 Productions Inc.  
369 Terminal Avenue, Unit 520  
Vancouver, BC V64 4C4

Dear Sir:

**Re: Series currently entitled “Ed Quinn Vs.” (the “Production”)**

WHEREAS Skyline 2 Productions Inc. (“**Borrower**”) and The Forest Road Company, LLC (“**Lender**”) entered into a term sheet dated as of September 25, 2019 (the “**Term Sheet**”) with respect to a loan not to exceed USD\$1,000,000 being made by Lender to Borrower (the “**Loan**”);

AND WHEREAS As a condition of the Loan, Lender requires Borrower to make certain covenants, representations, warranties and indemnities not provided for in the Term Sheet;

NOW THEREFORE in consideration or the mutual covenants herein and in the Term Sheet, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Borrower and Lender hereby agree as follows:

1. In this Addendum, unless otherwise defined herein or unless the context hereof otherwise requires, all capitalized terms used herein shall have the respective meanings ascribed thereto in the Term Sheet.
2. Except as amended by this Addendum, the parties hereto hereby mutually confirm and agree that the Term Sheet remains in full force and effect as of the date hereof.
3. **Guarantors:** The guarantors of the Loan as contemplated in paragraph 13 of the Term Sheet shall be Garbo Holdings LLC, Vitality Visual Effects LLC, David Glenn Straus and Linda Liddell Strause.
4. **Tax Credits:** The Tax Credits as defined in the Term Sheet shall include the British Columbia Digital Animation or Visual Effects Tax Credit.
5. **Loan Payment:** Borrower and Lender acknowledge and agree that the Loan, following the deductions/reserves and direct payments to BondIt LLC and Head Gear Films FN Ltd. as set out in the Term Sheet, shall be payable to the following account:

**LANIUS LAW CLIENT TRUST ACCOUNT**

Bank:	Bank of America
Bank Address:	8501 West Pico Blvd., Los Angeles, CA 90035
Account Number:	3251 1956 3825
Routing Number:	026009593
Account Name:	California IOLTA Trust Accounts, Lanius Law & Associates, A Professional Corporation

6. **Repayment:**

- (a) The Repayment Amount, any applicable Default Interest and any and all other payments payable



by Borrower to Lender pursuant to the Term Sheet, shall be paid, in US currency, to Lender's attention at the following:

Name Bank Account :	The Forest Road Company, LLC
Bank Account Number :	236711856
Bank :	JPMorgan Chase Bank, N.A.
Address of Bank :	270 Park Ave, New York, NY 10017
Bank Representative :	Benjamin Giles
ABA Number :	021000021
BIC/Swift Code :	N/A

- (b) Borrower shall reimburse Lender and its successors and assigns for any additional costs or reduction of income arising as a result of the imposition of or increase in taxes (other than on the overall net income of Lender) on amounts paid by Borrower to Lender and its successors and assigns, and imposition of or increase in reserve requirements, or the imposition of any other condition affecting the Loan by any government, governmental agency or body, tribunal or regulatory authority. All payments by Borrower to Lender pursuant to the Term Sheet shall be paid free and clear of any restriction or condition, without any deduction or withholding (except to the extent required by law) on account of any present or future tax, and without deduction or withholding (except to the extent required by law) on account of any other amount, whether by way of set-off, counterclaim or otherwise.
- (c) If Borrower or any other entity is required by law to make any deduction or withholding on account of any tax or other amount in respect of any amounts to be paid to Lender as provided in the Term Sheet or any other agreement entered into pursuant to the Term Sheet:
- (i) Borrower shall pay any such tax or other amount before the date on which penalties attach thereto, such payment to be made (if the liability to pay is imposed on Borrower) for its own account or (if that liability is imposed on Lender or a third party) on behalf of and in the name of Lender or such third party; and
  - (ii) the sum payable by Borrower in respect of which the relevant deduction, withholding or payment is required shall (except, in the case of any such payment, to the extent that its amount is not ascertainable when that sum is paid) be increased to the extent necessary to ensure that, after the making of that deduction, withholding or payment, Lender receives and retains (free from any liability in respect of any such deduction, withholding or payment) a net sum equal to what it would have received and so retained had no such deduction, withholding or payment been required or made.
7. **Conditions/Expiration Date:** The Expiration Date provided for in paragraph 22 of the Term Sheet is hereby extended to November 8, 2019. In addition to the Conditions provided for in paragraph 16 of the Term Sheet, as conditions of the Loan prior to Lender funding the Net Loan Amount to Borrower:
- (a) Lender shall have received and found acceptable production insurance, in amounts acceptable to Lender, and such other insurance as Lender may reasonably require. Borrower shall ensure that the production insurance shall list Lender and its designees as additional insured and loss payees;
  - (b) no law or proposed law, any change in any law, or the interpretation or enforcement of any law shall have been introduced, enacted or announced, the effect of which will be to prohibit Lender from making the Loan or to increase materially the costs of the Loan to Lender;



- (c) no material default of any party under any agreement relating to the Production shall have occurred and be continuing;
  - (d) no material adverse change shall have occurred with respect to the business or prospects of Borrower or which may have a negative impact on Lender's Security or Borrower's ability to repay the Credit Facility herein; and
  - (e) Lender has received reports acceptable to Lender confirming that there are no filings of record which indicate that another person or entity has rights or a security interest in the collateral forming part of the Security (other than as expressly provided for herein) which would be inconsistent with or have priority over the security interest granted to Lender in connection with the Production.
8. **Representations and Warranties:** Borrower hereby represents and warrants to Lender, and acknowledges that Lender is relying on such representations and warranties in making the Loan, that:
- (a) it is a corporation validly organized and subsisting under the laws of its jurisdiction of formation, and is duly registered or qualified to carry on its business in all jurisdictions where such registration or qualification is necessary or desirable;
  - (b) it has the full power and authority to borrow the sums provided for in the Term Sheet, and the execution, delivery and performance of the Term Sheet, this Addendum and each agreement and document required by the Term Sheet and this Addendum has been duly authorized by all necessary actions on the part of Borrower, and does not violate or conflict with any law or any provision of its operating agreement or other constating documents or by-laws or any members' agreement to which Borrower is subject or any agreement to which Borrower is a party or results in the creation of any encumbrance on its property and assets, and all necessary corporate authorizations have been given for Borrower to carry out its obligations and perform its obligations under the Term Sheet, this Addendum and the agreements delivered in connection therewith;
  - (c) its execution and delivery of the Term Sheet, this Addendum and the Security and the performance of its obligations thereunder (i) do not and will not contravene, breach or result in any default under its articles, by-laws, constating documents or other organizational documents or under any mortgage, lease agreement or other legally binding instrument, license, permit or applicable law to which it is a party or by which any of its properties or assets may be bound, (ii) will not oblige it to grant any lien to any person other than Lender, and (iii) will not result in or permit the acceleration of the maturity of any of its indebtedness, liability or obligation under any mortgage, lease agreement or other legally binding instrument;
  - (d) no authorization, consent or approval of, or filing with or notice to, any person (including any governmental body) is required in connection with its execution, delivery or performance of the Term Sheet, this Addendum or the Security;
  - (e) the Security constitutes, or upon execution and delivery will constitute, valid and binding obligations of Borrower enforceable against it in accordance with its terms, subject to all applicable insolvency, bankruptcy and other laws of general application affecting the enforceability of creditors' rights and to the discretion of a court of competent jurisdiction to limit the availability of specific performance and other equitable remedies;
  - (f) it has provided to Lender all material information relating to its financial condition and business and all such information is true, accurate and complete in all material respects and omits no



- material fact necessary to make such information not misleading;
- (g) the Production will qualify for the Tax Credits, pursuant to the applicable legislation and Borrower has taken all necessary steps to qualify for the Tax Credits;
  - (h) Borrower contracted directly with the owner of copyright in the Production to provide production services;
  - (i) Subject to the Security granted to Lender, Borrower is entitled and authorized to apply for, receive and keep for its own account the Tax Credits in full;
  - (j) the final total production costs, craft, catering and per diem, and labour costs will be no less than the budgeted amounts estimated to be expended in the calculations used to estimate the expected value of the Tax Credits in the Opinion Letter;
  - (k) to the best of Borrower's knowledge, no federal or provincial income tax is payable, and no amount of income tax will be deducted from the Tax Credits; Borrower has no other sources of revenue, and has not estimated Tax Credits on the non-deductible portion of craft, catering or per diems;
  - (l) the production services provided by Borrower in respect of the Production were done through a "single purpose" production company, and no other activities other than the production services in respect of the Production were carried out by Borrower;
  - (m) the production services performed in British Columbia in respect of the Production were carried out by individuals or entities who/which were:
    - (i) residents of British Columbia at all applicable times in order to qualify for the Tax Credits; or
    - (ii) Canadian corporations, the shares of which are owned by one shareholder;
  - (n) Borrower has no reason to believe that the portion of the labour estimated for related party costs such as producer fees and corporate overhead will exceed an allowable amount;
  - (o) there is no equity investment from any government agencies and/or financial assistance from other sources which would reduce the estimated amount of the Tax Credits per the applicable regulations;
  - (p) the labour expenditures in respect of the production services on the Production were or will have been paid within sixty (60) days of the fiscal year in which the first tax credit claim was or is made;
  - (q) it is not aware of any claims or litigation pending or outstanding or threatened against Borrower or the Production whereby an adverse determination might adversely affect its financial condition or impair its operations;
  - (r) it has or will have, up to and including the date hereof:
    - i. filed and delivered or caused to be delivered federal, provincial, municipal and other governmental tax returns required to be filed under all laws and has paid all taxes shown as due on such returns, including, without limitation, income tax returns, sales and value-added tax returns and other tax returns;
    - ii. paid and discharged all lawful claims for labour, material and supplies;
    - iii. paid and discharged all taxes payable by it, save and except to the extent disclosed to, and



- consented to by, Lender in writing;
- iv. withheld and collected all taxes required to be withheld and collected by it and remitted such taxes to the appropriate governmental body; and
  - v. paid and discharged all obligations incidental to any trust imposed upon it by statute which, if unpaid, might become a lien upon any of the collateral forming part of the Security;
- and no assessment, appeal or claim is, as far as it is aware, being asserted or processed with respect to such claim, taxes or obligations;
- (s) except for liens permitted by Lender in writing, no part of Borrower's rights in and to the collateral provided for in the Term Sheet, have in any way been encumbered, assigned, conveyed or otherwise disposed of, and the same are free of any liens or claims whatsoever and there are no claims or litigation pending or outstanding or threatened which might in any way prejudice, interrupt or interfere with the security interest of Lender in and to such collateral and the exercise of the rights of Lender in such collateral as granted and assigned hereunder and pursuant to the Security;
  - (t) it does not have any property or assets constituting collateral under the Security, other than goods in transit, located in any jurisdiction other than as disclosed to Lender in writing;
  - (u) Borrower owns all rights necessary to entitle it to provide the production services in respect of the Production, and to grant the Security contemplated in the Term Sheet and herein in favour of Lender;
  - (v) to the best of Borrower's knowledge, the Production will not violate the right of privacy nor constitute a libel or slander of any entity, nor will it infringe upon any copyright or any literary, dramatic, statutory or common law rights of any kind of any entity;
  - (w) the Security to be executed and delivered to Lender pursuant to the Term Sheet and hereunder will effect (after the proper recordation of those documents required to be recorded) a valid first priority security interest in favour of Lender in the collateral provided for in the Term Sheet;
  - (x) none of the proceeds of the Loan shall be used, directly or indirectly, for any purpose other than to pay costs of production of the Production and to pay interest, fees and expenses as provided herein;
  - (y) Borrower has not applied for any governmental or public agency assistance amount that would adversely affect the Tax Credits; and
  - (z) Borrower shall ensure that any reinvestments will be done in accordance with Canada Revenue Agency guidelines to ensure no negative impact on the value of the estimated Tax Credits.

Borrower covenants that the representations and warranties made here in this Section shall be true and correct on each day that the Term Sheet, this Addendum and/or any of the Security remain in force and effect, with the same effect as if such representations and warranties had been made and given on and as of such day, notwithstanding any investigation made at any time by or on behalf of Lender; except that if any such representation and warranty is specifically given in respect of a particular date or period of time and relates only to such date or period of time, then such representation and warranty shall continue to be given as at such date or for such period of time.

9. **Covenants:** Borrower hereby covenants and undertakes that so long as any amounts are



outstanding under the Loan and the Loan has not been terminated by Lender:

- a. It shall at all times maintain its existence and carry on and conduct its business in a proper and efficient manner in accordance with good business practices and shall be in compliance in all material respects with all applicable laws, governmental regulations and restrictions and all insurance policies relating to any part of its properties or assets.
- b. Until the Production has been delivered and accepted, it shall furnish Lender with production reports, cost reports or such other status reports and information with respect to the Production as Lender may reasonably require from time to time.
- c. It shall not amend any of its material contracts relating to the Production without the prior written consent of Lender, which may be withheld at Lender's sole discretion.
- d. It shall remit, as required by all applicable fiscal legislation, all amounts to be deducted or withheld from salaries paid by it, as applicable, or any other payments made by it to any of its employees, as they fall due.
- e. It will duly pay, or cause to be paid, all sums of money when and as the same become due under the Term Sheet and this Addendum.
- f. It shall not assign or transfer the whole or any part of its interest in the Loan, nor any of its rights or obligations under the Term Sheet or hereunder, without the prior written consent of Lender, which consent may be withheld in Lender's sole discretion.
- g. Lender, in its sole discretion and without the consent of but with notice to Borrower, may at any time assign or transfer the whole or any part of its rights or obligations hereunder, and Borrower shall comply with the terms and provisions of such assignment or transfer.
- h. It shall maintain adequate records and books of account in accordance with generally accepted accounting principles in which accurate and complete entries shall be made in accordance with such accounting principles reflecting all transactions required to be reflected by such accounting principles and keep accurate and complete records of any property owned by it.
- i. It shall produce the Production strictly in accordance with (i) the provisions of the production services agreement and any other applicable contracts for the Production and (ii) the final production budget for the Production provided to Lender.
- j. It shall, as soon as practicable after it shall become aware of the same, give notice to Lender of the following events:
  - i. the commencement of any action, proceeding, arbitration or investigation against or in any other way relating to Borrower or any of its respective property, assets or business, which, if adversely determined, could have a material adverse effect on the business, property, financial condition or prospects of Borrower on their ability to perform its obligations under the Term Sheet, this Addendum or under the Security;
  - ii. any amendment to its articles, bylaws, constating documents or other organizational documents of Borrower;
  - iii. any development which has had or will have a material adverse effect upon the business, property, financial condition or prospects of Borrower or its ability to perform its



obligations under the Term Sheet, this Addendum or any Security; and

- iv. any Event of Default, giving the details thereof and specifying the action proposed to be taken with respect thereto.
- k. It shall not repay any indebtedness or liabilities owed to, or transfer assets (other than at fair market value for cash), or purchase assets from or otherwise enter into any transaction or agreement (other than on commercially reasonable terms) any entity on a non-arm's length basis (as defined in the Income Tax Act (Canada)).
- l. Borrower shall do everything possible as permitted by law to ensure that the Production qualifies for the Tax Credits and the same are claimed, processed, collected and delivered to Lender as soon as possible.
- m. It shall not enter into any transaction (including by way of reorganization, consolidation, amalgamation, liquidation, transfer, sale or otherwise) whereby all or any material portion or significant operating division of its undertaking, property and assets would become the property of any other person or, in the case of any such amalgamation, of the continuing corporation resulting therefrom.
- n. No collateral forming part of the Security shall be removed from its current location, except in the ordinary course of business of the grantor of such Security, without Lender either consenting to or being notified in writing of such intended action and all such further registrations having been effected, all such consents having been obtained and all such other security having been given, at the sole cost and expense of Borrower, as may be required or be desirable to protect or preserve the Security.
- o. It shall not provide financial assistance, either directly or indirectly, by means of a loan, guarantee, provision of security or otherwise to any entity during the term of the Loan.
- p. It shall deposit all physical property relating to the Production with a laboratory that will, upon request by Lender, deliver to Lender a laboratory pledgeholder agreement in the form reasonably required by Lender.
- q. After Lender has remitted the Loan to Borrower, it shall insure its assets and property, maintain in good standing such insurance policies including without limitation, E & O Insurance in amounts USD\$1,000,000 per occurrence and USD\$3,000,000 in the aggregate with a deductible of USD\$25,000, and shall add Lender as an additional insured under any existing E & O Insurance policies relating to the Production and an additional insured and loss payee for all production insurance.
- r. It shall furnish Lender with copies of and duly file all tax returns which are or will be required to be filed within 90 days of Borrower's year end, to pay or make provision for payment of all taxes and other potential preferred claims which are or will become due and payable and to provide adequate reserves for the payment of any tax from sources outside of the Loan.
- s. Borrower shall provide to Lender, the provisional approvals for each of the Tax Credits as soon as they become available together with all other information and documentation reasonably requested by Lender.
- t. It shall deliver to Lender the Federal Tax Credits Part A CAVCO Certificate and British Columbia Eligibility Certificate for the Tax Credits confirming eligibility and qualification of



- the Production and Borrower's for the Tax Credits upon receipt.
- u. It shall not apply for any governmental or public agency assistance amount that would adversely affect the Tax Credits.
  - v. It shall advise Lender as to the date upon which principal photography for the Production is completed, the date upon which post-production is commenced and completed and the date upon which the Production is delivered.
  - w. When the Production has been scored, it shall deliver to Lender evidence of the deletion of any music exclusion from the insurance policies relating to the Production as soon as it is available.
  - x. It shall retain Borrower's accountant (acceptable to Lender) to review the accreditation certificate application with respect to the Tax Credits and file Borrower's year-end tax returns.
  - y. If Lender requests, Borrower shall execute and deliver, or cause to be executed and delivered, to Lender the documents referred to herein and such further instruments, documents and agreements as Lender may reasonably require, and shall do, or cause to be done, such further acts as Lender may reasonably require to carry out or effectuate the purposes of the Term Sheet and/or this Addendum and enable Lender to exercise its rights and remedies hereunder; if Borrower fails to execute or deliver to Lender any such further instruments, documents or agreements within ten (10) business days after Lender's request therefor, then Lender is hereby appointed as Borrower's irrevocable attorney-in-fact, with full power of substitution and with the right, but not the obligation, to do any and all acts and things necessary to execute, acknowledge and deliver any and all such further instruments, documents or agreements, in Borrower's name and on behalf of Borrower (copies of such instruments, documents or agreements so signed by Lender on behalf of Borrower are to be provided to Borrower forthwith), which appointment shall be deemed to be a power coupled with an interest and shall be irrevocable.
  - z. It shall deliver to the Production, or shall cause the delivery of, all delivery materials as set out in the production services agreement.
  - aa. Borrower shall not pay any amounts that have been deferred in connection with the final locked production budget for the Production until Lender authorizes these payments to be made.
10. **Default:** The Loan is repayable on demand and Lender shall be free to make demand at any time.
11. **Non-Merger:** All covenants, agreements, representations and warranties of Borrower made in the Term Sheet, herein or in any Security, or in any certificate or other document signed by any of its directors or officers and delivered by or on behalf of Borrower pursuant hereto or thereto shall survive the execution and delivery of the Term Sheet and this Addendum and the Security until it shall have satisfied and performed all of its obligations hereunder and thereunder.
12. **Further Assurances** Either before or after the occurrence of an Event of Default or a demand by Lender for repayment, Borrower shall at its own expense do, make, execute or deliver all such further acts, documents, and things in connection with the Term Sheet and this Addendum and the Security as Lender may reasonably require from time to time for the purpose of giving effect thereto including, without limitation, for the purpose of facilitating the enforcement of the Security, all immediately upon the request of Lender.



13. **Paramouncy:** In the event of conflict between the provisions of the Term Sheet as amended by this Addendum and of any other agreement entered into or given by Borrower in favour of Lender, the terms of the Term Sheet and this Addendum shall prevail to the extent of any such conflict.
14. **Set-Off:** Amounts payable by Borrower pursuant to the Term Sheet and hereunder shall not be subject to any deduction, withholding, set-off or counterclaim by Borrower for any reason whatsoever. Lender may at any time and from time to time, without notice to Borrower, combine, consolidate or merge all or any of the accounts of Borrower with, and liabilities to, Lender and may set-off, appropriate and apply any and all deposits by or for the benefit of Borrower with Lender, general or special, matured or unmatured, and any other indebtedness and liability of Lender to Borrower, matured or unmatured, against and on account of all amounts outstanding hereunder when due, notwithstanding that the balances of the accounts, deposits or amounts outstanding may or may not be expressed in the same currency.
15. **Notices:** Any notice or demand hereunder shall be given in writing by email or delivery. An email shall be deemed received on the date of transmission when transmitted to the email address shown herein, provided such transmission is received prior to 5:00 p.m. on a business day and otherwise on the next business day. A delivered notice or demand shall be deemed received when hand-delivered to the receiving party at the address shown herein. Each party shall be bound by any notice given hereunder and entitled to act in accordance therewith, unless otherwise agreed. The addresses and emails of the parties for the purpose hereof shall be:

(a) to Lender:

The Forest Road Company, LLC  
923 Cole Ave  
Los Angeles, CA 90038  
Attention: Will French  
Email: will@forestroado.com

with a copy to:

Hall Webber LLP  
1200 Bay Street, Suite 400  
Toronto, Ontario M5R 2A5  
Attention: Divya Shahani  
Email: Divya@hallwebber.com

to Borrower and the Guarantors:

Skyline 2 Productions Inc.  
369 Terminal Avenue, Suite 520  
Vancouver, British Columbia  
V6A 4C4  
Attention: Matthew Chausse  
Email: matthewchausse@gmail.com



or such other addresses or email addresses as each party from time to time may notify the other as aforesaid.

16. **Indemnity:** Borrower shall, at all times, defend, indemnify and hold Lender and its shareholders, officers, directors, employees, representatives, agents, successors, licensees and assigns harmless from and against any and all liabilities, claims, demands, causes of action, losses, damages, expenses (including, without limitation, reasonable attorneys' fees), costs, settlements, judgments or recoveries arising out of or resulting from (i) any breach of Borrower's representations, warranties, agreements or covenants made herein, (ii) any suit or proceeding of any kind or nature whatsoever against Lender arising from or connected with the transactions contemplated by the Term Sheet and this Addendum or any of the documents, instruments or agreements to be executed pursuant hereto or any of the rights and properties assigned to Lender hereunder (except those arising due to Lender's gross negligence or willful misconduct), or (iii) any suit or proceeding that Lender may in good faith deem necessary or advisable to institute, in the name of Lender, or Borrower, against any other entity for any reason whatsoever to protect Lender's rights hereunder, or any rights granted to Lender, all of which shall be charged to and paid by Borrower and shall be secured by the Security.
17. **Severability:** If any provision of the Term Sheet or this Addendum shall be held by a court of competent jurisdiction to be contrary to any law and prohibited or unenforceable, such prohibition or unenforceability shall not invalidate or render the provision concerned prohibited or unenforceable in any other jurisdiction nor shall it invalidate, affect or impair any of the remaining provisions of the Term Sheet or this Addendum.
18. **Right to Future Financing:** The Borrower and the Guarantors hereby agree that the Lender shall be afforded the right to provide production financing for any subsequent productions related to the Production. The Borrower and Guarantors agree that they will not seek, or cause to be sought, any financing in respect of the Production or any productions related to the Production without first allowing the Lender to make an offer to finance such production.
19. **Amendment:** No amendment or waiver of any provision of the Term Sheet or this Addendum shall be effective unless the same shall be in writing and signed by all parties hereto. No failure by Lender to exercise any right, remedy, or option under this Addendum or any of the other documents relating hereto, or delay by Lender in exercising the same, will operate as a waiver thereof. Lender's rights under the Term Sheet and this Addendum and the other documents relating hereto will be cumulative and not exclusive of any other right or remedy that Lender may have.
20. **No Other Relationship:** Nothing in the Term Sheet and this Addendum shall create any relationship other than lender and borrower.
21. **Judgment Currency:** If for the purpose of obtaining judgment in any court in any jurisdiction with respect to the Term Sheet and/or this Addendum, it is necessary to convert into the currency of such jurisdiction (the "**Judgment Currency**") any amount due hereunder in any currency other than the Judgment Currency, then conversion shall be made at the rate of exchange prevailing on the business day before the day on which the judgment is given. For this purpose "**rate of exchange**" means the rate at which Lender would, on the relevant date, be prepared to sell a similar amount of such currency in the Toronto foreign exchange market, against the Judgment Currency, in accordance with normal banking procedures.



In the event that there is a change in the rate of exchange prevailing between the business day before the day on which the judgment is given and the date of payment of the amount due, Borrower will, on the date of payment, pay such additional amounts as may be necessary to ensure that the amount paid on such date is the amount in the Judgment Currency which, when converted at the rate of exchange prevailing on the date of payment, is the amount then due under the Term Sheet and this Addendum in such other currency debt and shall not be effected by judgment being obtained for any other sums due under or in respect of the Term Sheet and this Addendum.

22. **Entire Agreement; Counterparts:** The Term Sheet, this Addendum and the documents, instruments and agreements delivered (or to be delivered) pursuant thereto shall constitute the entire agreement between the parties hereto with respect to the Loan and shall supersede all other agreements written or oral with respect thereto. This Addendum may be executed in any number of counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument, and shall become effective when each of the parties hereto shall have signed a counterpart hereof (whether or not the same counterpart). A signed and delivered copy of this Addendum or a signed copy transmitted electronically in either a tagged image format file (TIFF) or a portable document format (PDF), shall be binding on the party signing the electronically transmitted copy, and such copy shall have the same effect as the original. Any party who delivers such a signature page agrees to later deliver an original counterpart to any party who requests it.
23. **Invalidity of Provision:** Each of the provisions contained in the Term Sheet and this Addendum is distinct and severable and a declaration of invalidity or unenforceability of any such provision or part thereof by a court of competent jurisdiction shall not affect the validity or enforceability of any other provision hereof.

Please review the above terms and conditions carefully and if you are in agreement with same, please sign the letter in the space indicated below and return to my attention.

Yours truly,

**THE FOREST ROAD COMPANY, LLC**  
By its authorized signatory:



Name: Idan Shani  
Title: COO/CFO

[SIGNATURES FOLLOW]



**[SIGNATURES FOLLOW]  
ACKNOWLEDGEMENT**

The undersigned acknowledges, accepts and agrees to the within terms and conditions.

Dated this 25<sup>th</sup> day of September 2019.

**BORROWER:**

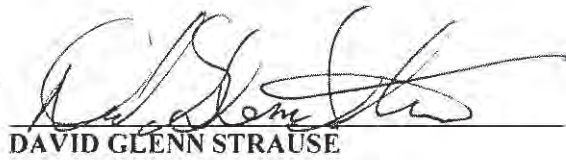
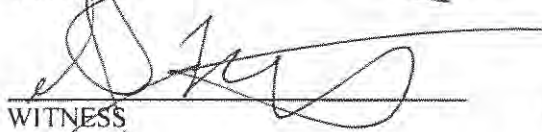
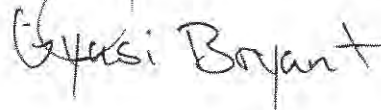
**SKYLINE 2 PRODUCTIONS INC.**

By its authorized signatory:



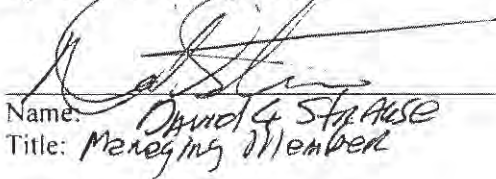
Name: Emilio Mauro  
Title: Director

**GUARANTORS:**

  
WITNESS  
DAVID GLENN STRAUSE  
WITNESS  
LINDA LIDDELL STRAUSE

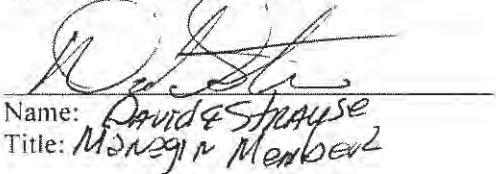
**GARBO HOLDINGS LLC**

By its authorized signatory:

  
Name: David G. Strause  
Title: Managing Member

**VITALITY VISUAL EFFECTS LLC**

By its authorized signatory:

  
Name: David G. Strause  
Title: Managing Member

**CONSENT**

**TO:** Canada Revenue Agency  
Canadian Audio-Visual Certification Office  
Creative BC  
BC Ministry of Tourism, Arts and Culture

and each affiliate of any of the foregoing (individually a "**Counterparty**" and collectively the "**Counterparties**")

**AND TO:** The Forest Road Company, LLC ("**Lender**")

**FROM:** Skyline 2 Productions Inc. (the "**Borrower**")

**RE:** A Term Sheet dated as of September 25, 2019 (the "**Term Sheet**") issued by Lender in favour of Borrower in connection with "*Ed Quinn Vs.*" (the "**Production**").

Please note that, in connection with the Term Sheet, Borrower hereby irrevocably authorizes Lender to communicate with any counterparty directly regarding the development, production, exploitation and financing of the Production. Borrower hereby authorizes each of the counterparties to provide Lender with any information, including, without limitation, any personal and/or confidential information, relating to Borrower, its principals, affiliates and subsidiaries, and the Production, that Lender may request from time to time.

**DATED** as of \_\_\_\_\_, 2019.

**SKYLINE 2 PRODUCTIONS INC.**

By:   
Name: **Emilio Mauro**  
Title: **Director**

**I have authority to bind Borrower.**

**This is Exhibit "C" referred to in the affidavit  
of IDAN SHANI, SWORN BEFORE ME**

**this 16th day of July, 2021.**

DocuSigned by:

*Craig Mills*

EE378B46B4B142A...

---

**A COMMISSIONER FOR TAKING AFFIDAVITS  
CCRAIG MILLSRAIG MILLS**

**PROMISSORY NOTE**

Amount: USD \$1,000,000

Date: October 25, 2019

**FOR VALUE RECEIVED**, the undersigned, having its place of business at 369 Terminal Avenue, Suite 520, Vancouver, British Columbia V6A 4C4, Attention: Matthew Chausse, hereby acknowledges itself indebted and promises to pay to or to the order of **THE FOREST ROAD COMPANY, LLC** ("Lender"), at its offices at 238 Cedar Avenue, Hewlett, NY 11557, Attention: Zachary Tarica, or such other place as Lender may designate, **ON DEMAND** at any date hereafter, the principal amount of One Million United States Dollars (USD \$1,000,000), in lawful money of the United States of America, plus interest as set out in the Term Sheet and Term Sheet Addendum dated September 25, 2019 ("**Term Sheet**") between the undersigned and Lender. Demand by written notification to the undersigned shall be deemed sufficient notice of demand.

This Note may be prepaid in whole or in part by the undersigned from time to time and at any time without notice, bonus or penalty, subject to the terms of the Term Sheet.

This Note and all its provisions shall be binding upon and shall inure to the benefit of the successors and permitted assigns of Lender and the undersigned, respectively.

The undersigned hereby waives presentment for payment, notice of non-payment, protest and notice of protest and any other condition precedent to action against the undersigned for payment of this Note and does hereby agree to pay all costs and expenses (including all reasonable legal costs) paid or incurred in collecting the same after the same shall become due and payable upon and following demand. The undersigned agrees that any delays or modifications granted by Lender or any failure to act by Lender shall not be deemed as a waiver of any rights of Lender to collect the principal amount due hereunder, and interest due thereon, or any other amounts due by the undersigned to Lender.

None of the rights or obligations of the undersigned under this Note shall be assignable or transferable by the undersigned without the prior written consent of Lender.

This Note is the promissory note contemplated by, and is entitled to the benefits of, the Term Sheet; which, among other things, provides for:

(a) acceleration of the maturity of the indebtedness evidenced hereby upon the happening of certain stated events; and

(b) the prepayment on account of principal hereof prior to the maturity of the indebtedness evidenced hereby,

upon the terms and conditions specified in the Term Sheet.

**DATED** as of the 25<sup>th</sup> day of October, 2019

**SKYLINE 2 PRODUCTIONS INC.**

Per:  \_\_\_\_\_

**This is Exhibit "D" referred to in the affidavit  
of IDAN SHANI, SWORN BEFORE ME  
this 16th day of July 2021.**

DocuSigned by:

*Craig Mills*

EE378B46B4B142A...

---

**A COMMISSIONER FOR TAKING AFFIDAVITS  
CRACRAIG MILLSIG MILLS**

## General Security Agreement

TO: **THE FOREST ROAD COMPANY, LLC**

The undersigned (the "**Debtor**") hereby enters into this General Security Agreement with **THE FOREST ROAD COMPANY, LLC** (the "**Lender**") for valuable consideration and as security for the repayment and discharge of all indebtedness, obligations and liabilities of any kind, now or hereafter existing, direct or indirect, absolute or contingent, joint or several, of the Debtor to the Lender, whether as principal or surety, together with all expenses (including legal fees on a solicitor and client basis) incurred by the Lender, its receiver or agent in the preparation, perfection and enforcement of security or other agreements held by the Lender in respect of such indebtedness, obligations or liabilities, and interest thereon (all of which present and future indebtedness, obligations, liabilities, expenses and interest are collectively called the "**Indebtedness**").

### SECTION 1 - GRANT OF SECURITY INTERESTS

- 1(1) The Debtor hereby grants to the Lender, by way of mortgage, charge, assignment and transfer, a security interest (the "**Security Interest**") in the undertaking of the Debtor and in all Personal Property including, without limitation, all Goods (including all parts, accessories, attachments, special tools, additions and accessions thereto), Accounts, Chattel Paper, Documents of Title (whether negotiable or not), Instruments, Intangibles, Money and Securities now or hereafter owned or acquired by or on behalf of the Debtor and in all proceeds and renewals thereof, accretions thereto and substitutions therefor (collectively called the "**Collateral**") including, without limitation, all of the following now or hereafter owned or acquired by or on behalf of the Debtor:
- (a) all Inventory of whatever kind and wherever situate;
  - (b) all Equipment of whatever kind and wherever situate including, without limitation, all machinery, tools, apparatus, plant, furniture, fixtures and vehicles of whatsoever nature or kind;
  - (c) all accounts and book debts and generally all debts, dues, claims, choses in action and demands of every nature and kind howsoever arising or secured including letters of credit, guarantees and advices of credit which are now due, owing or accruing or growing due to or owned by or which may hereafter become due, owing or accruing or growing due to or owned by the Debtor;
  - (d) all deeds, documents, writings, papers, books of account and other books relating to or being records of Accounts, Chattel Paper or Documents of Title or by which such are or may hereafter be secured, evidenced, acknowledged or made payable;
  - (e) all contractual rights and insurance claims and all Intellectual Property (as that term is defined in Schedule "A" hereto);
  - (f) all monies other than trust monies lawfully belonging to others; and

- (g) all property and assets, real and personal, movable or immoveable, of whatsoever nature and kind.
- 1(2) The Security Interest hereby created shall not extend or attach to any personal property held in trust by the Debtor and lawfully belonging to others or any property of the Debtor that constitutes consumer goods for the personal use of the Debtor; or the last day of the term of any lease, oral or written, or agreement therefor, now held or hereafter acquired by the Debtor, provided that upon the enforcement of the Security Interest the Debtor shall stand possessed of such last day in trust to assign and dispose of the same to any person acquiring such term. Unless otherwise defined herein, capitalized terms used herein shall have meanings ascribed thereto in the PPSA, as hereinafter defined.

## **SECTION 2 - ATTACHMENT**

- 2(1) The Debtor warrants and acknowledges that the Debtor and the Lender intend the Security Interest in existing Collateral to attach upon the execution of this General Security Agreement; that value has been given; that the Debtor has rights in such existing Collateral; and that the Debtor and the Lender intend the Security Interest in hereafter acquired Collateral to attach at the same time as the Debtor acquires rights in the said after acquired Collateral.

## **SECTION 3 - REPRESENTATIONS AND WARRANTIES OF THE DEBTOR**

- 3(1) The Debtor hereby represents and warrants and, so long as this General Security Agreement remains in effect shall be deemed to continuously represent and warrant, to the Lender that:
- (a) the Debtor has or expects hereafter to have assets at the location(s) set out in Schedule "B";
  - (b) the Collateral is situated or located at the location(s) set out in Schedule "B" on the date hereof; may also be located at other places while in transit to and from such locations and premises; and may from time to time be situated or located at any other place when on lease or consignment to any lessee or consignee from the Debtor; and
  - (c) the Collateral is genuine and owned by the Debtor free of all security interests, mortgages, liens, claims, charges or other encumbrances (collectively called "**Encumbrances**"), save for the Security Interest and those Encumbrances expressly consented to in writing by the Lender.

## **SECTION 4 - COVENANTS AND AGREEMENTS OF THE DEBTOR**

- 4(1) The Debtor hereby covenants and agrees with the Lender that until all of the Indebtedness is paid in full:
- (a) the Debtor shall not without the prior written consent of the Lender sell or dispose of any of the Collateral in the ordinary course of business or otherwise, and if the



amounts on or in respect of the Collateral or Proceeds thereof shall be paid to the Debtor, the Debtor shall receive the same in trust for the Lender and forthwith pay over the same to the Lender upon request; provided however that the Inventory of the Debtor may be sold or disposed of in the ordinary course of business and for the purpose of carrying on the same;

- (b) the Debtor shall not without the prior written consent of the Lender create or permit any Encumbrances upon or assign or transfer as security or pledge or hypothecate as security any of the Collateral except to the Lender;
  - (c) the Debtor shall at all times have and maintain insurance over the Collateral against risks of fire (including extended coverage), theft, and such risks as the Lender may reasonably require in writing, containing such terms, in such form, for such periods and written by such companies as may be reasonably satisfactory to the Lender. The Debtor shall duly and seasonably pay all premiums and other sums payable for maintaining such insurance and shall cause the insurance money thereunder to be payable to the Lender as its interest hereunder may appear and shall, if required, furnish the Lender with certificates or other evidence satisfactory to the Lender of compliance with the foregoing insurance provisions. In the event that the Debtor fails to pay all premiums and other sums payable in accordance with the foregoing insurance provision, the Lender may make such payments to be repayable by the Debtor on demand and any such payments made by the Lender shall be secured hereby;
  - (d) the Debtor shall keep the Collateral in good condition and repair according to the nature and description thereof, and the Lender may, whenever it deems necessary, either in person or by agent, inspect the Collateral and the reasonable cost of such inspection shall be paid by the Debtor and secured hereby and the Lender may make repairs as it deems necessary, and the cost thereof shall be paid by the Debtor and secured hereby;
  - (e) the Debtor shall duly pay all taxes, rates, levies, assessments of every nature which may be lawfully levied, assessed or imposed against or in respect of the Debtor or the Collateral as and when the same become due and payable;
  - (f) the Debtor agrees that the Lender may, at any time, whether before or after a default under this General Security Agreement, notify any account debtor of the Debtor of the Security Interest, require such account debtor to make payment to the Lender, take control of any Proceeds of Collateral and may hold all amounts received from any account debtor and any Proceeds as part of the Collateral and as security for the Indebtedness; and
  - (g) the Debtor shall notify the Lender promptly of any change in the information set out in Schedule "B".
- 4(2) The Debtor shall at all times and from time to time do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered any such further act, deed,



transfer, assignment, assurance, document or instrument as the Lender may reasonably require for the better granting, mortgaging, charging, assigning and transferring unto the Lender the property and assets hereby subjected or intended to be subject to the Security Interest or which the Debtor may hereafter become bound to mortgage, charge, assign, transfer or subject to the Security Interest in favour of the Lender and for the better accomplishing and effectuating of this General Security Agreement and the provisions contained herein and each and every officer of the Lender is irrevocably appointed attorney to execute in the name and on behalf of the Debtor any document or instrument for the said purposes.

- 4(3) The Debtor shall permit the Lender at any time, either in person or by agent, to inspect the Debtor's books and records pertaining to the Collateral. The Debtor shall at all times upon request by the Lender furnish the Lender with such information concerning the Collateral and the Debtor's affairs and business as the Lender may reasonably request including, without limitation, lists of Inventory and Equipment and lists of Accounts showing the amounts owing upon each Account and securities therefor and copies of all financial statements, books and accounts, invoices, letters, papers and other documents in any way evidencing or relating to the Accounts.
- 4(4) The Debtor acknowledges and agrees that, in the event it amalgamates with any other corporation or corporations, it is the intention of the parties hereto that the term "**Debtor**" when used herein shall apply to each of the amalgamating corporations and to the amalgamated corporation, such that the Security Interest granted hereby:
- (a) shall extend and attach to "**Collateral**" (as that term is herein defined) owned by each of the amalgamating corporations and the amalgamated corporation at the time of amalgamation and to any "**Collateral**" thereafter owned or acquired by the amalgamated corporation;
  - (b) shall secure the "**Indebtedness**" (as that term is herein defined) of each of the amalgamating corporations and the amalgamated corporation to the Lender at the time of amalgamation and any "**Indebtedness**" of the amalgamated corporation to the Lender thereafter arising.

## SECTION 5 - DEFAULT

- 5(1) The Debtor shall be in default under this General Security Agreement upon the occurrence of any one of the following events:
- (a) the nonpayment by the Debtor, when due, whether by acceleration or otherwise, of any of the Indebtedness;
  - (b) the death or a declaration of incompetency by a court of competent jurisdiction with respect to the Debtor, if an individual;
  - (c) the failure of the Debtor to observe or perform any covenant, undertaking or agreement heretofore or hereafter given to the Lender, whether contained herein or not;

- (d) an execution or any other process of the Court becomes enforceable against the Debtor or a distress or an analogous process is levied upon the property of the Debtor or any part thereof;
  - (e) the Debtor becomes insolvent, commits an act of bankruptcy, makes an assignment in bankruptcy or a bulk sale of its assets, any proceeding for relief as a debtor or liquidation, re-assignment or winding-up is commenced with respect to the Debtor or a bankruptcy petition is filed or presented against the Debtor and is not bona fide opposed by the Debtor;
  - (f) the Debtor ceases to carry on business; or
  - (g) the Debtor defaults in the observance or performance of any provision relating to indebtedness of the Debtor to any creditor other than the Lender and thereby enables such creditor to demand payment of such indebtedness.
- 5(2) The Lender may in writing waive any breach by the Debtor of any of the provisions contained herein or any default by the Debtor in the observance or performance of any covenant or condition required by the Lender to be observed or performed by the Debtor; provided that no act or omission by the Lender in the premises shall extend to or be taken in any manner whatsoever to affect any subsequent breach or default or the rights resulting therefrom.

## **SECTION 6 - REMEDIES OF THE LENDER**

- 6(1) Upon any default under this General Security Agreement, the Lender may declare any or all of the Indebtedness to be immediately due and payable and the Lender may proceed to realize the security hereby constituted and to enforce its rights by entry or by the appointment by instrument in writing of a receiver or receivers of all or any part of the Collateral and such receiver or receivers may be any person or persons, whether an officer or officers or employee or employees of the Lender or not, and the Lender may remove any receiver or receivers so appointed and appoint another or others in his or their stead; or by proceedings in any court of competent jurisdiction for the appointment of a receiver or receivers or for sale of the Collateral or any part thereof; or by any other action, suit, remedy or proceeding authorized or permitted hereby or by law or by equity; and may file such proofs of claim and other documents as may be necessary or advisable in order to have its claim lodged in any bankruptcy, winding-up or other judicial proceedings relative to the Debtor.
- 6(2) Any such receiver or receivers so appointed shall have power:
- (a) to take possession of the Collateral or any part thereof and to carry on the business of the Debtor;
  - (b) to borrow money required for the maintenance, preservation or protection of the Collateral or any part thereof or the carrying on of the business of the Debtor;

- (c) to further charge the Collateral in priority to the Security Interest as security for money so borrowed; and
- (d) to sell, lease or otherwise dispose of the whole or any part of the Collateral on such terms and conditions and in such manner as such receiver or receivers shall determine.

In exercising any powers any such receiver or receivers shall be deemed to act as agent or agents for the Debtor and the Lender shall not be responsible for the actions of such agent or agents.

- 6(3) In addition, the Lender may enter upon and lease or sell the whole or any part or parts of the Collateral and any such sale may be made hereunder by public auction, by public tender or by private contract, with or without notice, advertising or any other formality, all of which are hereby waived by the Debtor, and such sale shall be on such terms and conditions as to credit or otherwise and as to upset or reserve bid or price as to the Lender in its sole discretion may seem advantageous and such sale may take place whether or not the Lender has taken possession of such Collateral.
- 6(4) No remedy for the realization of the security hereof or for the enforcement of the rights of the Lender shall be exclusive of or dependent on any other such remedy, and any one or more of such remedies may from time to time be exercised independently or in combination.
- 6(5) The term "**receiver**" as used in this General Security Agreement includes a receiver and manager.

## **SECTION 7 - RIGHTS OF THE LENDER**

- 7(1) All payments made in respect of the Indebtedness and money realized from any securities held therefor may be applied on such part or parts of the Indebtedness as the Lender may see fit and the Lender shall at all times and from time to time have the right to change any appropriation of any money received by it and to reapply the same on any other part or parts of the Indebtedness as the Lender may see fit, notwithstanding any previous application by whomsoever made.
- 7(2) The Debtor grants to the Lender the right to set off against any and all accounts, credits or balances maintained by it with the Lender, the aggregate amount of any of the Indebtedness when the same shall become due and payable whether at maturity, upon acceleration of maturity thereof or otherwise.
- 7(3) The Lender, without exonerating in whole or in part the Debtor, may grant time, renewals, extensions, indulgences, releases and discharges to, may take securities from and give the same and any or all existing securities up to, may abstain from taking securities from or from perfecting securities of, may accept compositions from, and may otherwise deal with the Debtor and all other persons and securities as the Lender may see fit.

- 7(4) The Lender may assign, transfer and deliver to any transferee any of the Indebtedness or any security or any documents or instruments held by the Lender in respect thereof provided that no such assignment, transfer or delivery shall release the Debtor from any of the Indebtedness; and thereafter the Lender shall be fully discharged from all responsibility with respect to the Indebtedness and security, documents and instruments so assigned, transferred or delivered. Such transferee shall be vested with all powers and rights of the Lender under such security, documents or instruments but the Lender shall retain all rights and powers with respect to any such security, documents or instruments not so assigned, transferred or delivered. The Debtor shall not assign any of its rights or obligations hereunder without the prior written consent of the Lender.

## **SECTION 8 - MISCELLANEOUS**

- 8(1) This General Security Agreement is in addition to, not in substitution for and shall not be merged in any other agreement, security, document or instrument now or hereafter held by the Lender or existing at law, in equity or by statute.
- 8(2) Nothing herein shall obligate the Lender to make any advance or loan or further advance or loan or to renew any note or extend any time for payment of any indebtedness of the Debtor to the Lender.
- 8(3) This General Security Agreement shall be binding upon the Debtor and its heirs, legatees, trustees, executors, administrators, successors and assigns including any successor by reason of amalgamation of or any other change in the Debtor and shall enure to the benefit of the Lender and its successors and assigns.
- 8(4) In construing this General Security Agreement, terms herein shall have the same meaning as defined in the PPSA, as hereinafter defined, unless the context otherwise requires. Words importing gender shall include all genders. Words importing the singular number shall include the plural and vice versa.
- 8(5) If one or more of the provisions contained herein shall be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired thereby.
- 8(6) The headings in this General Security Agreement are included herein for convenience of reference only, and shall not constitute a part of this General Security Agreement for any other purpose.
- 8(7) Any notice or statement referred to herein may be delivered, sent by facsimile machine, electronic mail, or providing that postal service throughout Canada is fully operative, may be mailed by ordinary prepaid mail to the Debtor at its last address known to the Lender and the Debtor shall be deemed to have received such notice or statement on the day of delivery, if delivered or sent by electronic mail during normal business hours, or the following business day if delivered outside of normal business hours, one business day after transmission and confirmation received if sent by facsimile machine and three business days after mailing, if mailed.

- 8(8) Where any provision or remedy contained or referred to in this General Security Agreement is prohibited, modified or altered by the laws of any province or territory of Canada which governs that aspect of this General Security Agreement and the provision or remedies may be waived or excluded by the Debtor in whole or in part, the Debtor hereby waives and excludes such provision to the fullest extent permissible by law.
  
- 8(9) This General Security Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia as the same may be in effect from time to time including, where applicable, the *Personal Property Security Act* of that Province (as amended or substituted, the "**PPSA**"). For the purpose of legal proceedings this General Security Agreement shall be deemed to have been made in the said Province and to be performed there and the courts of that Province shall have jurisdiction over all disputes which may arise under this General Security Agreement and the Debtor hereby irrevocably and unconditionally submits to the non-exclusive jurisdiction of such courts, provided always that nothing herein contained shall prevent the Lender from proceeding at its election against the Debtor in the courts of any other Province, country or jurisdiction.
  
- 8(10) The Debtor acknowledges having received a copy of this General Security Agreement.

DATED as of the 25<sup>th</sup> day of October, 2019.

**SKYLINE 2 PRODUCTIONS INC.**

By: \_\_\_\_\_  \_\_\_\_\_  
Name:  
Title:

## SCHEDULE "A"

### (DEFINITION OF INTELLECTUAL PROPERTY)

**"Intellectual Property"** means, all copyrights, patents and trademarks and other intellectual or industrial property now owned or hereafter owned or acquired by the Debtor, including, without limitation the following intellectual property relating to a series currently entitled *"Ed Quinn Vs."* (the **"Production"**):

1. all of the Debtor's rights in and to the Production and all properties and things of value pertaining thereto and all products and proceeds thereof whether now in existence or hereafter made, acquired or produced, including any sequels to or adaptations of the Production including, without limitation:
  - (a) all rights of the Debtor of every kind and nature (including, without limitation, copyrights) in and to any or all literary, musical, dramatic or other literary material of any kind or nature upon which in whole or in part, the Production is or may be based, or from which the Production is or may be adapted or inspired or which may be or has been used or included in the Production including, without limitation, all scripts, scenarios, screenplays, bibles, stories, treatments, novels, outlines, books, titles, concepts, characters, manuscripts or other properties or materials of any kind or nature in whatever state of completion and all drafts, versions and variations thereof (collectively, the **"Literary Property"**);
  - (b) all physical properties of every kind or nature of or relating to the Production and all versions thereof including, without limitation, those relating to the development, production, completion, delivery, exhibition, distribution or other exploitation of the Production, and all versions thereof or any part thereof including, without limitation, the Literary Property, exposed film, developed film, positives, negatives, prints, answer prints, special effects, pre-print materials (including interpositives, negatives, duplicate negatives, internegatives, colour reversals, intermediates, lavender, fine grain master prints and matrices and all other forms of pre-print elements which may be necessary or useful to produce prints or other copies or additional pre-print elements, whether now known or hereafter devised), soundtracks, recordings, audio and video tapes and discs of all types and gauges, cutouts, trims and any and all other physical properties of every kind and nature relating to the Production in whatever state of completion, and all duplicates, drafts, versions, variations and copies of each thereof (collectively, the **"Physical Properties"**);
  - (c) all rights of the Debtor of every kind or nature in and to any and all music and musical compositions created for, used or to be used in connection with the Production including, without limitation, all copyrights therein and all rights to perform, copy, record, re-record, produce, publish, reproduce or synchronize any or all of said music and musical compositions;



- (d) to the extent necessary or desirable to complete the Production, all rights of the Debtor, if any, of every kind or nature, present and future, in and to all agreements relating to the development, production, completion, delivery and exploitation of the Production including, without limitation, all agreements for personal services, including the services of writers, directors, cast, producers, special effects personnel, personnel, animators, cameramen and other creative, artistic and technical staff and agreements for the use of studio space, equipment, facilities, animation services, special effects services and laboratory contracts;
- (e) all rights of the Debtor, if any, to any insurance and insurance policies in respect of the Production or the insurable properties thereof and/or any person or persons engaged in the development, production, completion, delivery, or exploitation of the Production including, without limitation, any key man, political risk or time variance contingency insurance, and the proceeds thereof;
- (f) all copyrights, rights in copyright, interests in copyrights and renewals and extensions of copyrights, domestic and foreign, obtained or to be obtained in respect of the Production or the Literary Property or any part thereof, and the right (but not the obligation) to make publication thereof for copyright purposes, to register claim under copyright, and the right (but not the obligation) to renew and extend such copyrights, and the right (but not the obligation) to sue in the name of the Debtor or in the name of the Lender for past, present, and future infringements of copyright;
- (g) all rights of the Debtor, if any, to produce, acquire, release, sell, distribute, subdistribute, lease, sublease, market, license, sublicense, exhibit, broadcast, transmit, reproduce, publicize or otherwise exploit the Production, the Literary Property and any and all right therein in perpetuity, in any manner and in any media whatsoever now known or hereafter created including, without limitation, all computer driven, digital or optical driven media including, without limitation CD-ROM, CD-I, 3DO, DVD, DVI and so called "videogames", throughout the universe except theatrically including, without limitation, by projection, radio, all forms of television (including, without limitation, free, pay, toll, cable, sustaining, subscription, sponsored and direct satellite broadcast), in theatres, non-theatrically, on cassettes, cartridges and discs and by any and all other scientific, mechanical or electronic means, methods, processes or devices now known or hereafter conceived, devised or created;
- (h) all rights of the Debtor of any kind or nature, direct or indirect, if any, to acquire, produce, develop, reacquire, finance, release, sell, distribute, subdistribute, lease, sublease, market, license, sublicense, exhibit, broadcast, transmit, reproduce, publicise or otherwise exploit the Production, or any rights in the Production including, without limitation, pursuant to agreements between the Debtor and any company controlling, controlled by, or under common control with the Debtor (a "**Subsidiary**") which relate to the ownership, production or financing of the Production;

- (i) all contract rights and general intangibles which grant to any person any right to acquire, produce, develop, reacquire, finance, release, sell, distribute, subdistribute, lease, sublease, market, license, sublicense, exhibit, broadcast, transmit, reproduce, publicise or otherwise exploit the Production, or any rights in the Production including, without limitation, all such rights pursuant to agreements between the Debtor and any Subsidiary which relate to the ownership, production or financing of the Production;
- (j) all rent, revenues, income, compensation, products, increases, proceeds and profits or other property obtained or to be obtained by the Debtor from the production, release, sale, distribution, subdistribution, lease, sublease, marketing, licensing, sub-licensing, exhibition, broadcast, transmission, reproduction, ownership exploitation or other uses or disposition of the Production, and the Literary Property (or any rights therein or part thereof), in any and all media including, without limitation, the properties thereof and amounts recovered as damages by reason of unfair competition, the infringement of copyright, breach of any contract or infringement of any rights, or derived therefrom in any manner whatever;
- (k) any and all of the Debtor's accounts, accounts receivable, general intangibles, contract rights, chattel paper, documents, instruments and goods, including inventory, not elsewhere included in this definition, which may arise in connection with the creation, production, completion, delivery, financing, ownership, possession or exploitation of the Production;
- (l) any and all documents, receipts or books and records, of the Debtor including, without limitation, documents or receipts of any kind or nature issued by any pledgeholder, warehouseperson or bailee, with respect to the Production and any element thereof;
- (m) all accounts receivable, all contract rights, all general intangibles (as such terms are defined above), of the Debtor including, without limitation, all rights to receive the payment of money, or other valuable consideration, all receivables and all other rights to receive the payment of money including, without limitation, under present or future contracts or agreements (whether or not earned by performance), from the sale, distribution, exhibition, disposition, leasing, subleasing, licensing, sub-licensing and other exploitation of the Production or the Literary Property or any part thereof or any rights therein in any medium, whether now known or hereafter developed, by any means, method, process, or device in any market and all other rights to receive film rentals, license fees, royalties and other amounts of every description including, without limitation, from: (A) non-theatrical exhibitors, television networks and stations and airlines, cable television systems, pay television operators, whether on a subscription, per program charge basis or otherwise, and other exhibitors; (B) distributors, subdistributors, lessees, sublessees, licensees and sublicensees (including any Subsidiary); and (C) any other person or entity that distributes, exhibits or exploits the Production or the



Literary Property or elements or components of the Production or the Literary Property or rights relating thereto; and

- (n) all proceeds, products, additions and accessions (including insurance proceeds) to the Production, as defined and referred to in subsections 1.(a) through 1.(m) above; and
2. the following personal property and the rights of the Debtor thereto, if any, whether now owned or hereafter acquired:
- (a) the title of the Production and all of the Debtor's rights to the non-exclusive use thereof including rights protected pursuant to trademark, service mark, unfair competition and/or other laws, rules or principles of law or equity; and
  - (b) all invention, processes, formula, licenses, patents, patent rights, trademarks, trademark rights, service marks, service mark rights, trade names, trade name rights, trade dress, trade dress rights, logos, indicia, corporate and company names, business source of business identifiers and renewals and extensions thereof, domestic and foreign, whether now owned or hereafter acquired, and the accompanying good will and other like business property rights relating to the Production, and the right (but not the obligation) to register claim under trademark or patent and to renew and extend such trademarks or patents and the right (but not the obligation) to sue in the name of the Debtor or in the name of the Lender for past, present or future infringement of trademark or patent.

**SCHEDULE "B"**  
**(LOCATION(S) OF COLLATERAL)**

1. Chief Executive Office of the Debtor:

250 Yonge Street, Suite 2201  
Toronto, ON M5V 2L7

2. Location(s) of the Collateral:

369 Terminal Avenue, Suite 520  
Vancouver, BC V6A 4C4

777 Dunsmuir Street  
Vancouver, BC V6C 1N5

250 Yonge Street, Suite 2201  
Toronto, ON M5V 2L7

3. Location(s) at which the Debtor maintains its records relating to the Collateral:

369 Terminal Avenue, Suite 520  
Vancouver, BC V6A 4C4

777 Dunsmuir Street  
Vancouver, BC V6C 1N5

250 Yonge Street, Suite 2201  
Toronto, ON M5V 2L7

**This is Exhibit "E" referred to in the affidavit  
of IDAN SHANI, SWORN BEFORE ME**

**this 16th day of July, 2021.**

DocuSigned by:

*Craig Mills*

EE378B46B4B142A...

**— A COMMISSIONER FOR TAKING AFFIDAVITS  
CRAIG MILLS**

RUN NUMBER : 188  
RUN DATE : 2021/07/07  
ID : 20210707091652.59

PROVINCE OF ONTARIO  
MINISTRY OF GOVERNMENT SERVICES  
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM  
ENQUIRY RESPONSE  
CERTIFICATE

REPORT : PSSR060  
PAGE : 1  
( 6164)

THIS IS TO CERTIFY THAT A SEARCH HAS BEEN MADE IN THE RECORDS OF THE CENTRAL OFFICE OF THE PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM IN RESPECT OF THE FOLLOWING:

TYPE OF SEARCH : BUSINESS DEBTOR

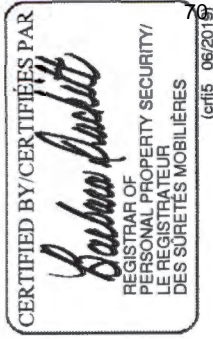
SEARCH CONDUCTED ON : SKYLINE 2 PRODUCTIONS INC.

FILE CURRENCY : 06JUL 2021

ENQUIRY NUMBER 20210707091652.59 CONTAINS 6 PAGE(S), 2 FAMILY(IES).

THE SEARCH RESULTS MAY INDICATE THAT THERE ARE SOME REGISTRATIONS WHICH SET OUT A BUSINESS DEBTOR NAME WHICH IS SIMILAR TO THE NAME IN WHICH YOUR ENQUIRY WAS MADE. IF YOU DETERMINE THAT THERE ARE OTHER SIMILAR BUSINESS DEBTOR NAMES, YOU MAY REQUEST THAT ADDITIONAL ENQUIRIES BE MADE AGAINST THOSE NAMES.

MILLER THOMSON LLP  
40 KING STREET WEST, SUITE 5800  
TORONTO ON M5H 3S1



RUN NUMBER : 188  
RUN DATE : 2021/07/07  
ID : 20210707091652.59

PROVINCE OF ONTARIO  
MINISTRY OF GOVERNMENT SERVICES  
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM  
ENQUIRY RESPONSE  
CERTIFICATE

REPORT : PSSR060  
PAGE : 2  
( 6165 )

TYPE OF SEARCH : BUSINESS DEBTOR  
SEARCH CONDUCTED ON : SKYLINE 2 PRODUCTIONS INC.  
FILE CURRENCY : 06.JUL 2021

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER  
75665523

CAPTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION  
FILING NO. OF PAGES SCHEDULE NUMBER UNDER PERIOD  
001 2 20191018 1501 6083 5867 P PPSA 5

00 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME ONTARIO CORPORATION NO. 2461340  
01 NAME BUSINESS NAME ADDRESS 1-121 JOHN STREET TORONTO ON M5V 2E2

02 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME ONTARIO CORPORATION NO. 2461340  
03 NAME BUSINESS NAME ADDRESS 369 TERMINAL AVENUE, UNIT 520 VANCOUVER BC V6A 4C4

04 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME ONTARIO CORPORATION NO. 2461340  
05 NAME BUSINESS NAME ADDRESS 369 TERMINAL AVENUE, UNIT 520 VANCOUVER BC V6A 4C4  
06 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME ONTARIO CORPORATION NO. 2461340  
07 NAME BUSINESS NAME ADDRESS 369 TERMINAL AVENUE, UNIT 520 VANCOUVER BC V6A 4C4

08 SECURED PARTY / FIRST COLLATERAL ADDRESS 238 CEDAR AVENUE HEWLETT NY 11557  
09 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME ONTARIO CORPORATION NO. 2461340  
10 NAME BUSINESS NAME ADDRESS 238 CEDAR AVENUE HEWLETT NY 11557

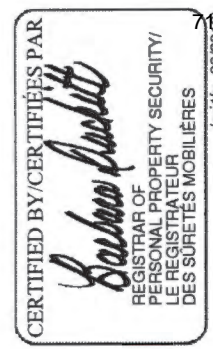
11 MOTOR YEAR MAKE MODEL V.I.N.  
12 VEHICLE

13 GENERAL ALL OF THE DEBTOR'S PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY.  
14 COLLATERAL  
15 DESCRIPTION

16 REGISTERING HALL WEBBER LLP TORONTO ON M5R 2A5  
17 AGENT ADDRESS 400-1200 BAY STREET TORONTO ON M5R 2A5

\*\*\* FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. \*\*\*

CONTINUED... 3





RUN NUMBER : 188  
RUN DATE : 2021/07/07  
ID : 20210707091652.59

PROVINCE OF ONTARIO  
MINISTRY OF GOVERNMENT SERVICES  
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM  
ENQUIRY RESPONSE  
CERTIFICATE

REPORT : PSSR060  
PAGE : 3  
( 6166)

TYPE OF SEARCH : BUSINESS DEBTOR  
SEARCH CONDUCTED ON : SKYLINE 2 PRODUCTIONS INC.  
FILE CURRENCY : 06JUL 2021

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER  
756665523

CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION  
FILING NO. OF PAGES SCHEDULE NUMBER UNDER PERIOD  
002 2 20191018 1501 6083 5867

00  
01  
02 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME  
03 NAME BUSINESS NAME SKYLINE 2 PRODUCTIONS INC.  
04 ADDRESS 777 DUNSMUIR STREET VANCOUVER  
ONTARIO CORPORATION NO. 2461340  
BC V6C 1N5

05 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME  
06 NAME BUSINESS NAME  
07 ADDRESS  
ONTARIO CORPORATION NO.

08 SECURED PARTY / COLLATERAL ADDRESS  
09 ADDRESS  
10 COLLATERAL CLASSIFICATION AMOUNT DATE OF NO. FILED  
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED MATURITY OR MANUALLY DATE

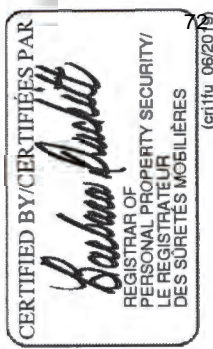
11 MOTOR YEAR MAKE MODEL V.I.N.  
12 VEHICLE

13 GENERAL  
14 COLLATERAL  
15 DESCRIPTION

16 REGISTERING  
17 AGENT ADDRESS

\*\*\* FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. \*\*\*

CONTINUED...



RUN NUMBER : 188  
RUN DATE : 2021/07/07  
ID : 20210707091652.59

PROVINCE OF ONTARIO  
MINISTRY OF GOVERNMENT SERVICES  
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM  
ENQUIRY RESPONSE  
CERTIFICATE

REPORT : PSSR060  
PAGE : 4  
( 6167)

TYPE OF SEARCH : BUSINESS DEBTOR  
SEARCH CONDUCTED ON : SKYLINE 2 PRODUCTIONS INC.  
FILE CURRENCY : 06JUL 2021

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

00 FILE NUMBER 705301209

01 CHAULTON FILING 001 PAGE NO. OF PAGES 002 TOTAL REGISTRATION NUMBER 20150421 1537 1862 6244 REGISTERED UNDER P PPSA REGISTRATION PERIOD 7

02 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME ONTARIO CORPORATION NO. M4M 2T5

03 NAME BUSINESS NAME SKYLINE 2 PRODUCTIONS INC. TORONTO

04 ADDRESS 65 HEWARD AVE. SUITE A 104

05 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME ONTARIO CORPORATION NO. M5V 2E2

06 NAME BUSINESS NAME SKYLINE 2 PRODUCTIONS INC. TORONTO

07 ADDRESS 121 JOHN STREET, SUITE 1

08 SECURED PARTY / THE CREDITOR ACTRA PERFORMERS' RIGHTS SOCIETY TORONTO

09 ADDRESS 625 CHURCH STREET, SUITE 300 TORONTO

10 COLLATERAL CLASSIFICATION MOTOR VEHICLE AMOUNT DATE OF MATURITY ON MATURITY DATE NO. FIXED CHARGES INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED

11 YEAR MAKE MODEL V.I.N.

13 GENERAL ALL PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY PURSUANT TO A SECURITY AGREEMENT MADE BY THE DEBTOR IN FAVOUR OF THE SECURED PARTY IN RESPECT OF THE PRODUCTION CURRENTLY TITLED ■ BEYOND SKYLINE ■.

14 COLLATERAL DESCRIPTION

15 REGISTERING AGENT ACTRA PERFORMERS' RIGHTS SOCIETY

16 ADDRESS 625 CHURCH STREET, SUITE 300 TORONTO M4Y 2G1

17 \*\*\* FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. \*\*\*

CONTINUED . . . . . 5





PROVINCE OF ONTARIO  
MINISTRY OF GOVERNMENT SERVICES  
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM  
ENQUIRY RESPONSE  
CERTIFICATE

RUN NUMBER : 188  
RUN DATE : 2021/07/07  
ID : 20210707091652.59

TYPE OF SEARCH : BUSINESS DEBTOR  
SEARCH CONDUCTED ON : SKYLINE 2 PRODUCTIONS INC.  
FILE CURRENCY : 06JUL 2021

FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN

00 FILE NUMBER : 705301209  
01 CAPTION : MOTOR VEHICLE REGISTRATION REGISTERED LENDER PERIOD  
PAGE NO. OF PAGES : 002 002  
SCHEDULE : 20150421 1537 1862 6244

02 DEBTOR : DATE OF BIRTH : FIRST GIVEN NAME : INITIAL : SURNAME :  
03 NAME : BUSINESS NAME : ADDRESS :  
04 : : : : : ONTARIO CORPORATION NO.

05 DEBTOR : DATE OF BIRTH : FIRST GIVEN NAME : INITIAL : SURNAME :  
06 NAME : BUSINESS NAME : ADDRESS :  
07 : : : : : ONTARIO CORPORATION NO.

08 SECURED PARTY / ACTRA  
09 : : : : : TORONTO ON M4Y2G1

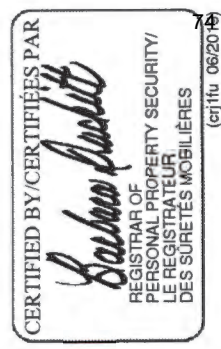
10 COLLATERAL CLASSIFICATION : MOTOR VEHICLE AMOUNT : DATE OF NO. FILED  
GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED : INCLUDED : MATURITY ON : MATURITY DATE

11 MOTOR : YEAR MAKE : MODEL : V.I.N.  
12 VEHICLE

13 GENERAL  
14 COLLATERAL  
15 DESCRIPTION

16 REGISTERING : ADDRESS :  
17 AGENT

\*\*\* FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. \*\*\*  
CONTINUED . . .





RUN NUMBER : 188  
RUN DATE : 2021/07/07  
ID : 202107091652.59

PROVINCE OF ONTARIO  
MINISTRY OF GOVERNMENT SERVICES  
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM  
ENQUIRY RESPONSE  
CERTIFICATE

REPORT : PSSR060  
PAGE : 6  
( 6169)

TYPE OF SEARCH : BUSINESS DEBTOR  
SEARCH CONDUCTED ON : SKYLINE 2 PRODUCTIONS INC.  
FILE CURRENCY : 06JUL 2021

INFORMATION RELATING TO THE REGISTRATIONS LISTED BELOW IS ATTACHED HERETO.

FILE NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER
756665523	20191018 1501 6083 5867		
705301209	20150421 1537 1862 6244		

2 REGISTRATION(S) ARE REPORTED IN THIS ENQUIRY RESPONSE.





Active Session Products Account Setup Contact Us

Sign Off News User Guides Price List Hours of Operation Links Site Map Conditions of Use BC OnLine HELP

### Personal Property Registry

### Selection List

For: [ PM19686 ] [ MILLER THOMSON LLP ]

Jul 07, 2021

08:08:53 AM

Return Send to Mailbox Help ?

Folio: 0251474.0002

BC OnLine Mailbox

Business Name: SKYLINE 2 PRODUCTIONS

Local Print Limit: 200

BSR101 - NO MORE INFORMATION TO DISPLAY

#### Debtor Name

- SKYLINE 2 PRODUCTIONS INC.
- SKYLINE 2 PRODUCTIONS INC.
- SKYLINE 2 PRODUCTIONS INC.

Display Selection



**This is Exhibit "F" referred to in the affidavit  
of IDAN SHANI, SWORN BEFORE ME**

**this 16th day of July, 2021.**

DocuSigned by:

*Craig Mills*

EE378B46B4E142A...  
**A COMMISSIONER FOR TAKING AFFIDAVITS  
CRAIG MILLS**

## Acknowledgment and Confirmation

TO: Skyline 2 Productions Inc. ("**Producer**")  
The Forest Road Company, LLC (the "**Lender**")

### RECITALS:

- A. As security for its indebtedness and liability to ACTRA Performers' Rights Society ("**ACTRA**"), Producer has granted or may in the future grant in favour of ACTRA certain security (the "**ACTRA Security**") which security was registered pursuant to the provisions of the *Personal Property Security Act* (Ontario) (the "**Act**") as follows:

<u>Registration Number</u>	<u>Debtor</u>	<u>File Number</u>
20150421 1537 1862 6244	Skyline 2 Productions Inc.	705301209

- B. As security for its indebtedness and liability to the Lender, Producer has granted or may in the future grant in favour of the Lender certain security (the "**Lender Security**") including a security interest in all of its present and after-acquired personal property (collectively, the "**Collateral**").

FOR VALUE RECEIVED, and intending to be legally bound, ACTRA hereby consents to Producer entering into and performing its obligations under the Lender Security and agrees as follows:

1. The ACTRA Security does not create a charge on or security interest in the Collateral in priority to the interests of the Lender in the Collateral under the Lender Security.
2. Notwithstanding the relative order of execution, registration, advance, delivery, attachment, possession, perfection or demand, any security interests of ACTRA in and to any of the Collateral which ACTRA may now have or hereafter obtain, shall be fully subordinated in all respects to the security interests of the Lender in and to the Collateral.
3. This agreement shall be binding upon ACTRA and its successors and assigns.

DATED as of the 5<sup>th</sup> day of November, 2019.

### ACTRA PERFORMERS' RIGHTS SOCIETY

By: \_\_\_\_\_  
Name:  
Title:

  
**Max Wagner**  
**Assistant Director**  
**ACTRA**  
**Performers' Rights Society**

**This is Exhibit "G" referred to in the affidavit  
of IDAN SHANI, SWORN BEFORE ME**

**this 16th day of July, 2021.**

DocuSigned by:

*Craig Mills*

EE378B46B4B142A...

---

**A COMMISSIONER FOR TAKING AFFIDAVITS  
CRAIG MILLS**

*“ED QUINN VS.”*

**ASSIGNMENT OF BC TAX CREDITS  
AGREEMENT made as of OCTOBER 25, 2019**

**BETWEEN:** SKYLINE 2 PRODUCTIONS INC. (the “**Producer**”)

**AND:** THE FOREST ROAD COMPANY, LLC (the “**Lender**”)

**RECITALS:**

- A. Pursuant to that certain Term Sheet dated as of September 25, 2019 (the “**Term Sheet**”) between the Lender and the Producer, the Lender has agreed to lend to the Producer certain sums subject to the terms set out therein (the “**Loan**”) in connection with the financing of a series presently entitled “*Ed Quinn Vs.*” (the “**Property**”).
- B. The Producer is or shall be entitled to receive certain monies relating to the production of the Property as a result of film and television tax credits to be received from the Refundable Income Tax Credit Program for the British Columbia Production Services Tax Credit and the Digital Animation or Visual Effects Tax Credit administered by Creative BC and the Canada Revenue Agency (“**CRA**”) (collectively, the “**Tax Credit Proceeds**”).
- C. The Producer has agreed to assign, transfer and convey, in favour of the Lender, the Tax Credit Proceeds as security for repayment of the Loan, together with any accrued and unpaid interest thereon.

**NOW, THEREFORE**, this Agreement witnesses that for valuable consideration, the receipt and sufficiency of which are hereby acknowledged and the mutual covenants contained herein, the parties hereto agree as follows:

1. **Assignment.** The Producer hereby irrevocably assigns, transfers and conveys to the Lender, the entire amount of the Tax Credit Proceeds (the “**Assigned Amount**”) as security for the fulfillment by the Producer of its indebtedness, liabilities and obligations pursuant to the Offer and as a source of repayment of the Loan and interest thereon by the Lender with respect to the Property.
2. **Representations & Warranties.** The Producer hereby represents and warrants to the Lender, and acknowledges that the Lender is relying on such representations and warranties in entering into this Agreement and the Offer with the Producer:
  - (a) **No Set-Off.** There is no existing right of set-off, off-set, counterclaim, claim or compensation of any kind enuring to Creative BC, CRA or any other agency of the Crown with respect to any part of the Assigned Amount.
  - (b) **No Potential Preferred Claims.** There are no Potential Preferred Claims affecting the Producer and the Producer has paid, or will pay all “employee source deductions” that it is required to make, including, without limitation, such deductions required by (i) federal and/or Québec income tax, (ii) the Canada Pension Plan, (iii) the Québec Pension Plan and (iv) Employment Insurance. For the purposes of this

Agreement, “**Potential Preferred Claims**” shall mean amounts owing for wages, employee deductions, sales tax, excise tax, income tax, worker’s compensation, government royalties, pension fund obligations, overdue rents or taxes, purchase-money security interests and other statutory preferred claims.

- (c) **Power & Authority.** That it has all necessary power and authority, and has taken all steps necessary to enter into this Agreement and upon its execution, it will constitute a legal, valid and binding obligation of the Producer enforceable in accordance with its terms.
- (d) **Producer’s Good Standing.** The Producer is duly organized under the laws of the jurisdiction of its incorporation; is in good corporate standing and will remain so, as long as this Agreement and shall be in effect; has the power and authority to execute, deliver and perform its obligations pursuant to this Agreement and such acts will not violate the provisions of any other agreement, written or oral, to which the Producer is a party.
- (e) **No Infringement or Defamation.** Neither the Property, nor the dialogue or music synchronized therewith, shall violate or infringe upon any copyright, trademark, trade name, patent, artistic, literary, dramatic, music, personal, civil or property rights, or to the best of Producer's knowledge, the rights of privacy of any person, firm or corporation, or constitute a libel or slander of any such person, firm or corporation.
- (f) **Encumbrances.** To the best of the Producer’s knowledge, other than as described to Lender, there are no claims, liens or encumbrances in, on or against the Property or any part thereof that can or will impair the Lender’s rights hereunder. The Producer shall comply with and conform to the requirements of every applicable statute, law, regulation, ordinance and order in force at any time or from time to time with respect to the production, exploitation and financing of the Property.
- (g) **No Derogation/No Infringement.** The Producer shall not enter into any agreement that will derogate from or infringe upon the rights granted to the Lender hereunder.
- (h) **No Conflict.** The Producer has not assigned, granted or conveyed to any other entity any rights with respect to the financing, production or exploitation of the Property that would conflict with the terms of this Agreement.
- (i) **Eligible Production.** The Property satisfies all eligibility requirements for the Tax Credit Proceeds set out in the Act and the Regulations and shall be eligible for the Tax Credit Proceeds.
- (j) **Qualifying Corporation.** The Producer satisfies all eligibility requirements for the Tax Credit Proceeds set out in the Act and the Regulations and shall be eligible to receive the Tax Credit Proceeds.
- (k) **Fiscal Year-End:** The Producer’s fiscal year-end does, or if not established as of the date hereof shall, coincide with the completion of the Property or with such other date which is satisfactory to Lender.



3. **Survival of Representations & Warranties.** The representations and warranties made by the Producer contained in this Agreement or made in connection herewith shall survive the execution, suspension or termination of this Agreement.
4. **Positive Covenants of the Producer.** As and from the date hereof, the Producer hereby agrees and covenants that it shall:
- (a) **Corporate Existence.** Do or cause to be done all things necessary to preserve and maintain in full force and effect its corporate existence and to carry on and conduct its business in a proper and businesslike manner.
  - (b) **Qualification.** Take all necessary steps: (i) to ensure that at all times the Property meets the eligibility requirements set forth in the Act and the Regulations; (ii) to maintain the Producer's status as a "Qualifying Corporation" set forth in the Act and the Regulations; and (iii) to maintain the Property as an "eligible Ontario production" as those terms are defined in the Act and the Regulations.
  - (c) **Enforcement of the Lender's Rights.** Take all necessary steps to perform, observe and permit the exercise and enforcement of the rights of the Lender pursuant to this Agreement or any agreement, instrument or document executed by the Producer in connection herewith.
  - (d) **Notification of Breach.** Notify the Lender promptly in writing of any breach or of non-compliance with any term, condition or covenant contained in this Agreement or any other instrument, document or agreement executed in connection herewith.
  - (e) **Defects.** Promptly cure or cause to be cured, any defects in the execution and delivery of this Agreement or any of the other agreements, instruments or documents executed pursuant hereto or any defects in the validity or enforceability of the Agreement or any other instrument or agreement in connection herewith, and at its own expense, execute and deliver or cause to be executed or delivered, all such agreements, instruments and other documents as the Lender may reasonably require.
  - (f) **Compliance with Laws.** Comply with and conform to the requirements of every applicable statute, law, regulation, ordinance and order in force at any time or from time to time with respect to the Property.
  - (g) **Tax Credit Application.** Complete and submit, in a timely manner, and in no event later than sixty (60) days following the Producer's fiscal year end, to Creative BC the application for a Certificate of Eligibility for the Tax Credit Proceeds (the "**Application**"); provide the Lender with confirmation of the receipt by Creative BC of the Application; provide the Lender with a copy of the Certificate of Eligibility issued by Creative BC in respect of the Property; and cooperate in all respects with all requests made by the Creative BC, CRA and/or the Canadian Audio-Visual Certification Office ("**CAVCO**") for documentation or other information relating to the Tax Credit Proceeds.
  - (h) **Tax Returns.** Prepare and file the Producer's federal and provincial income tax returns on a timely basis, and in no event later than sixty (60) days following the Producer's fiscal year end, in respect of any taxation year for which the Tax Credit Proceeds may be claimed (the "**Tax Returns**"); claim the maximum permitted amount of Tax Credit

Proceeds in the Tax Returns; provide the Lender with copies of all Tax Returns and related filings with CRA or other applicable fiscal authorities, as well as copies of all Notices of Assessment, Notices of Reassessment and all similar documents issued by the government in relation to the Tax Returns and the Tax Credit Proceeds; and not to amend the Tax Returns or related filings without the written consent of the Lender.

- (i) **Facilitation of Assignment.** Provide such documentation and information as may reasonably be required by the Lender to facilitate the assignment to the Lender of the refund generated by the claim for the Tax Credit Proceeds, including, without limitation: (1) providing CRA with the address of the Lender or its nominee as the mailing address for the purposes of the refund cheque; and (2) providing the Lender with written authorization to communicate with CRA or other applicable fiscal authorities concerning the Tax Returns, the claim for the Tax Credit Proceeds, and the refund generated by the claim for the Tax Credit Proceeds.
  - (j) **Hold Tax Credit Proceeds In Trust for the Benefit of the Lender.** To the extent any portion of the refund generated by the claim for the Tax Credit Proceeds is paid by CRA or other fiscal authority to the Producer, hold such amount in trust for the Lender and immediately pay such amount to the Lender or as the Lender may direct. Until such time as such amounts are provided to the Lender they shall not be co-mingled with the funds of the undersigned.
  - (k) **Delivery of Payment Direction.** Simultaneously with the execution of this Agreement, executed and deliver to the Lender the payment direction attached hereto as Schedule "A".
  - (l) **Fiscal Year End.** Notify the Lender of the date of the fiscal year end of the Producer within five (5) business days of the determination of such date.
5. **Negative Covenants of the Producer.** As and from the date hereof, the Producer hereby covenants and agrees that it shall not do any of the following, without the prior written consent of the Lender:
- (a) **No Assignment.** Sell, transfer or assign any of its rights or obligations hereunder.
  - (b) **Conflicting Agreements.** Enter into any agreement with respect to the matters described herein that would impair or interfere with the rights held by the Lender pursuant to this Agreement.
  - (c) **Qualification.** Take any action that would in any manner negatively affect or impact on the ability of the Property to qualify for the Tax Credit Proceeds.
  - (d) **Fiscal Year End.** Change its fiscal year end from the date provided to the Lender in accordance with Section 4(l).
6. **Undertaking of the Producer.** In the event that the tax refund(s) expected to be received by the Producer as a result of the Producer's claim for the Tax Credit Proceeds (the "**Tax Refund**") is not paid to the Lender by the Maturity Date (as defined in the Offer), the Producer shall, within five (5) business days of the Lender's written request, repay or cause to be repaid to the Lender all amounts advanced by the Lender against the Producer's anticipated Tax Refund, together with all

interest accrued thereon. Further, in the event that the Tax Refund so generated is less than the amount actually advanced by the Lender, the undersigned shall, within five (5) business days of the Lender's written request, pay to the Lender the difference between the amount actually advanced, together with interest thereon, and the amount actually received by the Lender in respect of the Tax Refund.

7. **Enurement.** This Agreement shall be binding upon and enure to the benefit of the parties hereto and their respective successors, representatives and permitted assigns.
8. **Further Documents.** The Producer agrees to execute, acknowledge and deliver all such further documents and instruments as may be necessary or requested by the Lender, including, without limitation, any security documents securing the Lender's rights hereunder and such other documents as may be requested by the Lender, necessary or expedient to give effect to the purposes and intent of this Agreement.
9. **Amendments.** This Agreement cannot be modified, amended or supplemented except by a written instrument executed by each of the parties hereto. The recitals and schedules hereto are deemed to be an integral part of this Agreement and are incorporated herein by this reference.
10. **Notice.** All notice required to be given, or which may be given hereunder, shall be in writing, and shall be sent by courier delivery, telecopy or certified mail addressed as follows:

If to the Lender:

**The Forest Road Company, LLC**  
 238 Cedar Avenue  
 Hewlett, NY 11557  
 Attention: Zachary Tarica

If to the Producer:

**Skyline 2 Productions Inc.**  
 369 Terminal Avenue, Suite 520  
 Vancouver, BC V6A 4C4  
 Attention: Emilio Mauro

Delivery shall be deemed made three (3) business days after prepaid deposit, in the mail, or one (1) business day if by courier. Notices may also be given by either party hereto by telecopy and shall be deemed to have been delivered at the first business day after the date of transmission of such telecopy.

11. **Miscellaneous.** This Agreement may be executed by facsimile and/or in counterparts, each of which shall be deemed an original and all of which, taken together shall constitute one and the same instrument. Executed copies of the signature pages of this Agreement sent by facsimile or electronic transmission in either Tagged Image Format Files (TIFF) or Portable Document Format (PDF) shall be treated as originals, fully binding and with full legal force and effect, and the Parties waive any rights they may have to object to such treatment, provided that this treatment shall be without prejudice to the obligation of the Parties to exchange original signatures as quickly as practicable after execution of this Agreement, but failure to do so shall not affect the validity, enforceability or binding effect of this Agreement. The Producer may not assign its rights and obligations hereunder and any interest herein without the prior written consent of the Lender. The Lender shall have the right to assign its rights and obligations hereunder. If any one or more of the provisions of this Agreement shall be invalid, illegal or unenforceable in any jurisdiction, the validity, legality and enforceability of such provision(s) in any other jurisdiction and the validity, legality and enforceability of any other provision hereof shall not in any way be affected or impaired. In the event that in any legal proceedings before a


competent tribunal, board or commission in any jurisdiction, it is determined that any paragraph or any part of this Agreement is invalid or unenforceable with respect to any particular transaction or situation, such paragraph or part of this Agreement shall be deemed to be severed from the remainder of this Agreement for the purposes only of the particular legal proceedings in question, and this Agreement shall, in every other aspect, remain in full force and effect. Nothing contained in this Agreement shall be construed to require the commission of any act contrary to any law and wherever any provisions of this Agreement conflict with any law, statute, ordinance or regulation, then such provisions shall be curtailed or limited to the extent necessary to bring it within the requirements of such law, statute, ordinance or regulation. No waiver of any term, provision or condition of this Agreement whether express or implied, whether by conduct or otherwise, in any one or more incidences, shall be valid unless the same shall be in writing and any valid written notice shall not be construed as a further or continuing waiver upon its expressed terms. This Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein, and each party hereby irrevocably attorns to the jurisdiction of the courts of the Province of British Columbia.

- 12. **Confidentiality.** The Producer and the Lender shall, at all times, keep the terms and conditions of this Agreement confidential; provided, however, that the Lender shall be entitled to disclose any and all of the terms and conditions of this Agreement to the Creative BC, CRA, CAVCO and/or any other agency of the Crown in connection with the payment of the Tax Credit Proceeds to the Lender.
- 13. **No Substitution.** The herein assignments are not in substitution for any security now or hereafter granted to the Lender by the Producer.

**IN WITNESS WHEREOF** the parties hereto have executed this Agreement on the date first above-mentioned.

**SKYLINE 2 PRODUCTIONS INC.**

**THE FOREST ROAD COMPANY, LLC**

By:   
 Name: \_\_\_\_\_  
 Title: \_\_\_\_\_

By:   
 Name: Idan Shani  
 Title: COO/CFO

**SCHEDULE "A"**

**Direction**

TO: Canada Revenue Agency  
Canadian Audio-Visual Certification Office  
Creative BC  
BC Ministry of Tourism, Arts and Culture  
The Forest Road Company, LLC (the "**Lender**")

RE: A series currently entitled "*Ed Quinn Vs.*" (the "**Production**") currently being produced by Skyline 2 Productions Inc. (the "**Corporation**").

---

FOR VALUE RECEIVED, the Corporation hereby authorizes and directs you to pay any and all amounts payable to it in connection with the proceeds of the tax credit(s) that it has qualified for in respect of the Production by mail to:

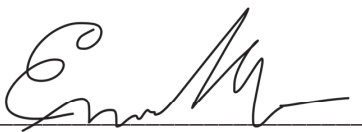
THE FOREST ROAD COMPANY, LLC  
238 Cedar Avenue  
Hewlett, NY 11557

until such time as you receive written instructions from both the Corporation and the Lender to the contrary, and this shall be your good, sufficient and irrevocable authority for so doing.

The Corporation hereby authorizes you to release any information, including, without limitation, any personal and/or confidential information relating to the Corporation, its principals, affiliates and subsidiaries and the Production, that the Lender may request pursuant to this payment direction.

DATED as of the 25<sup>th</sup> day of October, 2019

**SKYLINE 2 PRODUCTIONS INC.**

By:   
Name:  
Title:

**I have authority to bind the corporation.**



*“ED QUINN VS.”*

**ASSIGNMENT OF FEDERAL TAX CREDIT CREDITS  
AGREEMENT made as of OCTOBER 25, 2019**

**BETWEEN:** SKYLINE 2 PRODUCTIONS INC. (the “Producer”)

**AND:** THE FOREST ROAD COMPANY, LLC (the “Lender”)

**RECITALS:**

- A. Pursuant to that certain Term Sheet dated as of September 25, 2019 (the “**Term Sheet**”) between the Lender and the Producer, the Lender has agreed to lend to the Producer certain sums subject to the terms set out therein (the “**Loan**”) in connection with the financing of a series presently entitled “*Ed Quinn Vs.*” (the “**Property**”).
- B. The Producer is or shall be entitled to receive certain monies relating to the production of the Property as a result of film and television tax credits to be received from the Refundable Income Tax Credit Program for the Federal Production Services Tax Credit administered by Canadian Audio-Visual Certification Office (“**CAVCO**”) and the Canada Revenue Agency (“**CRA**”) (collectively, the “**Tax Credit Proceeds**”).
- C. The Producer has agreed to assign, transfer and convey, in favour of the Lender, the Tax Credit Proceeds as security for repayment of the Loan, together with any accrued and unpaid interest thereon.

**NOW, THEREFORE**, this Agreement witnesses that for valuable consideration, the receipt and sufficiency of which are hereby acknowledged and the mutual covenants contained herein, the parties hereto agree as follows:

1. **Assignment.** The Producer hereby irrevocably assigns, transfers and conveys to the Lender, the entire amount of the Tax Credit Proceeds (the “**Assigned Amount**”) as security for the fulfillment by the Producer of its indebtedness, liabilities and obligations pursuant to the Offer and as a source of repayment of the Loan and interest thereon by the Lender with respect to the Property.
2. **Representations & Warranties.** The Producer hereby represents and warrants to the Lender, and acknowledges that the Lender is relying on such representations and warranties in entering into this Agreement and the Offer with the Producer:
  - (a) **No Set-Off.** There is no existing right of set-off, off-set, counterclaim, claim or compensation of any kind enuring to CAVCO, CRA or any other agency of the Crown with respect to any part of the Assigned Amount.
  - (b) **No Potential Preferred Claims.** There are no Potential Preferred Claims affecting the Producer and the Producer has paid, or will pay all “employee source deductions” that it is required to make, including, without limitation, such deductions required by (i) federal and/or Québec income tax, (ii) the Canada Pension Plan, (iii) the Québec Pension Plan and (iv) Employment Insurance. For the purposes of this

Agreement, “**Potential Preferred Claims**” shall mean amounts owing for wages, employee deductions, sales tax, excise tax, income tax, worker’s compensation, government royalties, pension fund obligations, overdue rents or taxes, purchase-money security interests and other statutory preferred claims.

- (c) **Power & Authority.** That it has all necessary power and authority, and has taken all steps necessary to enter into this Agreement and upon its execution, it will constitute a legal, valid and binding obligation of the Producer enforceable in accordance with its terms.
- (d) **Producer’s Good Standing.** The Producer is duly organized under the laws of the jurisdiction of its incorporation; is in good corporate standing and will remain so, as long as this Agreement and shall be in effect; has the power and authority to execute, deliver and perform its obligations pursuant to this Agreement and such acts will not violate the provisions of any other agreement, written or oral, to which the Producer is a party.
- (e) **No Infringement or Defamation.** Neither the Property, nor the dialogue or music synchronized therewith, shall violate or infringe upon any copyright, trademark, trade name, patent, artistic, literary, dramatic, music, personal, civil or property rights, or to the best of Producer's knowledge, the rights of privacy of any person, firm or corporation, or constitute a libel or slander of any such person, firm or corporation.
- (f) **Encumbrances.** To the best of the Producer’s knowledge, other than as described to Lender, there are no claims, liens or encumbrances in, on or against the Property or any part thereof that can or will impair the Lender’s rights hereunder. The Producer shall comply with and conform to the requirements of every applicable statute, law, regulation, ordinance and order in force at any time or from time to time with respect to the production, exploitation and financing of the Property.
- (g) **No Derogation/No Infringement.** The Producer shall not enter into any agreement that will derogate from or infringe upon the rights granted to the Lender hereunder.
- (h) **No Conflict.** The Producer has not assigned, granted or conveyed to any other entity any rights with respect to the financing, production or exploitation of the Property that would conflict with the terms of this Agreement.
- (i) **Eligible Production.** The Property satisfies all eligibility requirements for the Tax Credit Proceeds set out in the Act and the Regulations and shall be eligible for the Tax Credit Proceeds.
- (j) **Qualifying Corporation.** The Producer satisfies all eligibility requirements for the Tax Credit Proceeds set out in the Act and the Regulations and shall be eligible to receive the Tax Credit Proceeds.
- (k) **Fiscal Year-End:** The Producer’s fiscal year-end does, or if not established as of the date hereof shall, coincide with the completion of the Property or with such other date which is satisfactory to Lender.



3. **Survival of Representations & Warranties.** The representations and warranties made by the Producer contained in this Agreement or made in connection herewith shall survive the execution, suspension or termination of this Agreement.
4. **Positive Covenants of the Producer.** As and from the date hereof, the Producer hereby agrees and covenants that it shall:
  - (a) **Corporate Existence.** Do or cause to be done all things necessary to preserve and maintain in full force and effect its corporate existence and to carry on and conduct its business in a proper and businesslike manner.
  - (b) **Qualification.** Take all necessary steps: (i) to ensure that at all times the Property meets the eligibility requirements set forth in the Act and the Regulations; (ii) to maintain the Producer's status as a "Qualifying Corporation" set forth in the Act and the Regulations; and (iii) to maintain the Property as an "eligible Ontario production" as those terms are defined in the Act and the Regulations.
  - (c) **Enforcement of the Lender's Rights.** Take all necessary steps to perform, observe and permit the exercise and enforcement of the rights of the Lender pursuant to this Agreement or any agreement, instrument or document executed by the Producer in connection herewith.
  - (d) **Notification of Breach.** Notify the Lender promptly in writing of any breach or of non-compliance with any term, condition or covenant contained in this Agreement or any other instrument, document or agreement executed in connection herewith.
  - (e) **Defects.** Promptly cure or cause to be cured, any defects in the execution and delivery of this Agreement or any of the other agreements, instruments or documents executed pursuant hereto or any defects in the validity or enforceability of the Agreement or any other instrument or agreement in connection herewith, and at its own expense, execute and deliver or cause to be executed or delivered, all such agreements, instruments and other documents as the Lender may reasonably require.
  - (f) **Compliance with Laws.** Comply with and conform to the requirements of every applicable statute, law, regulation, ordinance and order in force at any time or from time to time with respect to the Property.
  - (g) **Tax Credit Application.** Complete and submit, in a timely manner, and in no event later than sixty (60) days following the Producer's fiscal year end, to CAVCO the application for a Certificate of Eligibility for the Tax Credit Proceeds (the "**Application**"); provide the Lender with confirmation of the receipt by CAVCO of the Application; provide the Lender with a copy of the Certificate of Eligibility issued by CAVCO in respect of the Property; and cooperate in all respects with all requests made by the CAVCO and/or CRA for documentation or other information relating to the Tax Credit Proceeds.
  - (h) **Tax Returns.** Prepare and file the Producer's federal and provincial income tax returns on a timely basis, and in no event later than sixty (60) days following the Producer's fiscal year end, in respect of any taxation year for which the Tax Credit Proceeds may be claimed (the "**Tax Returns**"); claim the maximum permitted amount of Tax Credit

Proceeds in the Tax Returns; provide the Lender with copies of all Tax Returns and related filings with CRA or other applicable fiscal authorities, as well as copies of all Notices of Assessment, Notices of Reassessment and all similar documents issued by the government in relation to the Tax Returns and the Tax Credit Proceeds; and not to amend the Tax Returns or related filings without the written consent of the Lender.

- (i) **Facilitation of Assignment.** Provide such documentation and information as may reasonably be required by the Lender to facilitate the assignment to the Lender of the refund generated by the claim for the Tax Credit Proceeds, including, without limitation: (1) providing CRA with the address of the Lender or its nominee as the mailing address for the purposes of the refund cheque; and (2) providing the Lender with written authorization to communicate with CRA or other applicable fiscal authorities concerning the Tax Returns, the claim for the Tax Credit Proceeds, and the refund generated by the claim for the Tax Credit Proceeds.
  - (j) **Hold Tax Credit Proceeds In Trust for the Benefit of the Lender.** To the extent any portion of the refund generated by the claim for the Tax Credit Proceeds is paid by CRA or other fiscal authority to the Producer, hold such amount in trust for the Lender and immediately pay such amount to the Lender or as the Lender may direct. Until such time as such amounts are provided to the Lender they shall not be co-mingled with the funds of the undersigned.
  - (k) **Delivery of Payment Direction.** Simultaneously with the execution of this Agreement, executed and deliver to the Lender the payment direction attached hereto as Schedule "A".
  - (l) **Fiscal Year End.** Notify the Lender of the date of the fiscal year end of the Producer within five (5) business days of the determination of such date.
5. **Negative Covenants of the Producer.** As and from the date hereof, the Producer hereby covenants and agrees that it shall not do any of the following, without the prior written consent of the Lender:
- (a) **No Assignment.** Sell, transfer or assign any of its rights or obligations hereunder.
  - (b) **Conflicting Agreements.** Enter into any agreement with respect to the matters described herein that would impair or interfere with the rights held by the Lender pursuant to this Agreement.
  - (c) **Qualification.** Take any action that would in any manner negatively affect or impact on the ability of the Property to qualify for the Tax Credit Proceeds.
  - (d) **Fiscal Year End.** Change its fiscal year end from the date provided to the Lender in accordance with Section 4(l).
6. **Undertaking of the Producer.** In the event that the tax refund(s) expected to be received by the Producer as a result of the Producer's claim for the Tax Credit Proceeds (the "**Tax Refund**") is not paid to the Lender by the Maturity Date (as defined in the Offer), the Producer shall, within five (5) business days of the Lender's written request, repay or cause to be repaid to the Lender all amounts advanced by the Lender against the Producer's anticipated Tax Refund, together with all

interest accrued thereon. Further, in the event that the Tax Refund so generated is less than the amount actually advanced by the Lender, the undersigned shall, within five (5) business days of the Lender's written request, pay to the Lender the difference between the amount actually advanced, together with interest thereon, and the amount actually received by the Lender in respect of the Tax Refund.

7. **Enurement.** This Agreement shall be binding upon and enure to the benefit of the parties hereto and their respective successors, representatives and permitted assigns.
8. **Further Documents.** The Producer agrees to execute, acknowledge and deliver all such further documents and instruments as may be necessary or requested by the Lender, including, without limitation, any security documents securing the Lender's rights hereunder and such other documents as may be requested by the Lender, necessary or expedient to give effect to the purposes and intent of this Agreement.
9. **Amendments.** This Agreement cannot be modified, amended or supplemented except by a written instrument executed by each of the parties hereto. The recitals and schedules hereto are deemed to be an integral part of this Agreement and are incorporated herein by this reference.
10. **Notice.** All notice required to be given, or which may be given hereunder, shall be in writing, and shall be sent by courier delivery, telecopy or certified mail addressed as follows:

If to the Lender:

**The Forest Road Company, LLC**  
 238 Cedar Avenue  
 Hewlett, NY 11557  
 Attention: Zachary Tarica

If to the Producer:

**Skyline 2 Productions Inc.**  
 369 Terminal Avenue, Suite 520  
 Vancouver, BC V6A 4C4  
 Attention: Emilio Mauro

Delivery shall be deemed made three (3) business days after prepaid deposit, in the mail, or one (1) business day if by courier. Notices may also be given by either party hereto by telecopy and shall be deemed to have been delivered at the first business day after the date of transmission of such telecopy.

11. **Miscellaneous.** This Agreement may be executed by facsimile and/or in counterparts, each of which shall be deemed an original and all of which, taken together shall constitute one and the same instrument. Executed copies of the signature pages of this Agreement sent by facsimile or electronic transmission in either Tagged Image Format Files (TIFF) or Portable Document Format (PDF) shall be treated as originals, fully binding and with full legal force and effect, and the Parties waive any rights they may have to object to such treatment, provided that this treatment shall be without prejudice to the obligation of the Parties to exchange original signatures as quickly as practicable after execution of this Agreement, but failure to do so shall not affect the validity, enforceability or binding effect of this Agreement. The Producer may not assign its rights and obligations hereunder and any interest herein without the prior written consent of the Lender. The Lender shall have the right to assign its rights and obligations hereunder. If any one or more of the provisions of this Agreement shall be invalid, illegal or unenforceable in any jurisdiction, the validity, legality and enforceability of such provision(s) in any other jurisdiction and the validity, legality and enforceability of any other provision hereof shall not in any way be affected or impaired. In the event that in any legal proceedings before a

competent tribunal, board or commission in any jurisdiction, it is determined that any paragraph or any part of this Agreement is invalid or unenforceable with respect to any particular transaction or situation, such paragraph or part of this Agreement shall be deemed to be severed from the remainder of this Agreement for the purposes only of the particular legal proceedings in question, and this Agreement shall, in every other aspect, remain in full force and effect. Nothing contained in this Agreement shall be construed to require the commission of any act contrary to any law and wherever any provisions of this Agreement conflict with any law, statute, ordinance or regulation, then such provisions shall be curtailed or limited to the extent necessary to bring it within the requirements of such law, statute, ordinance or regulation. No waiver of any term, provision or condition of this Agreement whether express or implied, whether by conduct or otherwise, in any one or more incidences, shall be valid unless the same shall be in writing and any valid written notice shall not be construed as a further or continuing waiver upon its expressed terms. This Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein, and each party hereby irrevocably attorns to the jurisdiction of the courts of the Province of British Columbia.

- 12. **Confidentiality.** The Producer and the Lender shall, at all times, keep the terms and conditions of this Agreement confidential; provided, however, that the Lender shall be entitled to disclose any and all of the terms and conditions of this Agreement to CRA, CAVCO and/or any other agency of the Crown in connection with the payment of the Tax Credit Proceeds to the Lender.
- 13. **No Substitution.** The herein assignments are not in substitution for any security now or hereafter granted to the Lender by the Producer.

**IN WITNESS WHEREOF** the parties hereto have executed this Agreement on the date first above-mentioned.

**SKYLINE 2 PRODUCTIONS INC.**

**THE FOREST ROAD COMPANY, LLC**

By:   
 Name: \_\_\_\_\_  
 Title:

By:   
 Name: Idan Shani  
 Title: COO/CFO

**SCHEDULE "A"**

**Direction**

TO: Canada Revenue Agency  
Canadian Audio-Visual Certification Office  
Creative BC  
BC Ministry of Tourism, Arts and Culture  
The Forest Road Company, LLC (the "**Lender**")

RE: A series currently entitled "*Ed Quinn Vs.*" (the "**Production**") currently being produced by Skyline 2 Productions Inc. (the "**Corporation**").

---

FOR VALUE RECEIVED, the Corporation hereby authorizes and directs you to pay any and all amounts payable to it in connection with the proceeds of the tax credit(s) that it has qualified for in respect of the Production by mail to:

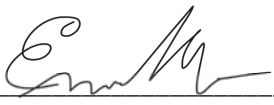
THE FOREST ROAD COMPANY, LLC  
238 Cedar Avenue  
Hewlett, NY 11557

until such time as you receive written instructions from both the Corporation and the Lender to the contrary, and this shall be your good, sufficient and irrevocable authority for so doing.

The Corporation hereby authorizes you to release any information, including, without limitation, any personal and/or confidential information relating to the Corporation, its principals, affiliates and subsidiaries and the Production, that the Lender may request pursuant to this payment direction.

DATED as of the 25<sup>th</sup> day of October, 2019

**SKYLINE 2 PRODUCTIONS INC.**

By:   
Name:  
Title:

**I have authority to bind the corporation.**

**This is Exhibit “H” referred to in the affidavit  
of IDAN SHANI, SWORN BEFORE ME**

**this 16th day of July, 2021**

DocuSigned by:

*Craig Mills*

EE378B46B4B142A...

**A COMMISSIONER FOR TAKING AFFIDAVITS  
CRAIG MILLS**



**Direction**

TO: Canada Revenue Agency  
Canadian Audio-Visual Certification Office  
Creative BC  
BC Ministry of Tourism, Arts and Culture  
The Forest Road Company, LLC (the "**Lender**")

RE: A series currently entitled "*Ed Quinn Vs.*" (the "**Production**") currently being produced by Skyline 2 Productions Inc. (the "**Corporation**").

---

FOR VALUE RECEIVED, the Corporation hereby authorizes and directs you to pay any and all amounts payable to it in connection with the proceeds of the tax credit(s) that it has qualified for in respect of the Production by mail to:


THE FOREST ROAD COMPANY, LLC  
238 Cedar Avenue  
Hewlett, NY 11557

until such time as you receive written instructions from both the Corporation and the Lender to the contrary, and this shall be your good, sufficient and irrevocable authority for so doing.

The Corporation hereby authorizes you to release any information, including, without limitation, any personal and/or confidential information relating to the Corporation, its principals, affiliates and subsidiaries and the Production, that the Lender may request pursuant to this payment direction.

DATED as of the 25<sup>th</sup> day of October, 2019

**SKYLINE 2 PRODUCTIONS INC.**

By:  \_\_\_\_\_  
Name:  
Title:

**I have authority to bind the corporation.**

**Direction**

TO: Canada Revenue Agency  
Canadian Audio-Visual Certification Office  
Creative BC  
BC Ministry of Tourism, Arts and Culture  
The Forest Road Company, LLC (the "**Lender**")

RE: A series currently entitled "*Ed Quinn Vs.*" (the "**Production**") currently being produced by Skyline 2 Productions Inc. (the "**Corporation**").

---

FOR VALUE RECEIVED, the Corporation hereby authorizes and directs you to pay any and all amounts payable to it in connection with the proceeds of the tax credit(s) that it has qualified for in respect of the Production by mail to:

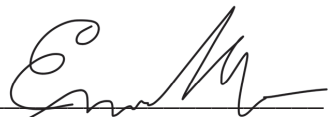
THE FOREST ROAD COMPANY, LLC  
238 Cedar Avenue  
Hewlett, NY 11557

until such time as you receive written instructions from both the Corporation and the Lender to the contrary, and this shall be your good, sufficient and irrevocable authority for so doing.

The Corporation hereby authorizes you to release any information, including, without limitation, any personal and/or confidential information relating to the Corporation, its principals, affiliates and subsidiaries and the Production, that the Lender may request pursuant to this payment direction.

DATED as of the 25<sup>th</sup> day of October, 2019

**SKYLINE 2 PRODUCTIONS INC.**

By:  \_\_\_\_\_  
Name:  
Title:

**I have authority to bind the corporation.**

**Direction**

TO: Canada Revenue Agency  
Canadian Audio-Visual Certification Office  
Creative BC  
BC Ministry of Tourism, Arts and Culture  
The Forest Road Company, LLC (the "**Lender**")

RE: A series currently entitled "*Ed Quinn Vs.*" (the "**Production**") currently being produced by Skyline 2 Productions Inc. (the "**Corporation**").

---

FOR VALUE RECEIVED, the Corporation hereby authorizes and directs you to pay any and all amounts payable to it in connection with the proceeds of the tax credit(s) that it has qualified for in respect of the Production by mail to:

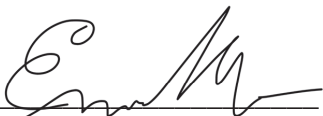
THE FOREST ROAD COMPANY, LLC  
238 Cedar Avenue  
Hewlett, NY 11557

until such time as you receive written instructions from both the Corporation and the Lender to the contrary, and this shall be your good, sufficient and irrevocable authority for so doing.

The Corporation hereby authorizes you to release any information, including, without limitation, any personal and/or confidential information relating to the Corporation, its principals, affiliates and subsidiaries and the Production, that the Lender may request pursuant to this payment direction.

DATED as of the 25<sup>th</sup> day of October, 2019

**SKYLINE 2 PRODUCTIONS INC.**

By:  \_\_\_\_\_  
Name:  
Title:

**I have authority to bind the corporation.**

**Direction**

TO: Canada Revenue Agency  
Canadian Audio-Visual Certification Office  
Creative BC  
BC Ministry of Tourism, Arts and Culture  
The Forest Road Company, LLC (the "**Lender**")

RE: A series currently entitled "*Ed Quinn Vs.*" (the "**Production**") currently being produced by Skyline 2 Productions Inc. (the "**Corporation**").

---

FOR VALUE RECEIVED, the Corporation hereby authorizes and directs you to pay any and all amounts payable to it in connection with the proceeds of the tax credit(s) that it has qualified for in respect of the Production by mail to:

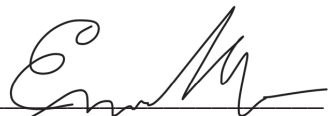
THE FOREST ROAD COMPANY, LLC  
238 Cedar Avenue  
Hewlett, NY 11557

until such time as you receive written instructions from both the Corporation and the Lender to the contrary, and this shall be your good, sufficient and irrevocable authority for so doing.

The Corporation hereby authorizes you to release any information, including, without limitation, any personal and/or confidential information relating to the Corporation, its principals, affiliates and subsidiaries and the Production, that the Lender may request pursuant to this payment direction.

DATED as of the 25<sup>th</sup> day of October, 2019

**SKYLINE 2 PRODUCTIONS INC.**

By:  \_\_\_\_\_  
Name:  
Title:

**I have authority to bind the corporation.**

**This is Exhibit "I" referred to in the affidavit  
of IDAN SHANI, SWORN BEFORE ME  
this 16th day of July, 2021.**

DocuSigned by:

*Craig Mills*

EE378B46B4B142A...

**A COMMISSIONER FOR TAKING AFFIDAVITS  
CRAIG MILLS**

## POWER OF ATTORNEY

KNOW ALL MEN by these presents that **SKYLINE 2 PRODUCTIONS INC.** (the “Producer”) hereby nominates, constitutes and appoints **THE FOREST ROAD COMPANY, LLC** (“Lender”) of 238 Cedar Avenue, Hewlett, NY 11557, by its representative Zachary Tarica (or such other individual as Lender may designate in writing) to act and perform the following as the Producer’s true and lawful attorney in accordance with the provisions of the *Power of Attorney Act* (British Columbia) in connection with a series presently entitled “*Ed Quinn Vs.*” (the “Production”) (capitalized terms not defined herein shall have the meaning ascribed to them in the Term Sheet dated as of September 25, 2019, between Lender and the Producer) (the “Term Sheet”):

(a) if: (i) an event of default set out in the Term Sheet occurs and remains uncured; (ii) a demand for payment under the Term Sheet is made by Lender; (iii) the tax credit applications and/or the tax returns have not been filed within sixty (60) days of the Producer’s fiscal year end; or (iv) a chartered accountant firm has not been appointed within sixty (60) days of the Producer’s fiscal year-end, to appoint a firm of chartered accountants, at the expense of the Producer, to audit expenses incurred by the Producer with respect to the production costs of the Production and to do all things necessary in connection therewith, including reviewing the Producer’s books and records, bank records and all other documents relating to the Production;

(b) if: (i) an event of default set out in the Term Sheet occurs and remains uncured; (ii) a demand for payment under the Term Sheet is made by Lender; or (iii) the tax credit applications and/or the tax returns have not been filed within sixty (60) days of the Producer’s fiscal year end, to receive, sign, execute, deliver and file with the CRA and/or CAVCO and/or Creative BC and/or any other tax credit authority, on behalf of the Producer, all documents necessary to obtain payment in Lender’s favour of any amounts payable to the Producer in respect of (a) the Federal Production Services Tax Credit (b) the British Columbia Production Services Tax Credit and (c) the Digital Animation or Visual Effects Tax Credit (“DAVE”), including the Producer’s tax returns, if such documents are not filed by the Producer within sixty (60) days after the Producer’s fiscal year-end;

(c) at any time that any portion of the Net Loan Amount remains unpaid, to communicate with CRA, CAVCO, Creative BC and any other tax credit authority regarding any and all matters pertaining to the Producer, its principals, affiliates or subsidiaries and the Production and to obtain from CRA, CAVCO, Creative BC and any other tax credit authority information including, without limitation, any personal or confidential information relating to the Producer, its principals, affiliates and subsidiaries and the Production, provided such information relates to the Production, the Federal Production Services Tax Credit, the British Columbia Production Services Tax Credit and DAVE; and

(d) at any time that any portion of the Facility remains unpaid, to endorse any cheques issued to the Producer in connection with each of the Federal Production Services Tax Credit, the British Columbia Production Services Tax Credit and DAVE.

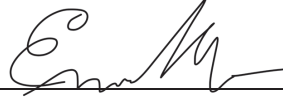
The Producer authorizes the CRA, CAVCO, Creative BC and any other tax credit authority to release all information, including without limitation, any personal and/or confidential information relating to the Producer, its principals, affiliates and subsidiaries and the Production, that Lender may request pursuant to this Power of Attorney, provided such information relates to the Production, the Federal Production Services Tax Credit, the British Columbia Production Services Tax Credit and DAVE.



The Producer hereby agrees and directs that Lender shall be fully and completely indemnified against all claims, actions and costs which may be incurred by or imposed on Lender in connection with the exercise of this Power of Attorney undertaken by it in good faith, except where due to the gross negligence or wilful misconduct of Lender or its representatives. The Power of Attorney hereby granted in favour of Lender is irrevocable, is a power coupled with an interest, shall survive the insolvency or other legal incapacity of the Producer and is enduring and will extend to and bind the Producer's assigns and successors.

DATED October 25, 2019

**SKYLINE 2 PRODUCTIONS INC.**



\_\_\_\_\_  
Name:

Title:

## POWER OF ATTORNEY

KNOW ALL MEN by these presents that **SKYLINE 2 PRODUCTIONS INC.** (the “Producer”) hereby nominates, constitutes and appoints **THE FOREST ROAD COMPANY, LLC** (“Lender”) of 238 Cedar Avenue, Hewlett, NY 11557, by its representative Zachary Tarica (or such other individual as Lender may designate in writing) to act and perform the following as the Producer’s true and lawful attorney in accordance with the provisions of the *Power of Attorney Act* (British Columbia) in connection with a series presently entitled “*Ed Quinn Vs.*” (the “Production”) (capitalized terms not defined herein shall have the meaning ascribed to them in the Term Sheet dated as of September 25, 2019, between Lender and the Producer) (the “Term Sheet”):

(a) if: (i) an event of default set out in the Term Sheet occurs and remains uncured; (ii) a demand for payment under the Term Sheet is made by Lender; (iii) the tax credit applications and/or the tax returns have not been filed within sixty (60) days of the Producer’s fiscal year end; or (iv) a chartered accountant firm has not been appointed within sixty (60) days of the Producer’s fiscal year-end, to appoint a firm of chartered accountants, at the expense of the Producer, to audit expenses incurred by the Producer with respect to the production costs of the Production and to do all things necessary in connection therewith, including reviewing the Producer’s books and records, bank records and all other documents relating to the Production;

(b) if: (i) an event of default set out in the Term Sheet occurs and remains uncured; (ii) a demand for payment under the Term Sheet is made by Lender; or (iii) the tax credit applications and/or the tax returns have not been filed within sixty (60) days of the Producer’s fiscal year end, to receive, sign, execute, deliver and file with the CRA and/or CAVCO and/or Creative BC and/or any other tax credit authority, on behalf of the Producer, all documents necessary to obtain payment in Lender’s favour of any amounts payable to the Producer in respect of (a) the Federal Production Services Tax Credit (b) the British Columbia Production Services Tax Credit and (c) the Digital Animation or Visual Effects Tax Credit (“DAVE”), including the Producer’s tax returns, if such documents are not filed by the Producer within sixty (60) days after the Producer’s fiscal year-end;

(c) at any time that any portion of the Net Loan Amount remains unpaid, to communicate with CRA, CAVCO, Creative BC and any other tax credit authority regarding any and all matters pertaining to the Producer, its principals, affiliates or subsidiaries and the Production and to obtain from CRA, CAVCO, Creative BC and any other tax credit authority information including, without limitation, any personal or confidential information relating to the Producer, its principals, affiliates and subsidiaries and the Production, provided such information relates to the Production, the Federal Production Services Tax Credit, the British Columbia Production Services Tax Credit and DAVE; and

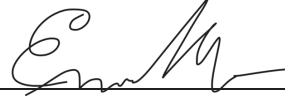
(d) at any time that any portion of the Facility remains unpaid, to endorse any cheques issued to the Producer in connection with each of the Federal Production Services Tax Credit, the British Columbia Production Services Tax Credit and DAVE.

The Producer authorizes the CRA, CAVCO, Creative BC and any other tax credit authority to release all information, including without limitation, any personal and/or confidential information relating to the Producer, its principals, affiliates and subsidiaries and the Production, that Lender may request pursuant to this Power of Attorney, provided such information relates to the Production, the Federal Production Services Tax Credit, the British Columbia Production Services Tax Credit and DAVE.

The Producer hereby agrees and directs that Lender shall be fully and completely indemnified against all claims, actions and costs which may be incurred by or imposed on Lender in connection with the exercise of this Power of Attorney undertaken by it in good faith, except where due to the gross negligence or wilful misconduct of Lender or its representatives. The Power of Attorney hereby granted in favour of Lender is irrevocable, is a power coupled with an interest, shall survive the insolvency or other legal incapacity of the Producer and is enduring and will extend to and bind the Producer's assigns and successors.

DATED October 25, 2019

**SKYLINE 2 PRODUCTIONS INC.**

A handwritten signature in black ink, appearing to be 'E. M.', written over a horizontal line.

Name:

Title:

**This is Exhibit "J" referred to in the affidavit  
of IDAN SHANI, SWORN BEFORE ME**

**this 16th day of July, 2021.**

DocuSigned by:

*Craig Mills*

EE378B46B4B142A...

---

**A COMMISSIONER FOR TAKING AFFIDAVITS  
CRAIG MILLS**

**CONSENT**

**TO: Canada Revenue Agency  
Canadian Audio-Visual Certification Office  
Creative BC  
BC Ministry of Tourism, Arts and Culture**

and each affiliate of any of the foregoing (individually a "**Counterparty**" and collectively the "**Counterparties**")

**AND TO:** The Forest Road Company, LLC ("**Lender**")

**FROM:** Skyline 2 Productions Inc. (the "**Borrower**")

**RE:** A Term Sheet dated as of September 25, 2019 (the "**Term Sheet**") issued by Lender in favour of the Borrower in connection with "*Ed Quinn Vs.*" (the "**Production**").

Please note that, in connection with the Term Sheet, the Borrower hereby irrevocably authorizes Lender to communicate with any Counterparty directly regarding the development, production, exploitation and financing of the Production. The Borrower hereby authorizes each of the Counterparties to provide Lender with any information, including, without limitation, any personal and/or confidential information, relating to the Borrower, its principals, affiliates and subsidiaries, and the Production, that Lender may request from time to time.

**DATED** as of October 25, 2019.

**SKYLINE 2 PRODUCTIONS INC.**

By:  \_\_\_\_\_  
Name:  
Title:

**I have authority to bind the Borrower.**

**This is Exhibit "K" referred to in the affidavit  
of IDAN SHANI, SWORN BEFORE ME**

**this 16th day of July, 2021.**

DocuSigned by:

*Craig Mills*

EE378B46B4B142A...

**A COMMISSIONER FOR TAKING AFFIDAVITS  
CRAIG MILLS**



**McLaren, Maureen**

---

**From:** Emilio Mauro <emauro.la@gmail.com>  
**Sent:** Tuesday, October 27, 2020 1:32 PM  
**To:** Shahani, Divya  
**Cc:** Ariana Assaf; Zachary Tarica; Luke Taylor; John Bails; David Strause; Idan Shani; Matthew Chausse  
**Subject:** Re: **[\*\*EXT\*\*]** Re: EQV - Skyline 2 Productions, Inc [MTDMS-Legal.FID8963003]

Linda Strause is currently in surgery to removal cancerous tumors from her lower abdomen. Dave is with her and will be with her all week. Last week Dave engaged his lawyer to handle. He sent the forms to his lawyer and forwarded these emails to his lawyer. His lawyer should be reaching out to Divya today. Matt and I don't have the authority to authorize BT or sign these forms.

I'm sorry that the only update I have. The lawyer is engaged and will be in touch ASAP.

Sent from my iPhone

On Oct 27, 2020, at 10:06 AM, Shahani, Divya <dshahani@millertomson.com> wrote:

Dave / Emilio / Matt- as discussed on our last phone call, kindly confirm that you've given Inderpreet (or someone else at Baker Tilly) authorization to talk to us about the tax credit status. I will then reach out to them accordingly.

Thanks,  
Divya

**DIVYA SHAHANI**  
**Associate**

**Miller Thomson LLP**  
Scotia Plaza  
40 King Street West, Suite 5800  
P.O. Box 1011  
Toronto, Ontario M5H 3S1  
**Direct Line:** +1 416.595.7945  
**Fax:** +1 416.595.8695  
**Email:** [dshahani@millertomson.com](mailto:dshahani@millertomson.com)  
**millertomson.com**

<image2da970.PNG>

**Please consider the environment before printing this email.**

[Our COVID-19 preparedness and support commitment](#)

**From:** Ariana Assaf [mailto:ariana@forestroadco.com]  
**Sent:** Tuesday, October 27, 2020 10:00 AM  
**To:** Zachary Tarica <zachary@forestroadco.com>  
**Cc:** Shahani, Divya <dshahani@millerthomson.com>; Emilio Mauro <emauro.la@gmail.com>; Luke Taylor <luketaylor@bondit.us>; John Bails <john@forestroadco.com>; David Strause <dave@hydraulx.com>; Idan Shani <idan@forestroadco.com>; Matthew Chausse <matthewchausse@gmail.com>  
**Subject:** [\*\*EXT\*\*] Re: EQV - Skyline 2 Productions, Inc

Dave / Emilio / Matt - please provide a status update as I don't believe we've heard from your lawyer.

Adding Divya's proper email address; Divya, could you please help arrange a call with someone at Baker Tilly who can help us understand the status of the tax credit refunds? Thanks so much

On Mon, Oct 26, 2020 at 8:53 AM Ariana Assaf <[ariana@forestroadco.com](mailto:ariana@forestroadco.com)> wrote:

Dave / Emilio - when can we wrap this up?

Divya - please let us know when someone from Baker Tilly is available to get on a call with us.

Thanks all

On Fri, Oct 23, 2020 at 3:15 PM Zachary Tarica <[zachary@forestroadco.com](mailto:zachary@forestroadco.com)> wrote:

Divya - who else @ Baker Tilly can we speak with?

On Fri, Oct 23, 2020 at 3:13 PM Emilio Mauro <[emauro.la@gmail.com](mailto:emauro.la@gmail.com)> wrote:

Zach, Of course you can speak with him. That's the plan. Waiting for him to engage the conversation. Dave didn't feel comfortable moving forward with out a lawyer representing. Also Inderpreet is on maternity leave until May 2021.

Sent from my iPhone

On Oct 23, 2020, at 3:06 PM, Emilio Mauro <[emauro.la@gmail.com](mailto:emauro.la@gmail.com)> wrote:

The lawyer is reaching out to all of you. And Inderpreet is on mat

Sent from my iPhone

On Oct 23, 2020, at 3:02 PM, Zachary Tarica  
<[zachary@forestroadco.com](mailto:zachary@forestroadco.com)> wrote:

Can we speak to the lawyer? This is getting outright bizarre and confusing at this point. What is actually happening here?

On Fri, Oct 23, 2020 at 2:52 PM Emilio Mauro  
<[emauro.la@gmail.com](mailto:emauro.la@gmail.com)> wrote:

Unfortunately I don't have an update.  
Other than Dave sent the forms to his lawyer and forwarded  
these emails to his lawyer and we are waiting for his lawyer to  
respond.

Sent from my iPhone

On Oct 23, 2020, at 2:46 PM, Luke Taylor  
<[luketaylor@bondit.us](mailto:luketaylor@bondit.us)> wrote:

David and Emilio,

Let's get this done now — what is the hold up  
for this extremely standard ask that was already  
agreed on?

**LUKE TAYLOR**  
**COO and co-founder**

Office: (213) 204-6552 x102  
1639 11th St. #160 | Santa Monica, CA 90404  
[www.BondIt.us](http://www.BondIt.us)



On Oct 23, 2020, at 11:22 AM,  
Ariana Assaf  
<[ariana@forestroadco.com](mailto:ariana@forestroadco.com)>  
wrote:

David / Emilio, how is this  
coming along?

On Fri, Oct 23, 2020 at 9:15 AM  
Ariana Assaf

<[ariana@forestroadco.com](mailto:ariana@forestroadco.com)>

wrote:

Checking in to make sure this gets done before EOD.

Divya, per Inderpreet's OOO email, can you also please advise as to who the partner in charge is / help us set a call?

Thanks!

On Thu, Oct 22, 2020 at 8:05 PM Luke Taylor

<[luketaylor@bondit.us](mailto:luketaylor@bondit.us)> wrote:

David & Emilio,

- ! **@David** executing RC-59 document
- ! **@Emilio / David** confirming here Skyline 2 Production's authorization for Baker Tilly to obtain through the CRA portal and disclose to FRC the status of the tax credit refunds for the returns prepared and filed by Baker Tilly for the tax years ending 2017 and 2018 claiming the refunds of the tax credit.

As John noted — this was all condition to the loan (and is also very standard/reasonable), so let's please get this done immediately.

Thanks,

**LUKE TAYLOR**  
COO and co-founder

Office: (213) 204-6552 x102

1639 11th St. #160 | Santa Monica, CA 90404  
[www.BondIt.us](http://www.BondIt.us)



On Oct 22,  
2020, at 2:54  
PM, Zachary  
Tarica  
<[zachary@forestroadco.com](mailto:zachary@forestroadco.com)>  
wrote:

David - have  
you signed this  
document yet?

On Thu, Oct 22,  
2020 at 5:53  
PM Ariana  
Assaf  
<[ariana@forestroadco.com](mailto:ariana@forestroadco.com)>  
wrote:

Inderpreet, can  
we please  
arrange a time  
to catch up  
tomorrow or  
Monday?

Thanks!

On Wed, Oct  
21, 2020 at  
1:59 PM  
Zachary Tarica  
<[zachary@forestroadco.com](mailto:zachary@forestroadco.com)>  
> wrote:

Divya - in the  
interim can  
you reach out  
to Baker Tilly  
and set a call

with them for  
this week as  
well.

On Wed, Oct  
21, 2020 at  
1:49 PM John  
Bails  
<[john@forest  
roadco.com](mailto:john@forestroadco.com)>  
wrote:

Dave,

Per our call,  
this is CRA's  
updated form  
for the RC-  
59 that was  
provided at  
closing. Mai  
ntaining  
authorization  
to obtain  
independent  
verification  
from CRA  
was a  
condition of  
our financing  
so please  
return an  
executed  
copy of this  
as soon as  
possible.

I have also  
copied  
Inderpreet  
from Baker  
Tilly. Emili  
o/Dave,  
please  
confirm  
Skyline 2  
Production's



authorization  
for Baker  
Tilly to  
obtain  
through the  
CRA portal  
and disclose  
to us the  
status of the  
tax credit  
refunds for  
the returns  
prepared and  
filed by  
Baker Tilly  
for the tax  
years ending  
2017 and  
2018  
claiming the  
refunds of  
the tax  
credit.

Thanks in  
advance for  
everyone's  
prompt  
attention on  
this.

John

--

John Bails

The Forest  
Road  
Company

--

Zachary  
Tarica  
The Forest  
Road  
Company

--

Ariana Assaf  
The Forest  
Road  
Company  
(c):  
310.720.2673

--

Zachary Tarica  
The Forest  
Road Company

--

Ariana Assaf  
The Forest Road Company  
(c): 310.720.2673

--

Ariana Assaf  
The Forest Road Company  
(c): 310.720.2673

--

Zachary Tarica  
The Forest Road Company

--

Zachary Tarica  
The Forest Road Company

--

Ariana Assaf  
The Forest Road Company  
(c): 310.720.2673

--

Ariana Assaf  
The Forest Road Company  
(c): 310.720.2673

-----  
[EXTERNAL EMAIL / COURRIEL EXTERNE]

Please report any suspicious attachments, links, or requests for sensitive information.  
Veuillez rapporter la présence de pièces jointes, de liens ou de demandes d'information sensible  
qui vous semblent suspects.

-----  
You can [subscribe](#) to Miller Thomson's free electronic communications, or [unsubscribe](#) at any  
time.

CONFIDENTIALITY: This e-mail message (including attachments, if any) is confidential and is  
intended only for the addressee. Any unauthorized use or disclosure is strictly prohibited.  
Disclosure of this e-mail to anyone other than the intended addressee does not constitute waiver  
of privilege. If you have received this communication in error, please notify us immediately and  
delete this. Thank you for your cooperation. This message has not been encrypted. Special  
arrangements can be made for encryption upon request. If you no longer wish to receive e-mail  
messages from Miller Thomson, please contact the sender.

Visit our website at [www.millerthomson.com](http://www.millerthomson.com) for information about our firm and the services we provide.

Il est possible de [s'abonner](#) aux communications électroniques gratuites de Miller Thomson ou de s'en [désabonner](#) à tout moment.

CONFIDENTIALITÉ: Ce message courriel (y compris les pièces jointes, le cas échéant) est confidentiel et destiné uniquement à la personne ou à l'entité à qui il est adressé. Toute utilisation ou divulgation non permise est strictement interdite. L'obligation de confidentialité et de secret professionnel demeure malgré toute divulgation. Si vous avez reçu le présent courriel et ses annexes par erreur, veuillez nous en informer immédiatement et le détruire. Nous vous remercions de votre collaboration. Le présent message n'a pas été crypté. Le cryptage est possible sur demande spéciale. Communiquer avec l'expéditeur pour ne plus recevoir de courriels de la part de Miller Thomson.

Pour tout renseignement au sujet des services offerts par notre cabinet, visitez notre site Web à [www.millerthomson.com](http://www.millerthomson.com)

**This is Exhibit "L" referred to in the affidavit  
of IDAN SHANI, SWORN BEFORE ME**

**this 16th day of July, 2021**

DocuSigned by:

*Craig Mills*

EE378B46B4B142A...

**A COMMISSIONER FOR TAKING AFFIDAVITS  
CRAIG MILLS**



*The Forest Road Company, LLC  
1177 Avenue of the Americas, 5<sup>th</sup> Fl  
New York, NY 10036*

November 18, 2020

Skyline 2 Productions Inc.  
ATTN: Matthew Chausse  
369 Terminal Avenue, Suite 520  
Vancouver, British Columbia  
V6A 4C4  
[matthewchausse@gmail.com](mailto:matthewchausse@gmail.com)

***RE: Notice of Default and Demand – “Ed Quinn Vs”; Canadian Federal & British Columbia  
Production Services Tax Credit Loan***

Dear Mr. Chausse:

The purpose of this correspondence is to provide formal notice of default to Skyline 2 Productions Inc. (“Borrower”) pursuant to that certain Term Sheet between Borrower and The Forest Road Company, LLC (“Lender”) dated September 25, 2019 and all loan documentation related thereto (collectively, the “Loan Documents”), in connection with the motion picture project “*Ed Quinn Vs*” (the “Project”); and to demand immediate payment of all of Borrower’s outstanding obligations under the Loan Documents, as set forth below by Borrower and Garbo Holdings LLC, Vitality Visual Effects LLC, David G. Strause, and Linda L Strause (collectively, the “Guarantors”), as unconditional and irrevocable guarantors of full and prompt payment when due of any and all loan obligations arising from the Loan Documents pursuant to written guarantees (the “Guarantees”). All terms capitalized herein and not otherwise defined shall have the same meaning as ascribed to them in the Loan Documents.

As this correspondence outlines, Borrower has failed to undertake reasonable steps in order to repay its obligations under the terms and conditions of the Loan Documents.

**Events of Default**

Borrower has caused the following Events of Default as delineated in the Loan Documents:

1. *The nonpayment by the Debtor, when due, whether by acceleration or otherwise, of any of the Indebtedness.*
  - a. The Maturity Date for the loan was November 12, 2020
2. *Any failure of Borrower to comply with its deliveries or post-closing obligations within any of the Financing Documents.*



- a. Borrower has failed to furnish Lender, after numerous attempts, the applicable Canadian Revenue Authority ("CRA") forms as required by the Term Sheet.
  - b. Borrower has failed to execute and deliver documents that Lender reasonably requires to carry out or effectuate the purposes of the Term Sheet, namely, updated forms allowing Lender to communicate with CRA. Borrower has refused multiple requests for such documentation for more than ten business days.
3. *If there shall exist or occur any event or condition which in Lender's good faith business judgment (exercised in Lender's sole discretion) would have a material, adverse effect on the ability or obligation of Borrower to repay its obligations under the Financing Documents to Lender.*
- a. Lender has reasonably determined that Borrower has not provided clear nor consistent information with regard to the status of the refund or refunds from CRA and has consistently refused to provide reasonable access to information related to the status of the Tax Credits and the proceeds thereof.

### **Notice of Intent to Utilize Power of Attorney**

As Borrower has unreasonably refused to provide Lender with the applicable CRA forms in order for Lender to communicate with CRA to determine the status of the Tax Credits and any associated refunds after numerous requests, Lender shall utilize its Power of Attorney in order to execute and submit to CRA Form AUT-01 E (19) on Borrower's behalf.

### **Demand for Payment**

The Maturity Date for the loan was November 12, 2020, which has not been fully repaid.

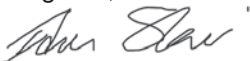
**The outstanding balance owed to Lender as of November 18, 2020 is USD\$1,197,000. Lender hereby demands immediate payment of USD\$1,197,000 from Borrower and/or Guarantors by not later than November 30, 2020 in order to satisfy Borrower's obligations under the Loan Documents and Guarantors' obligations under the Guarantees. Payment should be directed to:**

**The Forest Road Company, LLC  
ATTN: Idan Shani  
10 Stony Run Ct  
Dix Hills, NY 11746**

**\*Wire instructions can be sent under separate cover upon request.**

Thank you in advance for your cooperation in resolving this outstanding matter. If you are unable to satisfy the demand for payment by the date stated herein, we'll unfortunately have no alternative to but to resort to enforcement of the Loan Documents and Guarantees against the Borrower and the Guarantors, and this matter shall be turned over to our outside counsel to initiate litigation. If you have any questions, please do not hesitate to contact me either via email or by calling (516).860.9262.

Regards,



Idan Shani

**This is Exhibit "M" referred to in the affidavit  
of IDAN SHANI, SWORN BEFORE ME**

**this 16th day of July, 2021.**

DocuSigned by:

*Craig Mills*

EE378B46B4B142A...

---

**A COMMISSIONER FOR TAKING AFFIDAVITS  
CRAIG MILLS**



MILLER THOMSON LLP  
SCOTIA PLAZA  
40 KING STREET WEST, SUITE 5800  
P.O. BOX 1011  
TORONTO, ON M5H 3S1  
CANADA

T 416.595.8500  
F 416.595.8695

MILLERTHOMSON.COM

June 21, 2020

**Private and Confidential**  
**Delivered Via Courier to:**

Skyline 2 Productions Inc.  
121 John Street, Suite 1  
Toronto, Ontario  
M5V 2E2

Skyline 2 Productions Inc.  
250 Yonge Street, Suite 2201  
Toronto, Ontario  
M5V 2L7

**Craig A. Mills**  
Direct Line: 416.595.8596  
cmills@millerthomson.com

File: 0251474.0002

**Sent Via Courier and Email to:**

Skyline 2 Productions Inc.  
369 Terminal Avenue, Suite 520  
Vancouver BC  
V6A 4C4

Attention: Matthew Chausse

Email: matthewchausse@gmail.com

Dear Sir/Madam:

**Re: Loan arrangements between The Forest Road Company, LLC and Skyline 2 Productions Inc. ("Skyline 2")**

We are the lawyers for The Forest Road Company, LLC (the "**Lender**").

On October 25, 2019, Skyline 2 executed a promissory note (the "**Promissory Note**") and a Term Sheet and Term Sheet Addendum, both dated September 25, 2019 (the "**Term Sheet**") in favour of the Lender pursuant to which Skyline 2 acknowledged that it is indebted to and promised to pay the Lender on demand the principal amount of \$1,000,000 USD plus interest as set out in the Term Sheet (the "**Loan**"). The Loan was a tax credit loan that was secured, among other things, by tax credits earned under the British Columbia Production Services Tax

Credit and Canadian Federal Production Services Tax Credit (collectively, the “**Tax Credits**”) in respect to the project known as “Ed Quinn Vs” (the “**Project**”).

Skyline 2’s obligations under the Loan are secured by a General Security Agreement (the “**GSA**”) dated October 25, 2019 that was executed by Skyline 2 in favour of the Lender.

The maturity date (the “**Maturity Date**”) under the Loan is the earlier of: (a) one year from the initial advance; (b) three (3) business days after the date any proceeds from the sale of the Tax Credits are received; or (c) upon an “Event of Default” as defined in the Term Sheet. The Loan shall become due and payable on the Maturity Date.

Despite its requests for information, neither Skyline 2 nor the Tax Authorities have provided the Lender with any information on the status of any proceeds from the Tax Credits in respect to the Project. Further, more than a year has passed since the date of the initial advance. Accordingly, the Loan is now due and owing.

The Loan provides that the amount to be paid by Skyline 2 (the “**Repayment Amount**”) is an amount equal to: (i) 114% of the net loan amount plus (ii) any default interest and any reasonable costs of enforcement or collection incurred by the Lender. The default interest rate is defined in the Term Sheet.

We have been advised that the Lender has previously demanded payment of the Loan from Skyline 2 on November 18, 2020. However, Skyline 2 has failed to pay the indebtedness owing under the Loan to the Lender, the particulars of which are set out below.

The failure to pay any amount payable to the Lender constitutes an event of default under the terms of the GSA.

In addition, despite Skyline 2’s assignment to the Lender of certain film and television tax credits and proceeds from the Refundable Income Tax Credit Program (the “**Tax Credit Proceeds**”) pursuant to assignments dated October 25, 2019, Skyline has failed to cooperate with or provide any information to the Lender in respect to the status of the Tax Credit Proceeds.

### **Demand for Payment**

Our client advises that, as of June 18, 2021, the outstanding Repayment Amount due and owing under the Loan is \$1,396,061USD, inclusive of accrued interest and costs (the “**Indebtedness**”).

Accordingly, we have been instructed to demand payment of the Indebtedness to the Lender. All of the Indebtedness under the Loan must be paid to the Lender **by no later than 2:00 p.m. ET on July 2, 2021**.

Payment should be made to our office by way of wire transfer or a bank draft payable to the Lender. Should you intend to send the funds via wire transfer, please contact me directly so that we can provide you with our firm’s wire transfer instructions. As interest continues to



accrue on the Indebtedness, please contact our office before remitting payment so that an updated amount can be provided.

In the event that Skyline 2 does not remit the required funds by **July 2, 2021**, we have clear instructions to commence proceedings against Skyline 2, without further notice, including, without limitation, the appointment of a receiver and/or manager under the terms of the GSA.

In that regard, we enclose herewith a Notice of Intention to Enforce Security pursuant to *Bankruptcy and Insolvency Act (Canada)*.

### **Demand for Financial Information**

We also hereby demand that Skyline 2 (or Baker Tilly) immediately produce all documents and information pertaining to the Tax Credits and the status of the Tax Credit Proceeds to the Lender. Please contact me upon receipt of this letter to discuss the delivery of this information. In any event, this information must be produced by no later than **July, 2021**.

The Lender reserves its right to act before July 2, 2021 if, for example, the Lender considers the property under its security to be at risk or in peril. The Lender further reserves all of its other rights and remedies against Skyline 2 and all other Loan Parties, including, without limitation, those asserted in an action pending before the New York County Supreme Court as case number 651477/2021.

Please respond to the letter with all due haste.

Yours truly,

**MILLER THOMSON LLP**

Per:



Craig A. Mills  
CAM/me

Encl.

cc. Clients



**NOTICE OF INTENTION TO ENFORCE SECURITY**  
(Rule 124)

**TO: SKYLINE 2 PRODUCTIONS INC. ("Skyline 2"), an insolvent person**

Take notice that:

1. The Forest Road Company, LLC ("**FRC**"), a secured creditor, intends to enforce its security on the insolvent person's property described below:

The undertaking of Skyline 2 and in all Personal Property including, without limitation, all Goods, Accounts, Chattel Paper, Documents of Title, Instruments, Intangibles, Money and Securities now or hereafter owned or acquired by or on behalf of Skyline 2 and in all proceeds and renewals thereof, accretions thereto and substitutions therefor, as such terms are defined in the General Security Agreement dated October 25, 2019 ("**Security Agreement**"), granted by Skyline 2 in favour of FRC.

2. The security that is to be enforced is in the form of the Security Agreement referred to in section 1 herein.
3. The total amount of Indebtedness secured by the security is as set out in a letter from Miller Thomson LLP to Skyline 2 dated June 21, 2021.
4. The secured creditor will not have the right to enforce the security until after the expiry of the 10-day period after this notice is sent unless the insolvent person consents to an earlier enforcement.

Dated at Toronto, this 21<sup>st</sup> day of June, 2021.

**FOREST ROAD COMPANY, LLC**  
by its lawyers, Miller Thomson LLP



Per: \_\_\_\_\_

**Craig A. Mills**  
Telephone: (416) 595-8596  
cmills@millerthomson.com

THE FOREST ROAD COMPANY, LLC  
Applicant and

SKYLINE 2 PRODUCTIONS INC.  
Respondent

Court File No:

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

Proceeding commenced at TORONTO

**AFFIDAVIT OF IDAN SHANI  
(SWORN JULY , 2021)**

**MILLER THOMSON LLP**

Scotia Plaza  
40 King Street West, Suite 5800  
P.O. Box 1011  
Toronto, ON Canada M5H 3S1

**Jeffrey C. Carhart LSO# 23645M**

Tel: 416.595.8165  
jcarhart@millerthomson.com

**Craig A. Mills LSO#:40947B**

Tel: 416.595.8695  
cmills@millerthomson.com

Lawyers for the Applicant



## TAB 3

**SCHEDULE "B"**  
*Form of Summons Order*  
**ONTARIO**  
**SUPERIOR COURT OF JUSTICE - COMMERCIAL LIST**

Court File No.:

BETWEEN:

THE FOREST ROAD COMPANY, LLC

Applicant

- and -

SKYLINE 2 PRODUCTIONS INC.

Respondent

APPLICATION UNDER Section 47(1) of the *Bankruptcy and Insolvency Act*,  
R.S.C. 1985, c. B-3, as amended and Section 101 of the *Courts of Justice Act*,  
R.S.O. 1990, c. c-43, as amended

**CONSENT**

MNP Ltd. hereby consents to act as Interim Receiver of the Respondent  
pursuant to the Application of The Forest Road Company, LLC.

DATED at Toronto, Ontario this 15<sup>th</sup> day of July, 2021.

**MNP LTD.**Per: 

Name: Sheldon Title

Title: Senior Vice President

THE FOREST ROAD COMPANY,  
LLC  
Applicant

and

SKYLINE 2 PRODUCTIONS INC.  
Respondent

Court File No:

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

Proceeding commenced at TORONTO

**CONSENT**

**MILLER THOMSON LLP**

Scotia Plaza

40 King Street West, Suite 5800

P.O. Box 1011

Toronto, ON Canada M5H 3S1

Craig A. Mills LSUC#: 40947B

Tel: 416.595.8596

Fax: 416.595.8695

Email: [cmills@millerthomson.com](mailto:cmills@millerthomson.com)

Lawyers for the Applicant

TAB 4

Court File No. CV-21-00665781-00CL

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

THE HONOURABLE MR.	)	TUESDAY, THE 17 <sup>TH</sup>
	)	
JUSTICE CAVANAGH	)	DAY OF AUGUST , 2021

**THE FOREST ROAD COMPANY, LLC.**

Applicant

- and -

**SKYLINE 2 PRODUCTIONS INC.**

Respondent

**ORDER**  
**(appointing Interim Receiver)**

THIS APPLICATION made by the Applicant for an Order pursuant to section 47(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the “**BIA**”) and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the “**CJA**”) appointing MNP Ltd. (“**MNP**”) as interim receiver (in such capacity, the “**Interim Receiver**”) without security, of all of the assets, undertakings and properties of Skyline 2 Productions Inc. (the “**Debtor**”) acquired for, or used in relation to a business carried on by the Debtor, was heard this by videoconference due to the COVID-19 crisis.

ON READING the affidavit of Idan Shani sworn July 16, 2021 and the Exhibits thereto and on hearing the submissions of counsel for the Applicant, no one appearing for the Debtor

although duly served as appears from the affidavit of service of Maureen McLaren sworn July \_\_\_\_, 2021 and on reading the consent of MNP to act as the Interim Receiver,

### **SERVICE**

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

### **APPOINTMENT**

2. THIS COURT ORDERS that pursuant to section 47(1) of the BIA and section 101 of the CJA, MNP is hereby appointed Interim Receiver, without security, of all of the assets, undertakings and properties of the Debtor acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (the “**Property**”) until the earlier of (i) [30 days from date of order] and (ii) the appointment of a receiver or a licensed insolvency trustee in respect of the Property.

### **INTERIM RECEIVER’S POWERS**

3. THIS COURT ORDERS that the Interim Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Interim Receiver is hereby expressly empowered and authorized to do any of the following where the Interim Receiver considers it necessary or desirable:

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (b) to preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
- (c) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Interim Receiver's powers and duties, including without limitation those conferred by this Order;
- (d) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor, to deposit such monies in a separate bank account controlled by the Interim Receiver and pay such disbursements that are necessary for the continued operation of the business of the Debtor;
- (e) to execute, assign, issue and endorse documents of whatever nature in respect of any Property, whether in the Interim Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;



- (f) to summarily dispose of Property that is perishable or likely to depreciate rapidly in value;
- (g) to report to, meet with and discuss with such affected Persons (as defined below) as the Interim Receiver deems appropriate on all matters relating to the Property and the interim receivership, and to share information, subject to such terms as to confidentiality as the Interim Receiver deems advisable;
- (h) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Interim Receiver, in the name of the Debtor;
- (i) to inquire into and report to the Applicant and the Court on the financial condition of the Debtor and the Property and any material adverse developments relating to the financial condition of the Debtor and/or the Property; and
- (j) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations;

and in each case where the Interim Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Debtor, and without interference from any other Person.

**DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE INTERIM RECEIVER**

4. THIS COURT ORDERS that (i) the Debtor, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order, including, but not limited to, Baker Tilly WM LLP, the Canada Revenue Agency, Canadian Audio-Visual Certification Office, Creative BC and BC Ministry of Tourism, Arts and Culture (all of the foregoing, collectively, being "**Persons**" and each being a "**Person**") shall forthwith advise the Interim Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Interim Receiver, shall promptly advise the Interim Receiver as to the status of any audits or tax refunds that they are processing on behalf of, or have been applied for by the Debtor, and shall deliver all such Property to the Interim Receiver upon the Interim Receiver's request.

5. THIS COURT ORDERS that all Persons shall forthwith advise the Interim Receiver of the existence of any client records ("**Client Records**"), books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtor, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "**Records**") in that Person's possession or control, and shall, subject to Paragraph 6A, provide to the Interim Receiver or permit the Interim Receiver to make, retain and take away copies thereof and grant to the Interim Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records,

or the granting of access to Records, which may not be disclosed or provided to the Interim Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

6. THIS COURT ORDERS that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Interim Receiver for the purpose of allowing the Interim Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Interim Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Interim Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Interim Receiver with all such assistance in gaining immediate access to the information in the Records as the Interim Receiver may in its discretion require including providing the Interim Receiver with instructions on the use of any computer or other system and providing the Interim Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

#### NO PROCEEDINGS AGAINST THE INTERIM RECEIVER

7. THIS COURT ORDERS that no proceeding or enforcement process in any court or tribunal (each, a “**Proceeding**”), shall be commenced or continued against the Interim Receiver except with the written consent of the Interim Receiver or with leave of this Court.

**NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY**

8. THIS COURT ORDERS that no Proceeding against or in respect of the Debtor or the Property shall be commenced or continued except with the written consent of the Interim Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtor or the Property are hereby stayed and suspended pending further Order of this Court.

**NO EXERCISE OF RIGHTS OR REMEDIES**

9. THIS COURT ORDERS that all rights and remedies against the Debtor, the Interim Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Interim Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any “eligible financial contract” as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Interim Receiver or the Debtor to carry on any business which the Debtor is not lawfully entitled to carry on, (ii) exempt the Interim Receiver or the Debtor from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

**NO INTERFERENCE WITH THE INTERIM RECEIVER**

10. THIS COURT ORDERS that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtor, without written consent of the Interim Receiver or leave of this Court.

## CONTINUATION OF SERVICES

11. THIS COURT ORDERS that all Persons having oral or written agreements with the Debtor or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtor are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Interim Receiver, and that the Interim Receiver shall be entitled to the continued use of the Debtor' current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Interim Receiver in accordance with normal payment practices of the Debtor or such other practices as may be agreed upon by the supplier or service provider and the Interim Receiver, or as may be ordered by this Court.

## INTERIM RECEIVER TO HOLD FUNDS

12. THIS COURT ORDERS that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Interim Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Interim Receiver (the "**Post Interim Receivership Accounts**") and the monies standing to the credit of such Post Interim Receivership Accounts from time to time,

net of any disbursements provided for herein, shall be held by the Interim Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

## **EMPLOYEES**

13. THIS COURT ORDERS that all employees of the Debtor shall remain the employees of the Debtor. The Interim Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Interim Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

## **LIMITATION ON ENVIRONMENTAL LIABILITIES**

14. THIS COURT ORDERS that nothing herein contained shall require the Interim Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, “**Possession**”) of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the “**Environmental Legislation**”), provided however that nothing herein shall exempt the Interim Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Interim Receiver shall not, as a result of this Order or anything

done in pursuance of the Interim Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

#### **LIMITATION ON THE INTERIM RECEIVER'S LIABILITY**

15. THIS COURT ORDERS that the Interim Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*. Nothing in this Order shall derogate from the protections afforded the Interim Receiver by section 14.06 of the BIA or by any other applicable legislation.

#### **INTERIM RECEIVER'S ACCOUNTS**

16. THIS COURT ORDERS that the Interim Receiver and counsel to the Interim Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Interim Receiver and counsel to the Interim Receiver shall be entitled to and are hereby granted a charge (the "**Interim Receiver's Charge**") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Interim Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.



17. THIS COURT ORDERS that the Interim Receiver and its legal counsel shall pass its accounts from time to time, and for this purpose the accounts of the Interim Receiver and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

18. THIS COURT ORDERS that prior to the passing of its accounts, the Interim Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Interim Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

#### **FUNDING OF THE INTERIM RECEIVERSHIP**

19. THIS COURT ORDERS that the Interim Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$25,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Interim Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the “**Interim Receiver’s Borrowings Charge**”) as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and

encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Interim Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

20. THIS COURT ORDERS that neither the Interim Receiver's Borrowings Charge nor any other security granted by the Interim Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

21. THIS COURT ORDERS that the Interim Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "A" hereto (the "**Interim Receiver's Certificates**") for any amount borrowed by it pursuant to this Order.

22. THIS COURT ORDERS that the monies from time to time borrowed by the Interim Receiver pursuant to this Order or any further order of this Court and any and all Interim Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Interim Receiver's Certificates.

### **SERVICE AND NOTICE**

23. THIS COURT ORDERS that the E-Service Protocol of the Commercial List (the "Protocol") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of

documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL: ‘www.mnpdebt.ca/en/corporate/corporate-engagements/skyline2’.

24. THIS COURT ORDERS that if the service or distribution of documents in accordance with the Protocol is not practicable, the Interim Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Debtor’ creditors or other interested parties at their respective addresses as last shown on the records of the Debtor and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

#### **GENERAL**

25. THIS COURT ORDERS that the Interim Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

26. THIS COURT ORDERS that nothing in this Order shall prevent the Interim Receiver from acting as a licensed insolvency trustee of the Debtor.

27. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Interim Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully

requested to make such orders and to provide such assistance to the Interim Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Interim Receiver and its agents in carrying out the terms of this Order.

28. THIS COURT ORDERS that the Interim Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Interim Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

29. THIS COURT ORDERS that the Applicant shall have its costs of this application, up to and including entry and service of this Order, provided for by the terms of the Applicant's security or, if not so provided by the Applicant's security, then on a substantial indemnity basis to be paid by the Interim Receiver from the Debtor's estate with such priority and at such time as this Court may determine.

30. THIS COURT ORDERS that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Interim Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

31. THIS COURT ORDERS that the Interim Receiver, its counsel and counsel for the Applicant are at liberty to serve or distribute this Order, any other materials and orders as may be reasonably required in these proceedings, including any notices, or other correspondence, by forwarding true copies thereof by electronic message to the Debtor's creditors or other interested

parties and their advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of a legal or juridical obligation, and notice requirements within the meaning of clause 3(c) of the Electronic Commerce Protection Regulations, Reg. 81000-2-175 (SOR/DORS).

---

## SCHEDULE "A"

### INTERIM RECEIVER CERTIFICATE

CERTIFICATE NO. \_\_\_\_\_

AMOUNT \$ \_\_\_\_\_

1. THIS IS TO CERTIFY that MNP Ltd., the interim receiver (the "**Interim Receiver**") of the assets, undertakings and properties Skyline 2 Productions Inc. acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively, the "**Property**") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated the 17<sup>th</sup> day of August, 2021 (the "**Order**") made in an action having Court file number CV-21-00665781-00CL, has received as such Interim Receiver from the holder of this certificate (the "**Lender**") the principal sum of \$ \_\_\_\_\_, being part of the total principal sum of \$ \_\_\_\_\_ which the Interim Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily][monthly not in advance on the \_\_\_\_\_ day of each month] after the date hereof at a notional rate per annum equal to the rate of \_\_\_\_\_ per cent above the prime commercial lending rate of Bank of \_\_\_\_\_ from time to time.

3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Interim Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Interim Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Interim

Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

6. The charge securing this certificate shall operate so as to permit the Interim Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7. The Interim Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the \_\_\_\_ day of \_\_\_\_\_, 2021.

MNP Ltd., solely in its capacity  
as Interim Receiver of the Property, and not in  
its personal capacity

Per: \_\_\_\_\_  
Name:  
Title:





Revised: January 21, 2014  
s.243(1) BIA (National Receiver) and s. 101 CJA (Ontario) Receiver

Court File No. — CV-21-00665781-00CL

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

THE HONOURABLE —MR. ) ~~WEEKDAY~~TUESDAY, THE #17<sup>TH</sup>  
 )  
JUSTICE —CAVANAGH ) DAY OF ~~MONTH~~AUGUST, ~~20YR~~2021

**PLAINTIFF<sup>1</sup>**

**Plaintiff**

THE FOREST ROAD COMPANY, LLC.

Applicant

- and -

**DEFENDANT**

**Defendant**

SKYLINE 2 PRODUCTIONS INC.

Respondent

**ORDER**  
**(appointing Interim Receiver)**

THIS ~~MOTION~~APPLICATION made by the ~~Plaintiff~~<sup>2</sup>Applicant for an Order pursuant to section ~~243~~47(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the

---

<sup>1</sup> ~~The Model Order Subcommittee notes that a receivership proceeding may be commenced by action or by application. This model order is drafted on the basis that the receivership proceeding is commenced by way of an action.~~

~~"BIA") and section 101 of the Courts of Justice Act, R.S.O. 1990, c. C.43, as amended (the "CJA") appointing [RECEIVER'S NAME] as MNP Ltd. ("MNP") as interim receiver [and manager] (in such capacities capacity, the "Interim Receiver") without security, of all of the assets, undertakings and properties of [DEBTOR'S NAME] Skyline 2 Productions Inc. (the "Debtor") acquired for, or used in relation to a business carried on by the Debtor, was heard this day at 330 University Avenue, Toronto, Ontario by videoconference due to the COVID-19 crisis.~~

ON READING the affidavit of [NAME] Idan Shani sworn [DATE] July 16, 2021 and the Exhibits thereto and on hearing the submissions of counsel for [NAMES] the Applicant, no one appearing for [NAME] the Debtor although duly served as appears from the affidavit of service of [NAME] Maureen McLaren sworn [DATE] July \_\_, 2021 and on reading the consent of [RECEIVER'S NAME] MNP to act as the Interim Receiver,

## SERVICE

1. THIS COURT ORDERS that the time for service of the Notice of ~~Motion~~ Application and the ~~Motion~~ Application Record is hereby abridged and validated<sup>3</sup> so that this motion is properly returnable today and hereby dispenses with further service thereof.

## APPOINTMENT

---

<sup>2</sup> Section 243(1) of the BIA provides that the Court may appoint a receiver "on application by a secured creditor".

<sup>3</sup> If service is effected in a manner other than as authorized by the Ontario Rules of Civil Procedure, an order validating irregular service is required pursuant to Rule 16.08 of the Rules of Civil Procedure and may be granted in appropriate circumstances.

2. THIS COURT ORDERS that pursuant to section ~~243~~47(1) of the BIA and section 101 of the CJA, ~~[RECEIVER'S NAME]~~MNP is hereby appointed Interim Receiver, without security, of all of the assets, undertakings and properties of the Debtor acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (the ~~"Property"~~"Property") until the earlier of (i) [30 days from date of order] and (ii) the appointment of a receiver or a licensed insolvency trustee in respect of the Property.

### INTERIM RECEIVER'S POWERS

3. THIS COURT ORDERS that the Interim Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Interim Receiver is hereby expressly empowered and authorized to do any of the following where the Interim Receiver considers it necessary or desirable:

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (b) to ~~receive~~, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
- ~~(c) to manage, operate, and carry on the business of the Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtor;~~

- (c) ~~(d)~~ to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Interim Receiver's powers and duties, including without limitation those conferred by this Order;
- ~~(e) — to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtor or any part or parts thereof;~~
- (d) ~~(f)~~ to receive and collect all monies and accounts now owed or hereafter owing to the Debtor ~~and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor;~~ ~~(g) to settle, extend or compromise any indebtedness owing to,~~ to deposit such monies in a separate bank account controlled by the Interim Receiver and pay such disbursements that are necessary for the continued operation of the business of the Debtor;
- (e) ~~(h)~~ to execute, assign, issue and endorse documents of whatever nature in respect of any ~~of the~~ Property, whether in the Interim Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;
- ~~(i) — to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtor, the Property or the Receiver, and to~~

~~settle or compromise any such proceedings.<sup>4</sup> The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;~~

~~(j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;~~

~~(k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,~~

~~(i) without the approval of this Court in respect of any transaction not exceeding \$ \_\_\_\_\_, provided that the aggregate consideration for all such transactions does not exceed \$ \_\_\_\_\_; and~~

~~(ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;~~

~~and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act*, [or section 31 of the Ontario *Mortgages Act*, as the case may be,]<sup>5</sup> shall not be required, and in each case the Ontario *Bulk Sales Act* shall not apply.~~

---

<sup>4</sup> This model order does not include specific authority permitting the Receiver to either file an assignment in bankruptcy on behalf of the Debtor, or to consent to the making of a bankruptcy order against the Debtor. A bankruptcy may have the effect of altering the priorities among creditors, and therefore the specific authority of the Court should be sought if the Receiver wishes to take one of these steps.

<sup>5</sup> If the Receiver will be dealing with assets in other provinces, consider adding references to applicable statutes in other provinces. If this is done, those statutes must be reviewed to ensure that the Receiver is exempt from or can be exempted from such notice periods, and further that the Ontario Court has the jurisdiction to grant such an exemption.

- ~~(l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;~~
- (f) to summarily dispose of Property that is perishable or likely to depreciate rapidly in value;
- (g) ~~(m)~~ to report to, meet with and discuss with such affected Persons (as defined below) as the Interim Receiver deems appropriate on all matters relating to the Property and the interim receivership, and to share information, subject to such terms as to confidentiality as the Interim Receiver deems advisable; ~~(n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;~~
- (h) ~~(o)~~ to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought ~~desirable~~ desireable by the Interim Receiver, in the name of the Debtor;
- (i) ~~(p) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor;~~ inquire into and report to the Applicant and the Court on the financial condition of the Debtor and the Property and any material adverse developments relating to the financial condition of the Debtor and/or the Property; and



~~(q) — to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and~~

(i) ~~(+)~~ to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations;

and in each case where the Interim Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Debtor, and without interference from any other Person.

#### **DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE INTERIM RECEIVER**

4. THIS COURT ORDERS that (i) the Debtor, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order, including, but not limited to, Baker Tilly WM LLP, the Canada Revenue Agency, Canadian Audio-Visual Certification Office, Creative BC and BC Ministry of Tourism, Arts and Culture (all of the foregoing, collectively, being "**Persons**" and each being a "**Person**") shall forthwith advise the Interim Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the ~~Receiver~~Interim Receiver, shall promptly advise the Interim Receiver as to the status of any audits or tax refunds that they are processing on behalf of, or have been applied for by the Debtor, and shall deliver all such Property to the Interim Receiver upon the Interim Receiver's request.

5. THIS COURT ORDERS that all Persons shall forthwith advise the Interim Receiver of the existence of any client records ("Client Records"), books, documents, securities, contracts,

orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtor, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the “Records”) in that Person's possession or control, and shall, subject to Paragraph 6A, provide to the Interim Receiver or permit the Interim Receiver to make, retain and take away copies thereof and grant to the Interim Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Interim Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

6. THIS COURT ORDERS that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Interim Receiver for the purpose of allowing the Interim Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Interim Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Interim Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Interim Receiver with all such assistance in gaining immediate access to the information in the Records as the Interim Receiver may in its discretion require including providing the Interim Receiver with instructions on the use of any computer or other system and providing the Interim Receiver with any and all

access codes, account names and account numbers that may be required to gain access to the information.

~~7. THIS COURT ORDERS that the Receiver shall provide each of the relevant landlords with notice of the Receiver's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Receiver's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Receiver, or by further Order of this Court upon application by the Receiver on at least two (2) days notice to such landlord and any such secured creditors.~~

#### NO PROCEEDINGS AGAINST THE INTERIM RECEIVER

~~7.~~ ~~8.~~ THIS COURT ORDERS that no proceeding or enforcement process in any court or tribunal (each, a "Proceeding"), shall be commenced or continued against the Interim Receiver except with the written consent of the Interim Receiver or with leave of this Court.

#### NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

~~8.~~ ~~9.~~ THIS COURT ORDERS that no Proceeding against or in respect of the Debtor or the Property shall be commenced or continued except with the written consent of the Interim Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtor or the Property are hereby stayed and suspended pending further Order of this Court.

#### NO EXERCISE OF RIGHTS OR REMEDIES

~~9.~~ ~~10.~~ THIS COURT ORDERS that all rights and remedies against the Debtor, the Interim Receiver, or affecting the Property, are hereby stayed and suspended except with the written

consent of the Interim Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any "eligible financial contract" as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Interim Receiver or the Debtor to carry on any business which the Debtor is not lawfully entitled to carry on, (ii) exempt the Interim Receiver or the Debtor from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

#### **NO INTERFERENCE WITH THE INTERIM RECEIVER**

10. ~~11.~~ THIS COURT ORDERS that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtor, without written consent of the Interim Receiver or leave of this Court.

#### **CONTINUATION OF SERVICES**

11. ~~12.~~ THIS COURT ORDERS that all Persons having oral or written agreements with the Debtor or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtor are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Interim Receiver, and that the Interim Receiver shall be entitled to the continued use of the Debtor's' current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after

the date of this Order are paid by the Interim Receiver in accordance with normal payment practices of the Debtor or such other practices as may be agreed upon by the supplier or service provider and the Interim Receiver, or as may be ordered by this Court.

### **INTERIM RECEIVER TO HOLD FUNDS**

12. ~~13.~~ THIS COURT ORDERS that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Interim Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Interim Receiver (the "Post Interim Receivership Accounts") and the monies standing to the credit of such Post Interim Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Interim Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

### **EMPLOYEES**

13. ~~14.~~ THIS COURT ORDERS that all employees of the Debtor shall remain the employees of the Debtor ~~until such time as the Receiver, on the Debtor's behalf, may terminate the employment of such employees.~~ The Interim Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Interim Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

**PIPEDA**

~~15. THIS COURT ORDERS that, pursuant to clause 7(3)(e) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "Sale"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtor, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.~~

**LIMITATION ON ENVIRONMENTAL LIABILITIES**

14. ~~16.~~ THIS COURT ORDERS that nothing herein contained shall require the Interim Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "Possession") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the "Environmental Legislation"), provided however that nothing herein shall exempt the Interim Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Interim Receiver shall not, as a result of this Order or anything done in pursuance

of the Interim Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

#### LIMITATION ON THE INTERIM RECEIVER'S LIABILITY

15. ~~17.~~ THIS COURT ORDERS that the Interim Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*. Nothing in this Order shall derogate from the protections afforded the Interim Receiver by section 14.06 of the BIA or by any other applicable legislation.

#### INTERIM RECEIVER'S ACCOUNTS

16. ~~18.~~ THIS COURT ORDERS that the Interim Receiver and counsel to the Interim Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Interim Receiver and counsel to the Interim Receiver shall be entitled to and are hereby granted a charge (the "Interim Receiver's Charge") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Interim Receiver's Charge shall form a first charge on the Property in priority to all



security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.<sup>6</sup>

17. ~~19.~~ THIS COURT ORDERS that the Interim Receiver and its legal counsel shall pass its accounts from time to time, and for this purpose the accounts of the Interim Receiver and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

18. ~~20.~~ THIS COURT ORDERS that prior to the passing of its accounts, the Interim Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Interim Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

#### FUNDING OF THE INTERIM RECEIVERSHIP

19. ~~21.~~ THIS COURT ORDERS that the Interim Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$ 25,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon

---

<sup>6</sup> ~~Note that subsection 243(6) of the BIA provides that the Court may not make such an order "unless it is satisfied that the secured creditors who would be materially affected by the order were given reasonable notice and an opportunity to make representations".~~

the Interim Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the ~~“Interim Receiver’s Borrowings Charge”~~) as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Interim Receiver’s Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

20. ~~22.~~ THIS COURT ORDERS that neither the Interim Receiver’s Borrowings Charge nor any other security granted by the Interim Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

21. ~~23.~~ THIS COURT ORDERS that the Interim Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule ~~“A”~~ hereto (the ~~“Interim Receiver’s Certificates”~~) for any amount borrowed by it pursuant to this Order.

22. ~~24.~~ THIS COURT ORDERS that the monies from time to time borrowed by the Interim Receiver pursuant to this Order or any further order of this Court and any and all Interim Receiver’s Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Interim Receiver’s Certificates.

## SERVICE AND NOTICE

23. ~~25.~~ THIS COURT ORDERS that the E-Service Protocol of the Commercial List (the “Protocol”) is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at

<http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL ~~@~~: [‘www.mnpdebt.ca/en/corporate/corporate-engagements/skyline2’](http://www.mnpdebt.ca/en/corporate/corporate-engagements/skyline2).

24. ~~26.~~ THIS COURT ORDERS that if the service or distribution of documents in accordance with the Protocol is not practicable, the Interim Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Debtor~~s~~’ creditors or other interested parties at their respective addresses as last shown on the records of the Debtor and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

## GENERAL

25. ~~27.~~ THIS COURT ORDERS that the Interim Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

26. ~~28.~~ THIS COURT ORDERS that nothing in this Order shall prevent the Interim Receiver from acting as a licensed insolvency trustee ~~in bankruptcy~~ of the Debtor.

27. ~~29.~~ THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Interim Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Interim Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Interim Receiver and its agents in carrying out the terms of this Order.

28. ~~30.~~ THIS COURT ORDERS that the Interim Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Interim Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

29. ~~31.~~ THIS COURT ORDERS that the PlaintiffApplicant shall have its costs of this ~~motion~~application, up to and including entry and service of this Order, provided for by the terms of the PlaintiffApplicant's security or, if not so provided by the PlaintiffApplicant's security, then on a substantial indemnity basis to be paid by the Interim Receiver from the Debtor's estate with such priority and at such time as this Court may determine.

30. ~~32.~~ THIS COURT ORDERS that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Interim Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

31. THIS COURT ORDERS that the Interim Receiver, its counsel and counsel for the Applicant are at liberty to serve or distribute this Order, any other materials and orders as may be reasonably required in these proceedings, including any notices, or other correspondence, by forwarding true copies thereof by electronic message to the Debtor' creditors or other interested parties and their advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of a legal or juridical obligation, and notice requirements within the meaning of clause 3(c) of the Electronic Commerce Protection Regulations, Reg. 81000-2-175 (SOR/DORS).

---

SCHEDULE "A"INTERIM RECEIVER CERTIFICATE

CERTIFICATE NO. \_\_\_\_\_

AMOUNT \$ \_\_\_\_\_

1. THIS IS TO CERTIFY that ~~[RECEIVER'S NAME]~~ MNP Ltd., the interim receiver (the "Interim Receiver") of the assets, undertakings and properties ~~[DEBTOR'S NAME]~~ Skyline 2 Productions Inc., acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively, the **"Property"**) appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated the 17<sup>th</sup> day of August, 2021 (the "Order") made in an action having Court file number CL CV-21-00665781-00CL, has received as such Interim Receiver from the holder of this certificate (the "Lender") the principal sum of \$ \_\_\_\_\_, being part of the total principal sum of \$ \_\_\_\_\_ which the Interim Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily][monthly not in advance on the \_\_\_\_\_ day of each month] after the date hereof at a notional rate per annum equal to the rate of \_\_\_\_\_ per cent above the prime commercial lending rate of Bank of \_\_\_\_\_ from time to time.

3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Interim Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Interim Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Interim

Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

6. The charge securing this certificate shall operate so as to permit the Interim Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7. The Interim Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the \_\_\_\_ day of \_\_\_\_\_, ~~20~~2021.

~~[RECEIVER'S NAME]~~MNP Ltd., solely in its  
capacity  
as Interim Receiver of the Property, and not in its  
personal capacity

Per: \_\_\_\_\_

Name:

Title:



Document comparison by Workshare 9.5 on Wednesday, July 21, 2021 2:31:47 PM

Input:	
Document 1 ID	interwovenSite://MTDMSWSSC.MILLERTHOMSON.CORP/Legal/55967120/1
Description	#55967120v1<Legal> - Model receivership-order
Document 2 ID	interwovenSite://MTDMSWSSC.MILLERTHOMSON.CORP/Legal/55548864/3
Description	#55548864v3<Legal> - order - IR
Rendering set	Standard

Legend:	
<a href="#">Insertion</a>	
<del>Deletion</del>	
<del>Moved from</del>	
<u>Moved to</u>	
Style change	
Format change	
<del>Moved deletion</del>	
Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

Statistics:	
	Count
Insertions	243
Deletions	172
Moved from	1
Moved to	1
Style change	0
Format changed	0
Total changes	417

THE FOREST ROAD COMPANY, LLC  
Applicant

And

SKYLINE 2 PRODUCTONS INC.et al.  
Respondent

Court File No.:  
CV-21-00665781-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE -  
COMMERCIAL LIST**

Proceeding commenced at TORONTO

**NOTICE OF APPLICATION**

**MILLER THOMSON LLP**

Scotia Plaza  
40 King Street West, Suite 5800  
P.O. Box 1011  
Toronto, ON Canada M5H 3S1

Craig A. Mills LSO#: 40947B  
Tel: 416.595.8596  
Fax: 416.595.8695  
Email: cmills@millerthomson.com

Elsir Tawfik, LSO#: 79819D  
Tel: 416.595.2663  
Fax: 416.595.8695  
Email: etawfik@millerthomson.com

Lawyers for the Applicant