



**Second Report of
KSV Restructuring Inc. as
Receiver and Manager
of Productivity Media Inc., Productivity
Media Income Fund I LP and Productivity
Media Lending Corp. I**

April 4, 2025

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COURT FILE NO.: CV-24-00730869-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

BETWEEN:

TWO SHORES CAPITAL CORP.

Applicant

- and -

PRODUCTIVITY MEDIA INC., PRODUCTIVITY MEDIA INCOME FUND I LP
and PRODUCTIVITY MEDIA LENDING CORP. I

Respondents

SECOND REPORT OF KSV RESTRUCTURING INC.
AS RECEIVER AND MANAGER

APRIL 4, 2025

1.0 Introduction

1. Pursuant to an application made by Two Shores Capital Corp. (“**Two Shores**”), the Ontario Superior Court of Justice (Commercial List) (the “**Ontario Court**”) issued an order (the “**Receivership Order**”) on November 19, 2024 (the “**Filing Date**”) appointing KSV Restructuring Inc. (“**KSV**”) as the court-appointed receiver and manager (the “**Receiver**”) of Productivity Media Inc. (“**PMI**”), Productivity Media Income Fund I LP (“**PMIF**”) and Productivity Media Lending Corp. I (“**PMLC**”, and together with PMI and PMIF, the “**Debtors**”). A copy of the Receivership Order is attached as Appendix “**A**”.
2. Pursuant to an application made by the Receiver on behalf of PMI and PMIF, on December 2, 2024, the Ontario Court issued an order (the “**Mareva and Norwich Order**”) in respect of William Gregor Santor (“**Santor**”), Sonja Santor a.k.a. Sonja Nistelberger (“**Sonja**”), Radiant Films International Inc., Dark Star Pictures (Canada) Inc., Concourse Media Inc., Joker Films Productions Inc., 8397830 Canada Inc. (“**839 Canada**”), Productivity Media Releasing Inc., Productivity Media Rentals Inc., Productivity Media Productions (Cayman) Ltd., Erbschaft Capital Corp., Stream.TV (Cayman) Ltd., and Stark Industries Limited (collectively, the “**Mareva Defendants**”). The Mareva and Norwich Order was granted in Court File No. CV-24-00731806-00CL (the “**Action**”) commenced by the Receiver on behalf of PMI and PMIF against the Mareva Defendants and others, alleging a “**Fraudulent Scheme**” (as defined in the Statement of Claim filed in those proceedings).

3. Pursuant to an application made by the Receiver on behalf of the Debtors, the Cayman Islands Grand Court (the "**Cayman Court**") issued an injunction on December 6, 2024 prohibiting the disposal of assets in the Cayman Islands (the "**Cayman Injunction Order**") as against Santor, Sonja, Productivity Media Productions (Cayman) Ltd., Erbschaft Capital Corp., Stream.TV (Cayman) Ltd. and Stark Industries Limited (collectively, the "**Cayman Defendants**"), representing the subset of the Mareva Defendants located in the Cayman Islands. A copy of the Cayman Injunction Order is attached as Appendix "**B**".
4. A Coroner's Interim Certificate of the Fact of Death issued in the Cayman Islands on January 10, 2025 confirmed that Santor passed away on December 28, 2024 in Grand Cayman.
5. PMIF's assets include its portfolio of: (i) film and television production financing (the "**Production Loans**"); and (ii) loans to global sales agents and distribution companies to enable them to provide minimum guarantees to production companies for future distribution income generated by media productions being distributed by the sales agent ("**MG Loans**" and together with Production Loans, the "**Loans**"). PMIF's audited financial statements for the year ended December 31, 2023 (issued on June 19, 2024) reflect that the book value of the Loans as at December 31, 2023 was approximately \$286 million (the "**Loan Book Value**"). PMIF sourced substantially all its capital from investors, including various pension funds.
6. Santor appears to have been the person primarily responsible for orchestrating the "**Fraudulent Scheme**" detailed in the Action. The Fraudulent Scheme could result in losses approximating the Loan Book Value. As part of the Fraudulent Scheme, Santor, *inter alia*, directed monies from PMIF to 839 Canada. Santor used this to make investments in apparently legitimate businesses in which 839 Canada has a minority interest. Santor is the sole director and officer of 839 Canada and the Receiver understands that he is its sole shareholder. 839 Canada owes PMIF at least C\$2,259,452 and US\$5,640,000 and PMIF has security over 839 Canada's property, assets and undertaking.
7. As of the date of this report (the "**Second Report**"), the Receiver and its litigation counsel, DLA Piper (Canada) LLP ("**DLA**") are continuing their investigations.

1.1 Purposes of this Report

1. The purposes of this Second Report are to:
 - a) provide background information about the Debtors and these receivership proceedings;
 - b) provide background information about:
 - i. 839 Canada;
 - ii. fraudulent transactions 839 Canada carried out as Imposter Joker (as defined below); and
 - iii. various investments made by Santor and 839 Canada;

- c) provide the Receiver's rationale for recommending an increase in the Borrowing Limit (as defined below) to C\$2,500,000; and
- d) recommend that the Court issue an order among other things:
 - i. appointing KSV as the receiver of the current and future property, assets and undertakings of 839 Canada pursuant to section 243(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; and
 - ii. increasing the Receiver's borrowing authority and the Borrowing Charge in the Receivership Order from C\$750,000 to C\$2,500,000.

1.2 Restrictions

1. In preparing this Report, the Receiver has relied upon: (i) the Debtors' audited financial statements and unaudited financial information; (ii) information provided by the Debtors and DLA; (iii) discussions with various stakeholders in these proceedings (including their legal representatives); (iv) the receivership application materials; and (v) the Mareva application materials, including the affidavit of PricewaterhouseCoopers LLP ("**PwC**") sworn by Krista Mooney on November 20, 2024 (the "**PwC Affidavit**", and together with the above, the "**Information**").
2. The Receiver has not audited or otherwise attempted to verify the accuracy or completeness of the Information in a manner that complies with Canadian Auditing Standards ("**CAS**") pursuant to the Chartered Professional Accountants of Canada Handbook and, accordingly, the Receiver expresses no opinion or other form of assurance as contemplated under the CAS in respect of the Information. Any party wishing to place reliance on the Information should perform its own diligence.
3. Additional background information regarding the Debtors and the reasons for the appointment of the Receiver are provided in the receivership application materials of Two Shores and the affidavit of Andrew Chang-Sang ("**Chang-Sang**"), the Debtors' former Chief Financial Officer, sworn November 6, 2024. Copies of the Court materials filed to-date in these proceedings are available on the Receiver's website: <https://www.ksvadvisory.com/experience/case/productivity-media> (the "**Case Website**").

1.3 Currency

1. Unless otherwise noted, all currency references in this Report are in Canadian dollars.

2.0 Background

1. PMI is the parent corporation of PMLC and the general partner of PMIF, a limited partnership. Prior to the Filing Date, PMIF's business and operations were managed by PMI pursuant to a limited partnership agreement.
2. As noted above, PMIF's principal assets are the Loans. PMI's audited financial statements dated June 19, 2024 reflected that the Loan Book Value was approximately C\$286 million as of December 31, 2023.

3. PMI and PMIF were co-founded by Santor, Chang-Sang and John Hills (“**Hills**”). Santor owns 50% of the voting shares of PMI and Chang-Sang and Hills each own 25% of the voting shares of PMI.
4. PMIF’s objective was to generate returns for its unitholders (the “**LP Units**”, and the holders of such LP Units, the “**LP Investors**”) through the financing of independent film and television projects in Canada, the United States, the UK, France, Germany, Malta, Australia, New Zealand, the Cayman Islands, and other jurisdictions (the “**Media Projects**”).
5. PMIF raised capital by issuing LP Units to third party investors, primarily through two exempt market dealers, Westfield Partners Ltd. (“**Westfield**”), whose investor clients hold approximately 60.8% of the LP Units, and Qwest Investment Fund Management Ltd., which holds approximately 32.6% of the LP Units on behalf of its investor clients. The remaining 6.6% of LP Units are held by eight individual investor entities. The Receiver understands that most of the LP Investors are pension funds.
6. Santor was PMI’s chief executive officer until he was placed on a temporary leave of absence on August 26, 2024 after PMI was advised by Westfield that it received a letter from an anonymous source claiming that Santor had, among other things, caused PMIF to make approximately \$100 million of fraudulent loans (the “**Whistleblower Letter**”).
7. The Whistleblower Letter, among other things, included allegations that Santor designed, orchestrated, implemented, and benefitted from the Fraudulent Scheme.
8. Following the Whistleblower Letter, DLA was retained by the Debtors as their investigative counsel, and DLA retained PwC to conduct a financial investigation into transactions referenced in the Whistleblower Letter. The PwC Affidavit details the Fraudulent Scheme and was the main evidence upon which the Receiver relied in respect of its application for the Mareva and Norwich Order.
9. To the Receiver’s knowledge, as of the date of the Receivership Order, Two Shores was the Debtors’ only secured creditor pursuant to a loan agreement dated July 25, 2024 (the “**Loan Agreement**”) among Two Shores, as the lender, PMIF, as the borrower, and each of PMI and PMLC as guarantors. Pursuant to an Assignment of Indebtedness and Security completed on March 11, 2025, Two Shores’ debt and security was assigned to Westfield Partners Ltd., in Trust.
10. As detailed in Two Shores’ receivership application materials, the Debtors committed defaults under the Loan Agreement due to, among other reasons, their failure to repay the indebtedness owing under the Loan Agreement when due.

3.0 839 Canada

1. 839 Canada is a corporation incorporated on January 4, 2013 under the *Canada Business Corporations Act*.
2. Based on the PwC Affidavit, 839 Canada is indebted to PMIF in the principal amounts of at least C\$2,259,452 and US\$5,640,000 (collectively, the “**Indebtedness**”), as further detailed below.

3. 839 Canada was one of several entities through which Santor diverted money raised by PMIF for personal purposes, including making investments in other media business. Among other things, 839 Canada purported to carry on business as Joker Media (the “**Imposter Joker**”) to impersonate Joker Films Production Inc. (the “**Real Joker**”), an apparently legitimate media distribution company.
4. Imposter Joker obtained a series of distributor minimum guarantee loans (“**MG Loans**”) from PMIF in the amount of at least C\$27,300,000 and \$US5,640,000 under the pretense that the MG Loans would provide Imposter Joker, a purported media distribution company, with capital to back-stop revenue guarantees it made to production companies in respect of the sale of their media production distribution rights. In the ordinary course, availability of an MG Loan to a distributor is intended to provide confidence to production companies that the distributor has the capital it requires to provide and pay the minimum guarantee amount provided under a distribution contract.
5. In carrying out the Imposter Joker MG Loan scheme, Santor, among other things, created fictitious sales agency agreements between Imposter Joker and production companies. Santor appears to have repeated this scheme with several different “imposter” entities; however, to-date, the Receiver has not identified any other aliases for 839 Canada.
6. On or around March 24, 2016, Imposter Joker and PMIF entered into a Secured Demand Grid Promissory Note (the “**Grid P-Note**”).
7. Between March 30, 2016 and November 26, 2021, PMIF advanced Minimum Guarantee Loans to Imposter Joker totaling at least C\$27,300,000 and US\$5,640,000. In furtherance and concealment of the Fraudulent Scheme, between May 26, 2016 and October 19, 2022, PMIF appears to have received repayments on account of the Imposter MG Loans in the aggregate amount of C\$25,040,550. No repayments appear to have been received on the US dollar advances. Accordingly, 839 Canada (carrying on business as Imposter Joker) remains indebted to PMIF in the amount of at least C\$2,259,452 and US\$5,640,000.
8. As security for the MG Loans, 839 Canada as Imposter Joker, granted PMIF a security interest in all of its present and after-acquired personal property pursuant to a general security agreement (“**GSA**”) dated March 24, 2016. Copies of the GSA and Grid P-Note are attached as Appendix “**C**” and “**D**”, respectively.

3.1 Appointment of a Receiver

1. In the context of the Mareva proceedings, Santor provided a Sworn Statement of Assets dated December 9, 2024 (the “**Statement of Assets**”). As reflected on the Statement of Assets, 839 Canada has interests in several media businesses (the “**Investees**”), certain of which are operating and have co-investors. The Receiver has been in contact with representatives of most of the Investees to understand their businesses and to consider next steps concerning these investments. The table below provides a summary of the Investees.

Company	General Description¹
Wind Sun Sky Entertainment (“ WSS ”)	Animation studio based in Vancouver, BC
Moviebill LLC	Developer of augmented reality platform for the film and television industry
Greenlight Essentials Inc. (“ Greenlight ”)	Developer of artificial intelligence applications for the film and television industry
Post City Sound Inc. (“ Post City ”)	Post-production services including sound and picture editing
Perfect Circle Productions Ltd. (“ Perfect Circle ”)	Media production and distribution
Smith Global Media, Inc. (“ Smith Global ”)	Media production and distribution

2. The Receiver is of the view that the appointment of a Receiver over the property and assets of 839 Canada will allow the Receiver to realize on the assets owned by 839 Canada, including engaging directly with the principals of the Investees.
3. KSV is of the view that it is appropriate that it be appointed as receiver of 839 Canada. 839 Canada is indebted to PMIF, and as such, any recoveries from 839 Canada will benefit PMIF’s stakeholders. The Receiver is of the view that commencing receivership proceedings in respect of 839 Canada will provide the most expedient avenue to realize on 839 Canada’s investments (versus tracing monies from PMIF to 839 Canada to assets owned by 839 Canada) and will provide a “person” with whom the Investees can discuss their businesses and this situation.

4.0 Borrowing Limit

1. Pursuant to the Receivership Order, the Receiver is permitted to borrow up to C\$750,000 (the “**Borrowing Limit**”). As of the date of this Report, the Receiver has been advanced the full amount of the Borrowing Limit from Westfield, on behalf of certain LP Investors.
2. The Receiver requires an increase in the Borrowing Limit to fund the ongoing costs of these proceedings, including professional fees and other costs related to the investigation and the realization of the Debtors’ business and assets. There are several professional firms involved in these proceedings, including the Receiver, its Canadian and Cayman counsel and DLA, which is leading various legal aspects of the investigation. The Receiver also has retained counsel in respect of certain potential litigation as its receivership counsel had conflicts with that litigation, as well as a Cayman Island boutique restructuring firm to assist to realize on sundry assets on Cayman Island.

¹ Smith Global is subject to restructuring proceeding in the United States and 839 Canada’s interest in it is believed to have no value. Moviebill LLC is not presently operating and is also not believed to have any realizable value.

3. On March 25, 2025, Westfield advanced US\$350,000 pursuant to Receiver Certificate #2. As the full amount of the Borrowing Limit had already been drawn, Receiver Certificate #2 was amended from the form attached to the Receivership Order to address that the Receiver would seek an increase in the Borrowing Limit at an upcoming motion. Funding under Receiver Certificate #2 was urgently required so that the Receiver could fund the cost of insurance for a large home owned by Santor and his wife in the Cayman Islands which is presently under construction (the “**Cayman Home**”) and which is subject to the Cayman Injunction Order. The Cayman Home is believed to have a value of several million dollars and was not previously insured, which is particularly a concern with hurricane season approaching. The Receiver advised Westfield’s counsel that these funds would not be drawn until the Borrowing Limit request had been approved by the Court, except to pay the insurance premium for the Cayman Home.
4. There are significant past due and accruing professional fees. The Receiver is also paying various disbursements and other expenses related to the administration of these proceedings in the ordinary course. Accordingly, until assets, including the Cayman Home, can be monetized, the Receiver is of the view that it is necessary to increase the Borrowing Limit to \$2,500,000 so that there is no delay carrying out the investigation, realization activities and, if the Receiver believes appropriate, litigation.

5.0 Conclusion

1. Based on the foregoing, the Receiver respectfully recommends that this Honourable Court make an order granting the relief detailed in Section 1.1(1)(d) of this Report.

* * *

All of which is respectfully submitted,

KSV Restructuring Inc.

**KSV RESTRUCTURING INC. AS RECEIVER AND MANAGER OF
PRODUCTIVITY MEDIA INC., PRODUCTIVITY MEDIA INCOME FUND I L.P. AND
PRODUCTIVITY MEDIA LENDING CORP.**

Appendix “A”



Court File No. CV-24-00730869-00CL

ONTARIO

SUPERIOR COURT OF JUSTICE

COMMERCIAL LIST

THE HONOURABLE) TUESDAY, THE 19TH DAY
)
JUSTICE CONWAY) OF NOVEMBER, 2024

TWO SHORES CAPITAL CORP.

Applicant

- and -

PRODUCTIVITY MEDIA INC., PRODUCTIVITY MEDIA INCOME FUND I LP

and PRODUCTIVITY MEDIA LENDING CORP. I

Respondents

APPLICATION UNDER section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43

ORDER
(Appointing Receiver)

THIS APPLICATION made by the Applicant, Two Shores Capital Corp. (“**Two Shores**”) for an Order pursuant to section 243(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 KSV Restructuring Inc. as receiver and manager (“**KSV**” and in such capacities, the “**Receiver**”) without security, of all of the assets, undertakings and properties of Productivity Media Inc. (“**PMI**”), Productivity Media Income Fund I LP (the “**Limited Partnership**”) and Productivity Media Lending Corp. I (“**PMLC**”, and together with PMI and the Limited Partnership, the “**Debtors**” and each, a “**Debtor**”) acquired

for, or used in relation to a business carried on by the Debtors, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Samson Katz sworn November 6, 2024 and the Exhibits thereto, the affidavit of Andrew Chang-Sang sworn November 6, 2024 and the Exhibits thereto, the pre-filing report of KSV as proposed Receiver dated November 5, 2024, and on hearing the submissions of counsel for Two Shores, counsel for the proposed Receiver, and counsel for the Debtors and such other parties listed on the participant information form, no one else appearing although duly served as appears from the affidavit of service of Julia Chung sworn November 8, 2024, and on reading the consent of KSV to act as the Receiver, filed,

SERVICE

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

APPOINTMENT

2. **THIS COURT ORDERS** that pursuant to section 243(1) of the BIA and section 101 of the CJA, KSV is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of the Debtors acquired for, or used in relation to a business carried on by the Debtors, including all proceeds thereof (the “**Property**”).

RECEIVER’S POWERS

3. **THIS COURT ORDERS** that the 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 Receiver is hereby expressly empowered and authorized to do any of the following where the 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 Debtors, including the powers to enter into any agreements, make loan advances, 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 Debtors;
- (d) to continue the engagement of the Debtors' forensic accountants, PricewaterhouseCoopers LLP ("PwC"), and engage consultants, appraisers, agents, brokers, 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 Receiver's powers and duties, including without limitation those conferred by this Order;
- (e) to receive and collect all monies and accounts now owed or hereafter owing to the Debtors and to exercise all remedies of the Debtors in collecting such monies, including, without limitation, to enforce any security held by the Debtors;
- (f) to settle, extend or compromise any indebtedness owing to the Debtors;
- (g) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of any Debtor, for any purpose pursuant to this Order;
- (h) to continue the engagements of the Debtors' litigation counsel, DLA Piper (Canada) LLP ("DLA"), and (ii) the Debtor's entertainment counsel, Taylor Oballa Murray Leyland LLP ("TOML"), and/or to engage such other counsel as the Receiver may determine, 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 Debtors, the Property or the Receiver, and to settle or compromise any such proceedings. 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;

- (i) to pay the reasonable fees and disbursements of PwC, DLA and TOML, incurred before or after the date of this order;
- (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 \$250,000, provided that the aggregate consideration for all such transactions does not exceed \$1,000,000; 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*, shall not be required;

- (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, charges or encumbrances affecting such Property;

- (m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable, and to supervise, assist in and report on any investigations associated with the Debtors' business or the Property as the Receiver deems appropriate;
- (n) 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 Receiver, in the name of any Debtor;
- (o) to enter into agreements with any trustee in bankruptcy appointed in respect of a Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by a Debtor;
- (p) to exercise any shareholder, partnership, general partner, joint venture or other rights which the Debtors may have; and
- (q) 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 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 Debtors, and without interference from any other Person.

3.1 **THIS COURT ORDERS** that, subject to further order of this Court, so long as the Debtors remain indebted to Two Shores, the Receiver shall carry out its powers under this Order in a manner consistent with the Receiver's cash flow forecasts provided to and approved by Two Shores from time to time, acting reasonably. For greater certainty, in the event that Two Shores assigns its debt and security to another lender after the date of this Order, this paragraph 3.1 of this Order shall cease to operate unless otherwise agreed by the Receiver.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. **THIS COURT ORDERS** that (i) the Debtors, (ii) all of their current and former directors, officers, employees, agents, brokers, administrators, 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 (all of the foregoing, collectively, being “**Persons**” and each being a “**Person**”) shall forthwith advise the 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, and shall deliver all such Property to the Receiver upon the Receiver’s request.

5. **THIS COURT ORDERS** that all Persons shall forthwith advise the Receiver of the existence of any 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 Debtors, 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 provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the 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 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 Receiver for the purpose of allowing the 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 Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate

access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the 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 RECEIVER

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 Receiver except with the written consent of the Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE DEBTORS OR THE PROPERTY

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

NO EXERCISE OF RIGHTS OR REMEDIES

10. **THIS COURT ORDERS** that all rights and remedies against the Debtors, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the 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 Receiver or the Debtors to carry on any business

which the Debtor is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtors 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 RECEIVER

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 Debtors, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

12. **THIS COURT ORDERS** that all Persons having oral or written agreements with the Debtors 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 Debtors 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 Receiver, and that the Receiver shall be entitled to the continued use of the Debtors' 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 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 Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

13. **THIS COURT ORDERS** that all funds, monies, cheques, instruments, and other forms of payments received or collected by the 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 Receiver (the "**Post Receivership Accounts**") and the monies standing to the

credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

14. **THIS COURT ORDERS** that all employees of the Debtors shall remain the employees of the Debtors until such time as the Receiver, on the Debtors' behalf, may terminate the employment of such employees. The 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 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)(c) 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 Debtors, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

16. **THIS COURT ORDERS** that nothing herein contained shall require the 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 Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the 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 RECEIVER’S LIABILITY

17. **THIS COURT ORDERS** that the 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 Receiver by section 14.06 of the BIA or by any other applicable legislation.

RECEIVER’S ACCOUNTS

18. **THIS COURT ORDERS** that the Receiver and counsel to the 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 Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the “**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 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.

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

20. **THIS COURT ORDERS** that prior to the passing of its accounts, the 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 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 RECEIVERSHIP

21. **THIS COURT ORDERS** that the 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 \$750,000 (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 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 “**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 Receiver’s Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

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

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

24. **THIS COURT ORDERS** that the monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all 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 Receiver's Certificates.

SERVICE AND NOTICE

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 '<<https://www.ksvadvisory.com/experience/case/productivity-media>>'.

26. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, the 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 email, prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Debtors' creditors or other interested parties at their respective addresses as last shown on the records of the Debtors and that any such service or distribution by email, 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

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

28. **THIS COURT ORDERS** that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of any Debtor.

29. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada, Cayman Islands or in the United States to give effect to this Order and to assist the 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 Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

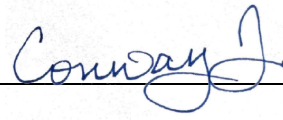
30. **THIS COURT ORDERS** that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, in Cayman Islands, United States or wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the 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.

31. **THIS COURT ORDERS** that the Applicant shall have its costs of this motion, 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 Receiver from the proceeds of the Debtors' Property with such priority and at such time as this Court may determine.

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 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.

33. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 am of the date of this Order without any need for entry and filing.

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A handwritten signature in blue ink, appearing to read "Conway J.", is written above a horizontal line. The signature is stylized and cursive.

SCHEDULE "A"

RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that KSV Restructuring Inc., in its capacity as the receiver and manager (in such capacities, the "**Receiver**") of the assets, undertakings and properties of Productivity Media Inc., Productivity Media Income Fund I LP, and Productivity Media Lending Corp. I (collectively, the "**Debtors**") acquired for, or used in relation to a business carried on by the Debtors, including all proceeds thereof (collectively, the "**Property**"), appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated the 19th day of November, 2024 (the "**Order**") made in an action having Court file number CV-24-00730869-00CL, has received as such Receiver from the holder of this certificate (the "**Lender**") the principal sum of \$ _____, being part of the total principal sum of \$ _____ which the 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 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 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 _____.

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 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 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 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__.

KSV Restructuring Inc., solely in its capacity
as Receiver of the Property, and not in its
personal capacity

Per: _____

Name:

Title:

-and-

Applicant

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at Toronto

**ORDER
(Appointing Receiver)**

FASKEN MARTINEAU DuMOULIN LLP

Barristers and Solicitors
333 Bay Street, Suite 2400
Bay Adelaide Centre, Box 20
Toronto, ON M5H 2T6

Stuart Brotman (LSO: 43430D)

sbrotman@fasken.com
Tel. 416 865 5419

Mitch Stephenson (LSO: 73064H)

mstephenson@fasken.com
Tel. 416 868 3502

Julia Chung (LSO: 90012D)

jchung@fasken.com
Tel. 416 868 3409

Lawyers for the Applicant

Appendix “B”



PENAL NOTICE

IF YOU THE WITHIN NAMED: (1) WILLIAM GREGORY SANTOR; (2) SONJA SANTOR (aka SONJA NISTELBERGER); (3) PRODUCTIVITY MEDIA PRODUCTIONS (CAYMAN) LTD; (4) ERBSCHAFT CAPITAL CORP; (5) STREAM.TV (CAYMAN) LTD AND/OR (6) STARK INDUSTRIES LIMITED DISOBEY THIS ORDER YOU MAY BE HELD TO BE IN CONTEMPT OF COURT AND LIABLE (IN THE CASE OF AN INDIVIDUAL) TO IMPRISONMENT AND/OR (IN THE CASE OF ANY RESPONDENT) A FINE OR CONFISCATION OF YOUR ASSETS.

ANY OTHER PERSON WHO KNOWS OF THIS ORDER AND DOES ANYTHING WHICH HELPS OR PERMITS THE RESPONDENT TO BREACH THE TERMS OF THIS ORDER MAY ALSO BE HELD TO BE IN CONTEMPT OF COURT AND MAY BE IMPRISONED, FINED OR HAVE THEIR ASSETS SEIZED

**IN THE GRAND COURT OF THE CAYMAN ISLANDS
FINANCIAL SERVICES DIVISION**

CAUSE FSD NO: 360 of 2024 (NSJ)

IN THE MATTER OF THE GRAND COURT ACT (2015 REVISION)

B E T W E E N:

PRODUCTIVITY MEDIA INC.

(A corporation incorporated under the laws of Ontario, Canada)

(In its capacity as the General Partner of Productivity Media Income Fund I LP)

(Acting by its receiver, KSV Restructuring Inc., appointed by the 19 November 2024 Order of the Ontario Superior Court of Justice)

Applicant

-and-

(1) WILLIAM GREGORY SANTOR

(2) SONJA SANTOR (aka SONJA NISTELBERGER)

(3) PRODUCTIVITY MEDIA PRODUCTIONS (CAYMAN) LTD

(4) ERBSCHAFT CAPITAL CORP

(5) STREAM.TV (CAYMAN) LTD

(6) STARK INDUSTRIES LIMITED

Respondents

INJUNCTION PROHIBITING
DISPOSAL OF ASSETS IN THE CAYMAN ISLANDS

IMPORTANT: NOTICE TO THE RESPONDENTS

(1) This Order prohibits you from dealing with your assets up to the amount stated. The Order is subject to the exceptions at the end of the Order. You should read it all carefully. You are advised to consult an attorney as soon as possible. You have a right to ask the Court to vary or discharge this Order.

(2) If you disobey this Order you will be guilty of contempt of Court and may (in the case of an individual) be sent to prison or (in the case of any respondent) be fined or your assets may be seized.

THE ORDER

An *ex parte* application was filed on 5 December 2024 by Counsel for Productivity Media Inc. (“PMI”) (in its capacity as the General Partner of Productivity Media Income Fund I LP (“the Fund”)); both acting via their receiver, KSV Restructuring Inc. (“the Receiver”), the Applicant, and heard today, 6 December 2024, by the Hon. Justice Segal.

Upon the Ontario Superior Court of Justice having, upon the Fund’s Notice for Motion dated 22 November 2024 and by order dated 2 December 2024 (“the **Ontario Order**”), *inter alia*, prohibited respondents to that application (including the Respondents) from dealing with certain of their worldwide assets and required those respondents to give certain disclosure.

And Upon hearing Counsel for the Applicant and the Respondents being neither present nor represented, Hon. Justice Segal heard the application and read the affidavits listed in Schedule 2 at the end of this Order.

As a result of the application **IT IS ORDERED** that:

1. DISPOSAL OF ASSETS

- (1) The First and Third to Sixth Respondents (and each of them) must not remove from the Cayman Islands or in any way dispose of or deal with or diminish the value of any of those Respondents’ assets which are in the Cayman Islands whether in the Respondents’ own name(s) or not and whether solely or jointly owned, up to the value of CAN\$44,448,871 or US\$31,705,380 (whichever is higher). This prohibition includes such interests as they have in or rights that they have to the following assets in particular:

- (a) real property at West Bay Beach North, Block 10A, Parcel 150, Grand Cayman, known as “**Vista Del Mar**”;
 - (b) real property comprising a two-bedroom condominium unit under construction located at West Bay South (WBS) Block 5C, Parcel 77, Grand Cayman
 - (c) the shares owned by the First Respondent in the Third to Sixth Respondents;
 - (d) any money in the accounts held with CIBC Caribbean (formerly CIBC FirstCaribbean) with the following account numbers;
 - (i) FCI002252 (in the name of the First Respondent);
 - (ii) 10488359 (in the name of the Third Respondent);
 - (iii) 10482214, 10482215, 10487974 & FCI002252 (in the name of the Fourth Respondent);
 - (iv) 10482217 (in the name of the Fifth Respondent);
 - (v) 10482218 & 10482219 (in the name of the Sixth Respondent).
 - (e) any motor vehicles in the Cayman Islands, including:
 - (i) a Porsche Cayenne (2017), with licence plate 212378;
 - (ii) a Black Jaguar SJL (2017);
 - (iii) a Jaguar F-Type;
 - (iv) a Bentley Bentayga;
 - (f) any personal property, including jewellery, wine and watches, in the Cayman Islands;
 - (g) the net sale money after payment of any mortgages or charges or any other security if any of the above assets have been sold, or any borrowed monies secured against such assets.
- (2) If the total unencumbered value of any of the First or Third to Sixth Respondents’ assets in the Cayman Islands exceeds CAN\$44,448,871 or US\$31,599,689

(whichever is higher) such Respondent may remove any of those assets from the Cayman Islands or may dispose of or deal with them so long as the total unencumbered value of that Respondent's assets still in the Cayman Islands remains above CAN\$44,448,871 or US\$31,599,689 (whichever is higher).

- (3) The Second Respondent must not in any way dispose of or deal with or diminish the value of Vista Del Mar or such rights or interests as she has in that property, or the net sale money after payment of any mortgages or charges if that property has been sold, or any borrowed monies (whether in the Respondent's own name or not and whether solely or jointly owned) secured against that property.

2. REGISTRATION OF INHIBITION

- (1) Pursuant to s.124 of the Registered Land Act (2018 Rev), an inhibition shall be registered on the register of title for Vista Del Mar (West Bay Beach North, Block 10A, Parcel 150) inhibiting the registration of any dealing with that property until future order of the Court.
- (2) The Registrar be directed to register such inhibition as soon as practicable upon receipt of a Copy of this Order.

3. DISCLOSURE OF INFORMATION

- (1) Each Respondent must inform the Applicant in writing at once of all that Respondent's assets in the Cayman Islands whether in the Respondent's own name or not and whether solely or jointly owned, giving the value, location and details of all such assets. Such assets are to include, without limitation, any bank or investment accounts, securities, cash, real property, vehicles, aircraft, boats, jewellery, or other personal property where such asset is worth more than \$1,000 US. The information must be confirmed in an Affidavit which must be served on the Applicant's attorneys within seven days after this Order has been served on that Respondent.

- (2) To the extent that any Respondent contends that the information they are required to disclose pursuant to paragraph 2(1) above has already been provided to the Applicant or the Fund pursuant to paragraph 4 of the Ontario Order, they may comply with the requirement to give disclosure under paragraph 2(1) above by preparing and providing to the Applicant (by the same deadline) a sworn Affidavit confirming that fact and the truth and accuracy of such earlier disclosure.
- (3) In the case of the First and Second Respondents, their Affidavits to be provided pursuant to paragraphs 3.1 and/or 3.2 above shall further:
 - (a) identify all payments in excess of US\$10,000 made by either of them, or by any other person (and if so, which person) at their direction or on their behalf, for the acquisition of Vista Del Mar, its design, construction, improvement, fitting out, decoration, furnishing or any other expenditure pertaining thereto in the period of 1 February 2019 to the date(s) of their respective Affidavits;
 - (b) identify the bank account(s) from which any such payments were made;
 - (c) exhibit complete copies of the bank statements for such account(s) for the same period;
 - (d) identify the source of funds into those accounts used for those purposes, to include: (a) the identity of the paying party; and (b) a description of the circumstances whereby the First and/or Second Respondents became entitled to those funds.
- (4) If the provision of any of this information is likely to incriminate the First or Second Respondents, they may be entitled to refuse to provide it, but it is recommended that they take legal advice before refusing to provide the information. Wrongful refusal to provide the information referred to in this paragraph 3 herein is a contempt of court and may render the Respondents liable to the consequences set out in the Penal Notice at the front of this Order.

4. EXCEPTIONS TO THIS ORDER

- (1) The following exceptions to this Order are without prejudice to the terms of the Ontario Order or the Ontario Superior Court of Justice's powers (including as to the consequences of breach of the Ontario Order, including where the following exceptions may permit actions in breach of the Ontario Order).
- (2) This Order does not prohibit the First and Second Respondents from each spending the higher of:
 - (a) such amount that the Superior Court of Ontario determines (from time-to-time) that they are permitted to spend on ordinary living expenses and legal advice and representation pursuant to an application by the First and Second Respondents under paragraph 3 of the Ontario Order; or
 - (b) US\$5,000 a week towards each of the Respondent's ordinary living expenses; and expenses on legal advice and representation as set out at paragraph 4(3) below.
- (3) This Order does not prohibit the Respondents collectively from spending, in total, US\$100,000 on legal advice and representation. After US\$100,000 has been incurred on legal advice and representation, before spending any further money on legal advice and representation, the Respondents (or each of them) must tell the Applicant's attorneys in writing:
 - (a) the amount that they propose to spend and where the money is to come from; and
 - (b) Where such circumstance arises, why a Respondent reasonably requires separate legal advice and representation to the First Respondent.
- (4) This Order does not prohibit any Respondent from dealing with or disposing of any of that Respondent's assets in the ordinary and proper course of business, provided that:

- (a) in the case of any proposed transaction or disposal (or connected series of transactions or disposals) of or worth in excess of US\$10,000, the relevant Respondent shall give not less than 72 hours' prior written notice of the proposed transaction or disposal to the Applicant's attorney;
 - (b) such explanation must include details of: (i) the source of funds or assets being used; (ii) the counterparty to the transaction or disposal; and (iii) its purpose;
 - (c) in the event that the circumstances of the proposed transaction or disposal reasonably do not permit 72 hours' prior written notice, the Respondent shall instead give such prior written notice as is practicable in the circumstances. Where this sub-paragraph is relied upon, the written explanation shall also explain why a full 72 hours' written notice was not possible.
- (5) The Respondents may agree with the Applicant's attorneys that the above spending limits should be increased or that this Order should be varied in any other respect but any such agreement must be in writing.

5. EFFECT OF THIS ORDER

- (1) A Respondent who is an individual who is ordered not to do something must not do it themselves or in any other way. The Respondent must not do it through others acting on the Respondent's behalf or on the Respondent's instructions or with the Respondent's encouragement.
- (2) A Respondent which is a corporation and which is ordered not to do something must not do it itself or by its directors, officers, employees, or agents, or in any other way.

6. THIRD PARTIES

- (1) Effect of this Order - It is a contempt of Court for any person notified of this Order knowingly to assist in or permit a breach of the Order. Any person doing so may be sent to prison, fined, or have that person's assets seized.
- (2) Set off by Banks - This injunction does not prevent any bank from exercising any right of set off it may have in respect of any facility which it gave to the Respondent before it was notified of the Order.
- (3) Withdrawals by a Respondent - No bank need enquire as to the application or proposed application of any money withdrawn by the Respondent if the withdrawal appears to be permitted by this Order.

7. UNDERTAKINGS

The Applicant gives to the Court the undertakings set out in Schedule 1 to this Order.

8. DURATION OF THIS ORDER

This Order will remain in force up to and including 19 December 2024 ("the **Return Date**"), unless before then it is varied or discharged by a further Order of the Court. The application in which this Order is made shall come back to the Court for further hearing on the Return Date.

9. VARIATION OR DISCHARGE OF THIS ORDER

The Respondents (or anyone notified of this Order) may apply to the Court at any time to vary or discharge this Order (or so much of it as affects that person), but anyone wishing to do so must first inform the Applicant's attorneys in writing on not less than 3 days' notice.

10. NAME AND ADDRESS OF APPLICANT'S ATTORNEYS

The Applicant's attorneys and their contact details are:

Mourant Ozannes (Cayman) LLP

93 Solaris Avenue
Camana Bay
Grand Cayman
KY1-1108
PO Box 1348

FAO: Nicholas Fox, Laurence Aiolfi & Luke Burgess-Shannon

Nicholas.Fox@mourant.com
Laurence.Aiolfi@mourant.com
Luke.Burgess-Shannon@mourant.com

T: +1 345 949 4123

11. INTERPRETATION OF THIS ORDER

- (1) In this Order "he", "him" or "his" include "she" or "her" and "it" or "its".
- (2) In this Order, any reference to a Respondent's assets include any asset which he has the power, directly or indirectly, to dispose of or deal with as if it were his own.
- (3) Where there are two or more Respondents then (unless the context indicates differently)
 - (a) references to "the Respondents" mean both or all of them;
 - (b) an Order requiring "the Respondents" to do or not to do anything requires each Respondent to do or not to do it;
 - (c) a requirement relating to service of this Order, or of any legal proceedings, on "the Respondents" means on each of them.

12. COSTS

Costs reserved to the Return Date.

SCHEDULE 1**Undertakings given to the Court by the Applicant**

- (1) If the Court later finds that this Order has caused loss to any Respondent, and decides that such Respondent should be compensated for that loss, the Applicant will comply with any Order the Court may make but so that this undertaking is limited to the amount of monies and the net realisable value of the unpledged assets of the Fund taken into the custody or under the control of the Receiver in the course of its appointment and any superseding insolvency process less the costs, expenses or other disbursements of the receivership or any superseding insolvency process.
- (2) As soon as practicable the Applicant will serve on the Respondents the Originating Summons together with this Order.
- (3) As soon as practicable the Applicant will serve on the Respondents a summons for the Return Date together with a copy of the affidavits and exhibits containing the evidence relied on by the Applicants for the *ex parte* hearing and any further evidence relied upon for the Return Date.
- (4) Anyone notified of this Order will be given a copy of it by the Applicant's attorneys.
- (5) The Applicant will pay the reasonable costs of anyone other than the Respondents which have been incurred as a result of this Order including the costs of ascertaining whether that person holds any of the Respondent's assets and that if the Court later finds that this Order has caused such a person loss, and decides that the person should be compensated for that loss, the Applicant will comply with any Order the Court may make but limited in like manner as undertaking (1) above.
- (6) The Applicant will (a) file an affidavit sworn by Krista Mooney verifying her affidavit sworn in November 2024 and filed in the proceeding before the Ontario Superior Court of Justice bearing Court File No CV-24-00731806-

00CL (the **Ontario Proceedings**); and (ii) make best endeavours to file an affidavit sworn by Andrew Chang-Sang verifying his affidavit sworn in November 2024 and filed in the Ontario Proceedings.

SCHEDULE 2

Affidavits

The Judge read the following affidavits before making this Order:

- (1) First affidavit of Robert Kofman dated 5 December 2024

DATED this 6th day of December 2024

FILED this 6th day of December 2024



JUDGE OF THE GRAND COURT

This Order was filed by Mourant Ozannes (Cayman) LLP, attorneys for the Applicant, whose address for service is 93 Solaris Avenue, Camana Bay, Grand Cayman, KY1-1108, PO Box 1348

Appendix “C”

GENERAL SECURITY AGREEMENT

TO: PRODUCTIVITY MEDIA INCOME FUND I LP

The undersigned (the "**Debtor**") hereby enters into this General Security Agreement with PRODUCTIVITY MEDIA INCOME FUND I LP (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 immovable, 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 situate 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 situate 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

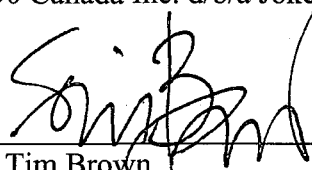
- 8(1) This General Security Agreement is in addition to, not in substitution for and shall not be merged in any other agreement, security, document or instrument now or hereafter held by the Lender or existing at law, in equity or by statute.
- 8(2) Nothing herein shall obligate the Lender to make any 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 or providing that postal service throughout Canada is fully operative, may be mailed by ordinary prepaid mail to the Debtor at his 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, 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) In the event the Debtor is a body corporate, it is hereby agreed that *The Limitations of Civil Rights Act of the Province of Saskatchewan*, or any provision thereof, shall have no application to this General Security Agreement or any agreement or instrument renewing or extending or collateral to this General Security Agreement.
- 8(10) This General Security Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario 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(11) The Debtor acknowledges having received a copy of this General Security Agreement.

DATED as of the day of , 2016.

8397830 Canada Inc. d/b/a Joker Media

By: 
Name: Tim Brown
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 the Sales Agency Agreements (and all literary and other material upon which the Sales Agency Agreements incorporate) for the benefit of 8397830 Canada Inc., d/b/a Joker Media as outlined in the Grid Promissory note (the "Collateral"):

1. all of the Debtor's rights in and to the Collateral 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 Picture 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 Picture is or may be based, or from which the Collateral is or may be adapted or inspired or which may be or has been used or included in the Picture 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 Collateral and all versions thereof including, without limitation, those relating to the development, production, completion, delivery, exhibition, distribution or other exploitation of the Picture, 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 Picture 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 Picture 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 Picture, 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 Picture 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 Picture or the insurable properties thereof and/or any person or persons engaged in the development, production, completion, delivery, or exploitation of the Picture 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 Picture 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 Picture, 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 Picture, or any rights in the Picture 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 Picture;

- (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 Picture, or any rights in the Picture 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 Picture;
- (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 Picture, 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 Picture;
- (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 Picture 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 Picture 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 Picture or the Literary Property or elements or components of the Picture or the Literary Property or rights relating thereto; and

- (n) all proceeds, products, additions and accessions (including insurance proceeds) to the Picture, 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 Picture 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 Picture, 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:

629 Eastern Avenue, #A200
Toronto, ON
M4M 1E4

2. Location(s) of the Collateral:

629 Eastern Avenue, #A200
Toronto, ON
M4M 1E4

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

629 Eastern Avenue, #A200
Toronto, ON
M4M 1E4

Appendix “D”

SECURED DEMAND GRID PROMISSORY NOTE

Date: March 24, 2016.

For Value Received, the undersigned **8397830 Canada Inc. d/b/a Joker Media**, a corporation formed and organized under the laws of Canada (the "**Borrower**") promises to pay **ONDEMAND** to or to the order of **Productivity Media Income Fund 1 LP**, a limited partnership formed and organized under the laws of the Province of Ontario, Canada (the "**Lender**"), the principal amount specified below ("**Principal**") together with interest at the rate specified below ("**Interest**") on the amount of Principal from time to time outstanding. All payments received under this promissory note (the "**Note**") shall be applied first to the payment of Interest, and second to the payment of Principal.

This Note is a negotiable instrument.

The following are the terms and condition of the Note:

1. **Principal**

- (a) The Principal of this Note is **Ten Million Canadian Dollars (CDN\$ 10,000,000)**, being the amount of a) a revolving loan facility of **CDN \$10,000,000** (the "**Facility**") made available to Borrower by Lender in Lender's sole and absolute discretion as of the date of each Advance as defined below, to be used solely in connection with Borrower's business as a motion picture sales agent, and b) a financing fee payable to Lender equal to 10% of each Advance (as defined herein) and, collectively, up to CDN \$1,000,000 (the "**Financing Fee**" and, together with the Advances and the Interest as defined herein, shall be sometimes referred to herein as the "**Repayment Amount**"), in lawful money of Canada. For clarification, subject to the limitation set forth in clause a) above, Lender shall not have any approval rights with respect to Borrower's use of any amounts advanced to Borrower hereunder.
- (b) Each use of the Net Loan is an "**Advance**" and all such usages outstanding at any time are "**Advances**".
- (c) An Advance shall only be made in each instance: i) upon presentment by Borrower to Lender of executed third-party distribution agreements (the "**Distribution Agreements**") and corresponding Sales Agent Agreements (as defined herein) for which Borrower is entitled to receive sales agent commissions, fees, costs, expense allowances and marketing fees which the Advance is intended to cash-flow (collectively, the "**Sales Agent Receivables**"), which Sales Agent Receivables shall exceed the Advance being requested; ii) upon receipt of written direction (if not included within the Distribution Agreements) directing all funds payable to Borrower under the Distribution Agreements to be paid into the Control Accounts (as defined below) , as defined herein; and iii) in Lender's sole and absolute discretion. Advances outstanding shall never exceed the outstanding Repayment Amount due to Borrower at any time.

- (d) Notwithstanding the pre-conditions for an Advance as set out in 1(c) above, at the request of Borrower Lender may, subject to Lender's sole and absolute discretion in each and every instance and for such additional security as Lender may reasonably require, choose to provide Borrower with an Advance for the purpose of demonstrating proof of funds for a minimum guarantee (the "MG") provided by Borrower to a third-party film producer/licensor (the "Licensor") pursuant to a specific, corresponding Sales Agent Agreement, an executed copy of which has been provided to Lender. For clarification, the deposit of any MG shall not constitute any undertaking or assumption by the Borrower of any obligation with respect to a third-party film, and the release of any such Advance to a third-party will require the mutual approval of the Borrower and Lender and any and all revenues derived from the exploitation under the terms of the Sales Agency Agreement will be directed to the Control Account as defined below.
- (e) Advances shall be deemed conclusively to have been made to and for the benefit of the Borrower when made in accordance with the instructions of the Borrower, such instructions being subject at all times to Lender's absolute discretion.
- (f) All Advances and repayments of Principal under this Note shall be evidenced by accurate endorsement upon the grid attached to this Note as Schedule A (the "Grid"). In the absence of any endorsement on the Grid, the amount of any such advances and repayments on the books and records of Lender shall be prima facie evidence thereof in the absence of manifest error.
- (g) Lender and its employees and agents are authorized to accurately endorse on the Grid, including any continuation Grid that may be attached to this Note, the date and amount of each advance and each payment of Principal, together with the unpaid balance of the Principal, and each such endorsement shall be prima facie evidence (in the absence of manifest error) of the amounts so advanced and repaid and the balance of the Principal outstanding under this Note.

2. **Payment**

The Repayment Amount payable under this Note shall be payable **UPON DEMAND**.

3. **Maturity Date**

Without prejudice to the demand nature of this Note, the "**Maturity Date**" in relation to each Advance shall be in Lender's sole discretion and set out in the Grid, but shall in not event be greater than eighteen (18) months from the date on which such Advance is disbursed to the Borrower hereunder.

4. **Interest Rate**

Advances of Principal under this Note shall, prior to the Maturity Date, bear interest at the rate of

ten percent (10%) per annum, compounded annually. Borrower recognizes and agrees that any default in the payment of the applicable Advance and the Interest thereon by the applicable Maturity Date or when sooner demanded by Lender (each, an “**Event of Default**”) will result in losses and expenses to Lender which are difficult to quantify. Therefore, Borrower agrees in the Event of Default, then, in addition to any and all other rights and remedies of Lender hereunder, under this Note or otherwise at law or in equity, the Interest rate charged on that portion of the Principal then outstanding in relation to each Advance shall be increased from ten percent (10%) per annum to fifteen percent (15%) per annum, compounded annually, solely in relation to the Advance then outstanding. If Borrower fails to fully repay the overdue Advance within six (6) months following the Maturity Date, the interest rate increase of fifteen (10%) percent per annum, compounded annually, will apply retroactive to the initial disbursement of the overdue Advance. Notwithstanding the foregoing, Borrower may prepay the Principal and Interest, or any portion thereof, at any time without penalty or premium.

5. **Repayment**

Lender shall recoup the Repayment Amount in first position from the Sales Agent Receivables payable to Borrower in connection with the sales agent agreements entered into by Borrower that have been directly financed by an Advance (collectively, the “**Sales Agent Agreements**”), as identified in the Grid as and when such Sales Agent Receivables are received pursuant to the applicable Sales Agent Agreement and/or Distribution Agreement, as applicable. For clarification, subject to an Event of Default in connection with any of the Advances, Lender shall only be entitled to recoup the portion of the Repayment Amount directly attributable to the particular Advance that Borrower has received, and no other Sales Agent Receivables or revenues may be used as a source of recoupment for such portion of the Repayment Amount. For further clarity, upon the occurrence of an Event of Default with any Advance, Lender shall be entitled to recoup from and enforce its security against all assets of the Borrower, including but not limited to Sales Agent Receivables in connection with other productions and other Advances.

6. **Security.**

This Note and all Advances and Interest accruing shall be secured by a General Security Agreement (the “**GSA**”) provided by Borrower in favour of Lender as of the date hereof (and for which the Lender shall file a PPSA Filing Statement and provide Borrower with proof thereof).

7. **Currency**

All amounts due to Lender under this Note and in relation to each Advance shall be payable by Borrower to Lender in Canadian currency. The amount of each Advance, if disbursed in US dollars, shall be deemed to be the Canadian dollar equivalent as of the date of the disbursement of the applicable Advance.

8. **Control Accounts**

Borrower shall further, as a condition precedent to the disbursement of any Advance, shall identify the following account into which all funds payable to Borrower from all Sales Agent Agreements shall be directed (jointly, the “**Control Accounts**”).

Name: Productivity Media Income Fund I, LP
Transit: 03802
Institution: 001
Account: 1998 708
SWIFT: BOFMCAM2
Address: BMO Bank of Montreal
120 Bloor St. E.
Toronto, ON M4W 1B7

The Lender shall direct all applicable Sales Agent Receivables from the funds paid into the Control Accounts (which amounts are held by Lender in trust for Borrower). Once Lender has been repaid all sums due hereunder in relation to a particular Advance and subject to Lender’s rights under this Note, and the GSA in the event of default by Borrower, Lender will authorize the transfer of the remaining portion of the funds in the Control Accounts (to the extent that such funds have not been paid into the Control Accounts in connection with another Advance) to Borrower’s general account(s) as may be directed by Borrower.

9. **Presentment, etc.**

The Borrower hereby waives presentment, demand, notice of dishonour, notice of protest, notice of non-payment and any other notice required by law to be given to the Borrower on this Note in connection with the delivery, acceptance, performance, default or enforcement of this Note and consents to,

- (a) any delays, extensions, renewals or other modifications of this Note; and
- (b) any waivers of any term or condition of this Note.

10. **Usury Laws**

Where the rate of interest payable under this Note is found by a competent court of law, governmental agency or other tribunal to exceed the maximum rate of interest permitted by the laws of any applicable jurisdiction or the rules or regulations of any appropriate regulatory authority, then during the time that the rate of interest would exceed the permissible limit, that portion of each Interest payment attributable to the portion of the interest rate that exceeds the permissible limit shall be deemed to be a voluntary prepayment of Principal.

11. **Set-Off**

All payments shall be made hereunder without set-off, counterclaim, offset, withholding, right to set-up reserves, make deductions or any other similar claim or defence to payment of any nature or kind.

12. **The Borrower represents and warrants that:**

- (a) **Organization.** The Borrower is a legally existing entity in good standing, duly organized and existing under the laws of its jurisdiction.
- (b) **Corporate Power and Authority.** The Borrower has the power and authority to execute, deliver and carry out the terms and provisions of this Note and all documents, instruments and agreements to be executed and delivered by Borrower hereunder and under the GSA.
- (c) **No Conflicts.** Neither the execution, delivery of and compliance with this Note, the GSA or any other document, instrument or agreement to be executed pursuant hereto, will, to the knowledge of Borrower, violate any provision of law or of any applicable regulation, order or decree of any court or governmental instrumentality or administrative body or agency, will conflict or be inconsistent with, or will result in any breach of, any of the terms, covenants, conditions or provisions of any mortgage, indenture, deed of trust, agreement or other instrument to which Borrower is a party, by which Borrower may be bound or to which Borrower is or may be subject, or will violate any provision of Borrower's articles of incorporation or organization.
- (d) **Valid Security Interest.** This Note and the other instruments, agreements and documents to be executed and delivered to Lender hereunder will effect (after the proper recordation of those documents required to be recorded) a valid first priority security interest in favor of Lender in the Sales Agent Receivables.
- (e) **No Third Party Rights.** Borrower has not conveyed to any other third-party any rights in or to the Sales Agent Receivables prior to the date hereof and will not do so after the date hereof. To the Borrower's knowledge, no third party licensors who are party to any of the Sales Agency Agreements has conveyed to any other third party any rights in or to the proceeds of the Distribution Agreements. No rights, property or interests exist or will be granted by Borrower to any third party which are in any way inconsistent with or adversely affect Lender's rights and security interest under this Note or the GSA.
- (f) **No Insolvency Proceeding.** No insolvency proceedings of any nature are now pending or threatened by or against Borrower.

The Borrower shall indemnify and save harmless the Lender from any losses, claims, damages or liabilities to which the Lender may become subject or which arise out of, or relate to or result

from, a breach of the covenants, representations and warranties hereunder or from the Borrower's activities as a result of the transactions contemplated by this Note, or in connection with any sums to be remitted to third-parties by Lender.

13. **Enurement.** This Note and all its provisions shall be binding upon and shall enure to the benefit of the successors and permitted assigns (as the case may be) of the Lender and the Borrower.

14. **Interpretation**

In this Note,

- (a) a word importing the masculine, feminine or neuter gender only, includes members of the other genders;
- (b) a word defined in or importing the singular number has the same meaning when used in the plural number, and vice versa;
- (c) the headings to each section are inserted for convenience of reference only and do not form part of the Note;
- (d) all reference to Lender be deemed to include the successors and assigns of Lender and any holder of the Note; and
- (e) all references to the Borrower shall be deemed to include a reference to its heirs, legatees, trustees, executors, administrators, successors and assigns and to every guarantor, endorser and acceptor of the Note.

15. **Assignment and Transfer.**

None of the rights or obligations of the Borrower under this Note shall be assignable or transferable by the Borrower without the prior written consent of the Lender. The Lender may assign and transfer all rights and obligations as provided herein to a third party without the consent of but with Notice to the Borrower.

16. **Governing Law and Jurisdiction.**

This Note is executed under, and shall be governed by and construed in accordance with, the laws of the Province of Ontario and the federal laws of Canada applicable therein.

Notwithstanding the foregoing, the Lender may, at its option, elect to have this note governed by California law or of any jurisdiction where the Borrower's assets may be found and the Lender may, at its option, file suit or institute other judicial proceedings against the Borrower or any of its assets in any state or federal court of the United States or any province of Canada or of any country or place where the Borrower or its assets may be found and the Borrower shall expressly attorn to the jurisdiction thereof.

8397830 Canada Inc. d/b/a Joker Media

Per:  _____

Tim Brown

Productivity Media Inc., on behalf of
Productivity Media Income Fund I, lp

Per:  _____
William Santor, CEO
Its: CEO

Per:  _____
Andrew Chang-Sang,
Its: President

