

District of ONTARIO  
Division 9 - Toronto  
Court No. 31-2067684 and 31-2067706  
Estate No. 31-2067684 and 31-2067706

In the Matter of the Bankruptcy of  
**Channel 11 Limited Partnership and 2208937 Ontario Inc.**  
of the City of Toronto, in the Province of Ontario  
(Ordinary Administration)

**Minutes of the First Meeting of Creditors ("FMOC")**

**Date of Meeting:** December 21, 2015  
**Time:** 10:10 am  
**Location:** Homewood Suites, Bay Street Hamilton

**Chairperson:** Tim Braovac, Official Receiver, Office of the Superintendent of Bankruptcy  
**Trustee:** Sheldon Title, MNP Ltd.

**Attendance:** Attendance sheets attached to the Minutes as Exhibit "A"

**Quorum:** The chairperson examined the proofs of claim filed and marked a number of them objected to, subject to a review by the trustee. Various creditors were present, so there was a quorum.

**Call to Order:** The chairperson determined that the meeting was legally constituted and called the meeting to order.

**The Chairperson tabled the following documents:**

- Assignment
- Certificate of Appointment
- Statement of Affairs
- Affidavit of mailing (for FMOC)
- Newspaper advertisement (for FMOC)

**The Chairperson advised the following:**

Pursuant to the authority of the BIA, any question or dispute arising at the meeting would be decided by the chairperson, and that any creditor may appeal the decision of the chairperson to court.

The purpose of the meeting was to consider the affairs of the bankrupt, to affirm the appointment of the trustee or substitute another in place thereof, to appoint inspectors, and for creditors to provide such directions to the trustee as they may see fit with reference to the administration of the estate.

## **Report to Creditors by Trustee**

The trustee provided his Preliminary Report and copies were made available to all in attendance.

### **Questions**

Rosemary Chenier questioned the information provided on the Statement of Affairs ("SOA") and the fact that it only lists assets and liabilities, but not profits and losses. Mr. Title clarified that the SOA is the bankrupt's statement, but that he assisted with the preparation of the statement. The statement is sworn by the bankrupt, while the trustee's role is to verify the statement.

Ms. Chenier's follow up question was why advertising dollars were not directed to Channel 11 Limited Partnership ("Channel 11 LP") if it is the one that negotiates the deals and is a party to them. The trustee noted the agreement provides for Channel 11 LP to supply services at cost, and he as trustee has taken no steps, at this point, to assign, transfer or otherwise deal with the licencing rights, which are an asset of the estate.

A creditor asked if it was Channel 11 LP who negotiated deals for CHCH. The trustee advised that they have not taken any steps to deal with licensing rights, which are assets of the bankrupt estate. The creditor also asked who the programming agreements are with. The trustee advised that they have not seen all the agreements between Channel 11 and the studios, but of the agreements they have seen, they state that only CHCH can broadcast the studio's broadcasts.

A creditor asked if Channel 11 LP should be running programming, as they are bankrupt. The trustee confirmed that the studios have control over what programming airs and that the trustee does not have control over the CHCH entity, as it is not bankrupt.

Counsel for the trustee clarified that the trustee has no money in the estate to take action with respect to the agreements with the studios and the bankrupt partnership does not have funds to operate under the agreements. The trustee said that the studios may decide to cancel their agreements down the road and that there is nothing to stop the studios and CHCH from entering into new agreements.

A creditor asked why CHCH is allowed to air programming under the new company. The trustee and his counsel said that CHCH is doing so at their own risk and the trustee is not in a position to stop them. A further issue raised was the fact that specialty channel programming should not be airing and again the trustee advised that he cannot address the current programming of CHCH, as it is not the bankrupt entity.

The identity of General Partner (and bankrupt), 2208937 Ontario Inc. was questioned. The trustee advised that it is a numbered company with a director and had no assets.

It was suggested by an attendee that they understood this to be a restructuring of the company. The trustee's counsel clarified that it is a bankruptcy, not a restructuring and that Channel 11 LP and 2208937 Ontario Inc. have stopped operating.

A former employee asked that if there are disputes with respect to the payment amounts received by employees prior to the bankruptcy, is there any money to resolve the disputes? The trustee confirmed that there are no funds in the estate for unsecured creditors, however, if an employee received less than what they should have, this amount can be included on their WEPPA claim.

Cal Millar of Channel 11 LP suggested employees with discrepancies should still contact Bruce to reconcile what is owed to them.

There are no further questions at this time.

### **Appointment of the Trustee**

The trustee was appointed at filing by the Official Receiver to administer this estate. Per the BIA s.115, the trustee's appointment is affirmed by a majority vote on an ordinary resolution, where one dollar equals one vote.

### **Voting restrictions:**

Before taking a vote, the chairperson noted some of the restrictions which apply to voting. Per BIA s.109(6), a creditor who did not deal with the bankrupt at arm's length for the year before the bankruptcy, cannot have his vote count if it determines the outcome. The following parties are not allowed to vote for the Trustee's appointment nor for an inspector's appointment (except with permission of the court): officers, directors and employees of a bankrupt corporation or a wholly owned subsidiary corporation, per BIA s. 113(3)(b) and (c).

Liz Marzari of Unifor, made a motion to affirm appointment of trustee. The motion carried.

### **Appointment of Inspectors**

#### **Inspector duties:**

1. Supervise the administration where the trustee needs inspector approval.
2. Attend inspector meeting (in person or by phone)
3. Examine the accounts and establish bank balances
4. Trustee might require interim draws and requires inspectors' approval.
5. Assist trustee so he doesn't have to go to court on issues.
6. Approve final receipts and disbursements.

The following were nominated and the motion carried unanimously:

Mike McLaughlin – 20<sup>th</sup> Century Fox  
Brent Swanik – 2190015 Ontario Inc.  
Liz Marzari – Unifor  
Jane Wakil – employee  
Rosemary Chenier – employee

Warner Bros. wanted it noted in the minutes that they chose to abstain from voting on inspectors.

**Estate Solicitor**

A motion was made by Unifor for Gowling Lafleur Henderson LLP to act as estate solicitor. The motion carried unanimously.

**Directions to Trustee**

The chairperson asked if there were any further issues that the creditors wanted addressed? No motions were made.

**Adjournment**

Motion to adjourn made by Warner Bros. and Unifor, and carried unanimously. Meeting adjourned at 10:50 am.



Dated: December 22, 2015

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Tim Braovac  
Chairperson, Official Receiver  
Office of the Superintendent of Bankruptcy



ATTENDANCE LIST - PREMIERE ASSEMBLEE DES CREANCIERS

NO.	SIGNATURE	NAME (PRINT) NOM (IMPRIMER)	REPRESENTING REPRESENTANT	AMOUNT OF CLAIM MONTANT RECLAME	REMARKS REMARQUES
	<i>[Signature]</i>	C.J. MILLAR	CHILLP	---	
	<i>[Signature]</i>	R. Podzyhun	CHILLP	---	
	<i>[Signature]</i>	P. MICKER	"	---	
	<i>[Signature]</i>	Natalie Lewis	WARRERS	705 361.98	
	<i>[Signature]</i>	ALEX McWILLIAMS	WFC Credit IV	40,375.00	
	<i>[Signature]</i>	MARC DESJARDINS	SECF	186,800.00	
	<i>[Signature]</i>	Sheldon Tite	TITE	---	
	<i>[Signature]</i>	Tina B. Ross	TJB	N/A	Chair
	<i>[Signature]</i>	Karen Rock	OSB	---	Secretary
	<i>[Signature]</i>	Alex	NUMS (by pmg)	204385.10	
	<i>[Signature]</i>	Alex MacFarlane	LAWYER-TRUSTEE	Counting	did not sign attendance sheet



**ATTENDANCE LIST - LISTE DES PRÉSENCES -  
FIRST MEETING OF CREDITORS PREMIÈRE ASSEMBLÉE DES CRÉANCIERS**

Re: - Sujet:				File No.: - N° dossier:	Date:
NO.	SIGNATURE	NAME (PRINT) NOM (IMPRIMEZ)	REPRESENTING REPRÉSENTANT	AMOUNT OF CLAIM MONTANT RÉCLAMÉ	REMARKS REMARQUES

ATTENDANCE LIST - LISTE DES PRÉSENCES -  
FIRST MEETING OF CREDITORS - PREMIÈRE ASSEMBLÉE DES CRÉANCIERS

NO.	SIGNATURE	NAME (PRINT) NOM (IMPRIMEZ)	REPRESENTING REPRÉSENTANT	AMOUNT OF CLAIM MONTANT RÉCLAMÉ	REMARKS REMARQUES
1	<i>R. Chenier</i>	ROSEMARY CHENIER	EMPLOYEE MYSELF	167,046.95	
2	<i>M. Gault</i>	MIKANGIS	20th COURT, FOX.	545,800.	
	<i>M. A. S. Gault</i>	Brent Summell	2100 ST. CATHARINES ST.	4034.75	
	<i>B. Gault</i>	Bruce Summell	CITIC	1162.09	
	<i>Bruce Summell</i>	BARRY WADSWORTH	UNIFOR	LAWYER	
	<i>Jane Warkil</i>	JANE WARKIL (HICKS)	MYSELF	\$112,533.79	
	<i>Liz Marzoni</i>	LIZ MARZONI	UNIFOR	Not Resp.	
	<i>John Athanasios</i>	JOHN ATHANASIOU	UNION-HAMILTON	OBSERVER	
	<i>Ruth Boyd</i>	Ruth Boyd	CHCH TV	7107,114.20	
	<i>Rose Capobianco</i>	Rose Capobianco	OSB	-	
	<i>Charmaine Marks</i>	Charmaine Marks	OSB	-	
	<i>Elizabeth Barron</i>	ELIZABETH BARRON	SELF	WILL PROVIDE	
	<i>Sheldon T. Ke</i>	Sheldon T. Ke	Taxi	-	
	<i>Sheldon T. Ke</i>	Sheldon T. Ke	Numeris	-	
	<i>Tim Brawvac</i>	Tim Brawvac	OSB	N/A	Chair
	<i>Karen Rock</i>	Karen Rock	OSB	-	Secretary

Re: - Sujet:

Date:

File No.: - N° dossier:

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