FORCE FILED

No. S-235084
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA
IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
R.S.C. 1985, c. C-36, AS AMENDED

AND

IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*,
S.B.C. 2002, c. 57, AS AMENDED AND THE *BUSINESS CORPORATIONS ACT*, R.S.O. 1990, c. B.16, AS AMENDED

AND

AND IN THE MATTER OF A PLAN OF COMPOROMISE OR ARRANGEMENT OF BRON MEDIA CORP. AND THE ENTITIES LISTED AT SCHEDULE "A"

PETITIONERS

NOTICE OF CROSS-APPLICATION

TO: THE SERVICE LIST

TAKE NOTICE that a cross-application will be made by the Ad Hoc Group of Investor Creditors listed on Schedule "B" (the "**Investor Creditors**") to the Honourable Justice Gomery at the courthouse at 800 Smithe Street, Vancouver, British Columbia on November 7, 2023 at 9:45 a.m. in person and by MS Teams, for the orders set out in Part 1 below.

PART 1: ORDERS SOUGHT

1. An order that the Monitor investigate and report on all matters which in its discretion is relevant to these proceedings and particularly, in respect of the CW Lending Transaction contemplated in the CW Lending Purchase Agreement (as those terms are defined in the Petitioners' Notice of Application dated October 24, 2023) (the "**Investigation**"), including but not limited to the following information in respect of the loans and security interests identified in the list set out in Schedule "C" to this Notice of Application:

a. dates and amounts of any repayments made by a debtor entity;

b. particulars of to whom such repayments were made;

c. to the extent, any repayments were not received by the applicable Investor Creditor, particulars as to the use or receipt of such repayments;

d. any directions received by the applicable debtor entity regarding repayment;

e. in respect of any loan for which payments have not been made by the applicable debtor entity, the particulars with respect to the utilization of the loan proceeds; and,

f. any other information that the Monitor may deem relevant.

2. An order that the Monitor be authorized, but not required, to examine under oath any person, including representatives of the Petitioners, Non-Petitioning Entities (as defined in the Amended and Restated Initial Order dated July 28, 2023), and any of the CW Entities (as defined hereinafter) in furtherance of Investigation;

3. An order that, for the purpose of facilitating the Investigation, any Petitioner or Non-Petitioning Entity that is a party to a pending civil action (an "**Action**") provide to the Monitor and its counsel all productions, transcripts and answers to undertakings (the "**Discovery Evidence**") and be deemed to have authorized and consented to any adverse party in any such Action to discussing and referring to the Discovery Evidence with the Monitor and its counsel only, notwithstanding any deemed undertaking rule applicable to such Action, and the Monitor and its counsel only disclose such information as is reasonably necessary for the furtherance of reporting on its Investigation.

4. An order that any application to approve a sale transaction of the Petitioners' or Non-Petitioning Entities' assets, in whole or in part, shall not be determined until after the Monitor has delivered its report on the Investigation;

5. Such further and other relief that to this Honourable Court seems just.

PART 2: FACTUAL BASIS

6. The Investor Creditors repeat and rely on the factual basis set out in their Application Response filed herein.

7. The Investigation is warranted in the circumstances of this case as set out in the Application Response.

8. Some of the Investor Creditors have evidence relevant to the proposed Investigation but are unable to disclose or utilize this evidence due to the deemed undertaking rule under the *Rules of Civil Procedure* (Ontario). The evidence was given by Mr. Gilbert on behalf of certain Petitioner and Non-Petitioner Entities.

9. There is no urgency to the proposed sale transaction since the Petitioners have terminated all employees such that there is no longer any "going concern" business.

10. The Petitioners have received an additional $1.5 million of unexpected cash that can be used to fund the Investigation and no person will be materially prejudiced by permitting the Monitor to conduct the Investigation prior to the Court considering the proposed sale transaction.

11. The information to be obtained from the Investigation is relevant and necessary for the Court to consider approving the proposed sale transaction and related relief.

PART 3: LEGAL BASIS

12. Section 23(1) of the *Companies' Creditors Arrangement Act,* RSC 1985, c C-36, as amended ("**CCAA**") sets out the duties and functions of a court-appointed monitor, which include, among other things, a duty to: (c) make, or cause to be made, any appraisal or investigation the monitor considers necessary to determine with reasonable accuracy the state of the company's business and financial affairs and the cause of its financial difficulties or insolvency and file a report with the court on the monitor's findings.

13. Further, s. 23(1)(k) provides that a monitor shall "carry out any other functions in relation to the company that the court may direct."

14. It is well-established that the role of the monitor has evolved over time and s. 23 only sets out a basic framework of the minimum mandatory duties and functions of the monitor: *Ernst & Young Inc. v. Essar Global Fund Limited*, 2017 ONCA 1014 (CanLII), at paras. 105 – 110.

15. Section 11 of the CCAA imbues this Court with broad judicial discretion:

> Despite anything in the *Bankruptcy and Insolvency Act* or the *Winding-up and Restructuring Act*, if an application is made under this Act in respect of a debtor company, the court, on the application of any person interested in the matter, may, subject to the restrictions set out in this Act, on notice to any other person or without notice as it may see fit, make any order that it considers appropriate in the circumstances.

16. Recently, in the case of *Arrangement relatif à Bloom Lake General*, 2021 QCCS 2946, the Quebec Superior Court granted a request by the debtor to give the Monitor expanded powers to, among other things, compel production from non-debtors.

17. The relief sought in respect of the proposed Investigation is relatively modest and is consistent with the minimum duties mandated by s. 23. To the extent that the Monitor in these proceedings may have been constrained by the availability of funds, the recently received cash of $1.5 million in the ordinary course of business is available to fund the Investigation.

18. Given the size of the Petitioners' admitted indebtedness of at least approximately $419 million, it is just and convenient in the circumstances to require the Monitor to conduct the Investigation prior to any disposition of substantially all of Petitioners' assets.

19. This requirement is enhanced by the following:

   a. the proposed transaction is by way of credit bid with only nominal cash consideration;

   b. the assets are difficult to value and the Monitor has not obtained any independent valuation;

   c. the security and debt structure, particularly of the numerous special purpose corporations, is complex; and,

   d. serious concerns have been raised by stakeholders with respect to the proposed transaction and the conduct of the Petitioners and CWML.

PART 4: MATERIAL TO BE RELIED ON

20. Affidavit of Milton Winberg sworn November 1, 2023;

21. Affidavit of Simon Misselbrook sworn November 1, 2023;

22. Affidavit of Tready Smith sworn November 1, 2023;

23. Affidavit of James Richardson sworn November 1, 2023;

24. Affidavit of Adam Somer sworn October 31, 2023.

The Investor Creditors estimate that the cross-application will take a full day.

TO THE PERSONS RECEIVING NOTICE OF THIS APPLICATION:

Date: November 1, 2023

Philip Cho Digitally signed by: Philip Cho DN: CN = Philip Cho email = pcho@weirfoulds.com C = CA O = WeirFoulds LLP Date: 2023.11.01 23:16:56 -04'00'

Signature of Philip Cho
Lawyers for Premium Properties Limited and as agent for the Ad Hoc Group of Investor Creditors

<u>Schedule "A"</u> List of Petitioners

1. BRON Animation Inc.
2. BRON Creative Corp.
3. BRON Developments Inc.
4. BRON Media Corp.
5. BRON Media Holdings Intl. Corp.
6. BRON Media Holdings USA Inc.
7. BRON Releasing Inc.
8. BRON Studios Inc.
9. BRON Ventures 1 (Canada) Corp.
10. BRON Everest Productions Inc.
11. Fables Productions BC Inc.
12. Gossamer Productions BC Inc.
13. Hench 2 BC Productions Inc.
14. Henchmen Productions Inc.
15. Robin Hood Digital PC BC Inc.
16. Windor Productions BC Inc.
17. BRON Creative USA, Corp.
18. BRON Digital USA, LLC
19. BRON Life USA Inc. (BRON Legacy USA Inc.)
20. BRON Media Holdings USA Corp.
21. BRON Releasing USA Inc.
22. BRON Studios USA Inc.
23. BRON Ventures 1, LLC
24. BRON Studios USA Developments Inc.
25. Bakhorma, LLC
26. Drunk Parents, LLC
27. Fables Holdings USA, LLC
28. Fables Productions USA Inc.
29. Gossamer Holdings USA, LLC
30. Gossamer Productions USA Inc.
31. Harry Heft Productions, Inc.
32. Heavyweight Holdings, LLC (previously Harry Haft Films, LLC)
33. I Am Pink Productions, LLC
34. Lucite Desk, LLC
35. National Anthem Holdings, LLC (f.k.a. BCDC Holdings, LLC)
36. National Anthem ProdCo Inc.
37. Oakland Pictures Holdings, LLC
38. Pathway Productions, LLC
39. Robin Hood Digital PC USA Inc.
40. Robin Hood Digital USA, LLC
41. Solitary Holdings USA, LLC
42. Surrounded Holdings USA, LLC
43. Welcome To Me, LLC

SCHEDULE "B"

AD HOC GROUP OF INVESTOR CREDITORS

1. PREMIUM PROPERTIES LIMITED
2. COLONIA TRUSTCO INC.
3. PREMIUM TRUST INC.
4. MCFLOW CAPITAL CORP.
5. BAYSHORE CAPITAL ADVISORS, LLC
6. BCA ALTERNATIVE INCOME FUND LP
7. ROCKING T. RANCH LLLP
8. JAMES RICHARDSON
9. NIKINK HOLDINGS LTD.
10. LUKIS GLOBAL CORP.
11. DESERT MEDIA PARTNERS LLC

Schedule "C" Loans and Security Interests

Film/Production	Investor Creditor	Counterparty: Lender Entity (full legal name)	Counterparty: Debtor Entity (full legal name)	Date of Investment/Loan/ Participation Agreement	USD/CAD	Principal Amount	Interest to date		
Anna; A Simple Favor; Chaos Walking; The Spy Who Dumped Me	BCA Alternative Income Fund,	BRON Creative USA Corp.; Creative Wealth Media Finance Corp.; BRON Studios USA Inc.	Hercules Film Investors I (US), Inc.	7/09/18	USD	$ 3,500,000.00	$ 3,194,919.90		
Anna; A Simple Favor; Chaos Walking; The Spy Who Dumped Me	Rocking T Ranch, LLLP	BRON Creative USA Corp.; Creative Wealth Media Finance Corp.; BRON Studios USA Inc.	Hercules Film Investors I (US), Inc.	8/01/18	USD	$ 500,000.00	$ 448,720.18		
Assassination Nation	Premium Properties Limited, Colonia Trustco Inc. and Miaja Trust by its trustees	Creative Wealth Media Finance Corp.	Erostratus, LLC, Erostratus LA. LLC	3/24/17	CAD	5,080,475.00	8,005,419.23		
Beatriz at Dinner	Premium Properties Limited, Colonia Trustco Inc. and JAAM Limited (assigned to Premium Properties)	Creative Wealth Media Finance Corp.	Brown Amy LLC	8/17/16	USD	1,261,758.70	904,646.33		
Bubbles Hotel	Lukis Global Corp.	Creative Wealth Media Finance Corp.	Bubble Up Productions, Inc.	Feb-21	USD	$ 100,000.00			
Drunk Parents	Premium Properties Limited, Colonia Trustco Inc. and JAAM Limited (assigned to Premium Properties)	Creative Wealth Media Finance Corp.	Drunk Parents, LLC., Drunk Parents Production Services Inc.	1/04/16	CAD	6,975,000.00	17,989,408.59		
Fables	Lukis Global Corp.	Creative Wealth Media Finance Corp.	Fables Holdings USA, LLC	Feb-21	USD	$ 100,000.00			
Fences	Premium Properties Limited, Colonia Trustco Inc. and JAAM Limited (assigned to Premium Properties)	Bron Creative Corp.		10/20/16	USD	2,500,000.00	557,773.26		
Ghostbusters Afterlife	Lukis Global Corp.	Creative Wealth Media Finance Corp.	Columbia Pictures Ltd.	Feb-21	USD	$ 850,000.00			
Gossamer	Lukis Global Corp.	Creative Wealth Media Finance Corp.	Gossamer Holdings USA, LLC	Feb-21	USD	$ 100,000.00			
Hailey & the Hero Heart	Lukis Global Corp.	Creative Wealth Media Finance Corp.	Hunted Productin Services, Inc.	Feb-21	USD	$ 100,000.00			
Henchmen	Premium Properties Limited, Colonia Trustco Inc., JAAM Limited (assigned to Premium Properties), Corinthian Enterprises Inc. (assigned to Colonia) and McFlow Capital Corp.	Creative Wealth Media Finance Corp.	Henchmen Productions Inc.	Tax Credit: 7/27/15 Gap A 5/8/15 Gap B 2/6/15	CAD	Tax: 2,000,000.00 Gap A 1,200,000.00 Gap B 1,100,000.00	Tax: 2,292,385.97 Gap A: 2,364,799.40 Gap B: 2,307,968.47		