



**Third 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**

June 17, 2025

<b>Contents</b>	<b>Page</b>
1.0 Introduction.....	1
1.1 Purposes of this Report.....	3
1.2 Restrictions .....	3
1.3 Currency .....	4
2.0 Background .....	4
3.0 Sonja's Cooperation with the Receiver .....	5
3.1 The Settlement Agreement .....	6
3.2 Tracing and Litigation Savings .....	7
3.3 Living Expense Savings .....	8
3.4 Settlement Payments to Sonja .....	8
3.5 Excluded Recoveries .....	9
3.6 The Purchase of the Studio City Property .....	9
3.7 The Mortgaging and Sale of the Studio City Property .....	10
3.8 Alan Plaunt's Recently Asserted Claim to the Studio City Property Proceeds.....	10
3.9 Plaunt's Claim is Statute-Barred.....	11
3.10 Proposed Releases.....	13
3.11 Legal Costs of Counsel for the Mareva Defendants .....	13
3.12 Related Relief in the Fraud Recovery Action .....	14
4.0 Conclusion.....	15

## Appendices

<b>Appendix</b>	<b>Tab</b>
Receivership Order, dated November 19, 2024.....	A
Mareva and Norwich Order, dated December 2, 2024 .....	B
Cayman Injunction Order, dated December 6, 2024.....	C
Mareva Continuation Order, March 24, 2025 .....	D
Amended and Restated Receivership Order, dated April 16, 2025 .....	E
Estate Continuation Order, dated May 20, 2025.....	F
Settlement Agreement, dated June 13, 2025.....	G
Second Report of the Receiver, dated April 4, 2025 .....	H
Letter from DLA Piper to Fogler Rubinoff, dated June 16, 2025, regarding living expensesI	
Order of Justice Black, dated December 12, 2024.....	J
Order of Justice Cavanagh, dated December 19, 2024 .....	K
Plaunt Statement of Claim, filed April 14, 2023.....	L
Plaunt Motion Record, dated December 22, 2023 .....	M
Email from Counsel for Plaunt, dated May 17, 2025.....	N
Emails from Plaunt to Santor, sent November 11, 2018 to December 12, 2020 .....	O

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

THIRD REPORT OF KSV RESTRUCTURING INC.  
AS RECEIVER AND MANAGER

JUNE 17, 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**"). 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., 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 "**Fraud Recovery 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). A copy of the Mareva and Norwich Order is attached as Appendix "**B**".

3. Pursuant to an application made by the Receiver on behalf of PMI and PMIF, 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 "**C**".
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. Pursuant to a motion made by the Receiver on behalf of PMI and PMIF, and with the consent of the Mareva Defendants, the Ontario Court issued an order (the "**Mareva Continuation Order**") on March 24, 2025, continuing the Mareva injunction until trial and permitting the addition, removal, access, or transfer of various assets otherwise frozen by the Mareva and Norwich Order, including, *inter alia*, for the payment of Sonja's living expenses and legal costs owing to counsel for the Mareva Defendants, Fogler Rubinoff LLP ("**Fogler**"). A copy of the Mareva Continuation Order is attached as Appendix "**D**".
6. Pursuant to a motion made by the Receiver, the Ontario Court issued an Amended and Restated Receivership Order (the "**ARRO**") on April 16, 2025 extending KSV's appointment as Receiver over the assets, property, and undertaking of 8397830 Canada Inc. ("**839 Canada**", and together with PMI, PMIF, and PMLC, the "**Debtors**"). A copy of the ARRO is attached as Appendix "**E**".
7. Pursuant to a motion made by the Receiver on behalf of PMI and PMIF, the Ontario Court issued an order (the "**Estate Continuation Order**") on May 20, 2025 continuing the Fraud Recovery Action against Santor's estate, of which Sonja has been appointed Executrix. A copy of the Estate Continuation Order is attached as Appendix "**F**".
8. PMIF's assets include its portfolio of: (i) film and television production financing loans (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 (the "**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 labour-sponsored pension funds.
9. Santor appears to have been the person at the center of the "Fraudulent Scheme" detailed in the Fraud Recovery Action. The Fraudulent Scheme could result in losses approximating the Loan Book Value. While it appears that Santor has dissipated a significant portion of the funds misappropriated through the Fraudulent Scheme—both through an extravagant lifestyle and by investing in speculative business ventures—the Mareva Defendants continue to hold substantial assets in Canada, the United States, the Cayman Islands, and potentially other jurisdictions that can be liquidated for the benefit of affected stakeholders. The Receiver is also in the process



of advancing claims against various additional parties to recover funds for the benefit of affected stakeholders.

10. As of the date of this report (the “**Third Report**”), the Receiver and Sonja, through their respective counsel, have reached a settlement, as discussed in further detail below.
11. The Receiver and its litigation counsel, DLA Piper (Canada) LLP (“**DLA**”) and Paliare Roland Rosenberg Rothstein LLP, are otherwise continuing their investigations and advancing various claims on behalf of the Defendants.

## 1.1 Purposes of this Report

1. The purposes of this Third Report are to:
  - a) provide background information about the Debtors and these receivership proceedings (the “**Receivership**”);
  - b) provide the Receiver’s rationale for entering into the Settlement Agreement (defined below); and
  - c) recommend that the Court issue an order:
    - i. approving the Settlement Agreement with Sonja;
    - ii. releasing Sonja, in her personal capacity, of and from all claims of PMI, PMIF, PMLC, 839 Canada, the Receiver, and all investors in PMIF, conditional on compliance by Sonja with the terms of the Settlement Agreement;
    - iii. directing that Sonja and Fogler receive any further proceeds of the Studio City Property free and clear of any competing claims, including those of Alan Plaunt and 1401713 Alberta Ltd. in Court File No. CV-23-00696306-000 (the “**Plaunt Action**”); and
    - iv. amending section 3(i) of the ARRO to authorize the Receiver to pay the reasonable fees and disbursements of Fogler in the same manner as those of DLA, PricewaterhouseCoopers LLP (“**PwC**”), and Taylor Oballa Murray Leyland LLP (“**TOML**”), to a maximum of US\$150,000, unless otherwise agreed by the Receiver.

## 1.2 Restrictions

1. In preparing this Report, the Receiver has relied upon: (i) the Debtors’ audited financial statements and unaudited financial information; (ii) discussions with the Debtors’ employees; (iii) information provided by the Debtors and DLA; (iv) discussions with various stakeholders in these proceedings (including their legal representatives); (v) the receivership application materials; and (v) the Mareva application materials, including the affidavit of 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 Third 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 \$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 stated 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 believed to be held by seven individual investor entities.<sup>1</sup> The Receiver understands that most of the LP Investors are pension funds.

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<sup>1</sup> The remaining 6.6% of the LP Units are held by: Access Private Income LP (3.49%); Stewardship Alternative Income Fund (2.27%); Kensington Hedge Fund I (0.87%); Luigi and Nadia Ruffolo (0.02%); Ivy Krause-MacDonald (0.02%); PMI (0.01%); and Sonja (0.01%).

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 Sonja's Cooperation with the Receiver

1. To date, the Receiver has not identified any information that indicates that Sonja had any role in the Fraudulent Scheme.
2. With the assistance of her counsel, Sonja has been cooperative in assisting the Receiver with multiple issues, leading to greater efficiency and lower costs in liquidating the assets of the Mareva Defendants and addressing other issues arising in the Receivership. Sonja's cooperation has included:
  - a. assisting the Receiver with identifying, and providing information and records regarding the assets of the various Mareva Defendants, including the VDM Property discussed below;
  - b. assisting with the maintenance, storage, and sale of various assets, particularly given her location in the Cayman Islands, where most of the Mareva Defendants' assets are located;
  - c. as the Executrix of Santor's estate, dealing with various issues arising out of Santor's passing; and
  - d. by agreeing to assume the role as director of the various corporate Mareva Defendants previously controlled by Santor, providing directions to banks and other third parties without the need for further orders of the Ontario Court or Cayman Court.

3. Without this past and future cooperation, the Receiver would be, and will be, faced with numerous additional impediments and delays. Further, significantly greater professional fees would need to be incurred to investigate, identify, maintain, and liquidate the assets of the Mareva Defendants.

### **3.1 The Settlement Agreement**

1. Pursuant to paragraph 3 of the ARRO, the Receiver is empowered and authorized 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. The Receiver also has authority to settle, extend or compromise any indebtedness owing to the Debtors.
2. To secure Sonja's ongoing cooperation, reduce costs and delay, avoid unnecessary litigation, and maximize net recoveries, the Receiver, with the assistance of counsel, has engaged in extensive settlement negotiations with Sonja and her legal counsel.
3. On or about June 16, 2025, the Receiver and Sonja entered into a Settlement Agreement. This settlement is contingent upon Sonja's continuing cooperation with the Receiver's efforts to identify, locate, and liquidate the assets of the Mareva Defendants. A copy of the Settlement Agreement is attached as Appendix "G".
4. The Settlement Agreement requires the parties to make reasonable commercial efforts to sell and liquidate the assets of the Mareva Defendants during the duration of the Settlement Agreement, with the joint goal of maximizing the value of the realizations. As detailed below, the payments to Sonja under the Settlement Agreement have been structured in a manner to incentivize her ongoing cooperation.
5. As Santor's spouse and the Executrix of his estate, Sonja is uniquely positioned to assist the Receiver with its ongoing efforts to identify and locate the assets of the Mareva Defendants. Sonja is also able to assist the Receiver with selling and liquidating personal property held in her own name or in Santor's estate with minimal administrative hassle.
6. Further, since Santor's death, Sonja has been made an officer and director of the various corporate Mareva Defendants. This provides the Receiver with significant efficiency in dealing with the records, accounts, and other assets of those corporate entities.
7. As detailed below, the Receiver is of the view that the Settlement Agreement is in the best interests of the Debtors and reflects a reasonable compromise in exchange for the cost and time savings that accompany Sonja's ongoing cooperation with the Receiver's efforts to maximize recoveries for affected stakeholders, including most notably the investors in PMFI.

## 3.2 Tracing and Litigation Savings

1. The Receiver's investigations to date have identified various assets belonging to the Mareva Defendants that are disparate in nature and located in multiple jurisdictions. A complete tracing of the assets of the Mareva Defendants would be exceedingly time-consuming and costly, and therefore impracticable. A settlement with Sonja avoids the need for this tracing, as well as potentially costly and time-consuming litigation over entitlement to assets. This is particularly a concern for the Receiver given the limited liquidity in the receivership at this time, and which was the subject matter of the Receiver's second report to Court, which is attached as Appendix "H", without appendices.
2. For example, the most valuable known asset currently in control of the Mareva Defendants is the 9,400 sq. ft. luxury property located at West Bay Beach North Block 10A Parcel 150, Vista Del Mar, Cayman Islands (the "**VDM Property**"). As of September 27, 2023, the property had an appraised value of US\$8,421,000. As of the time the Cayman Injunction Order was obtained, the VDM Property had no mortgages or other encumbrances registered against it. The registered owners of the VDM Property were Santor and Sonja, as joint tenants. By right of survivorship, upon Santor's death, Sonja became the sole legal owner of the VDM Property.
3. While the Receiver has asserted that (a) proceeds of the Fraudulent Scheme were used to purchase and build the VDM Property (b) the property is held in constructive trust for PMIF and (c) Sonja has been unjustly enriched, these claims have yet to be proven in court. Doing so would require a detailed further tracing exercise using bank statements and other records from both Canada and the Cayman Islands that were not available at the time of PwC's pre-litigation forensic investigation.
4. DLA has advised the Receiver that it is likely that if a traditional litigation approach were pursued in the Fraud Recovery Action, Sonja would be entitled to a hearing on the merits, including the hearing of *viva voce* evidence on at least the issue of the extent of her knowledge of the Fraudulent Scheme (see *Solarblue LLC v. Aus*, 2014 ONSC 3482). While the Receiver believes the Court would ultimately find in favour of PMFI, this litigation would lead to considerable costs and delay, all while Sonja would continue to receive the weekly Living Expense Amount discussed in Section 3.3 below.
5. By contrast, under the Settlement Agreement, no further tracing of funds or litigation over the VDM Property or other Mareva Defendant assets will be required, the Weekly Living Expenses will cease as of May 31, 2025, and the vast majority of the net proceeds from the sale of the VDM Property will be paid to the Receiver for the benefit of PMFI's investors and other affected stakeholders.
6. Given the value of the VDM Property, the Receiver intends to seek approval by the Ontario Court of any transaction for the VDM Property in a hearing brought on notice to the same parties served with notice of the current motions.

### 3.3 Living Expense Savings

1. Under the Mareva Continuation Order, Sonja is entitled to living expenses of US\$6,025.36 per week, or US\$313,318.72 per year (the “**Living Expense Amount**”). Without a settlement agreement or further order of the Court, Sonja would be entitled to continue drawing the Living Expense Amount from assets frozen by the Mareva injunction until trial.
2. The Settlement Agreement brings this to an end as of May 31, 2025. Any amounts payable to Sonja after that date from the sale of assets other than the VDM Property will form part of the Second Payment defined below. As set out in the schedule attached as Appendix “I,” as of May 31, 2025, all Living Expense Amounts have been paid to Sonja in full.

### 3.4 Settlement Payments to Sonja

1. The Settlement Agreement contemplates that, subject to Sonja’s continuing cooperation with the Receiver, the Receiver shall pay Sonja up to US\$1,750,000, as follows:
  - a. Upon closing of a sale of the VDM Property by the Ontario Court, Sonja will receive US\$1,000,000 (the “**First Payment**”) from—and the Receiver will receive the balance of—the net proceeds of the sale of the VDM Property. As noted above, with an appraised value from September 27, 2023 of US\$8,421,000, the VDM Property is the most significant of the Mareva Defendants’ known assets;
  - b. Sonja will receive US\$500,000 (collectively referred to in the Settlement Agreement as the “**Second Payment**”) in accordance with the quarterly and annual payment formulas set out in subparagraph 2(e) of the Settlement Agreement, by being paid a set percentage of the net recoveries (the “**Recoveries**”) from realizations of various assets or claims of the Mareva Defendants, including:
    - i. the proceeds of the sale of the two-bedroom condominium property under construction at West Bay Beach South, Block 5C, Parcel 77, Cayman Islands (50% to Sonja, 50% to the Receiver)<sup>2</sup>;
    - ii. 839 Canada’s anticipated claim against Reverend William Dost in respect of certain cash held by him (50% to Sonja, 50% to the Receiver);
    - iii. the remaining proceeds, if any, from the three-bedroom condominium property located at 203, 12045 Guerin Street, Studio City, California, USA (the “**Studio City Property**”), together with the recovery of (and not limited to) the IRS non-resident tax withholdings in the approximate amount of US\$202,000 and the California Tax Board non-resident tax withholdings in the approximate amount of US\$34,000 (100% to Sonja, discussed in further detail below);

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<sup>2</sup> The Receiver is working to complete a transaction for this property.



- iv. the proceeds of the sale of various automobiles, wine, jewelry, watches, purses, artwork, rare books, Sea-Doos, and a golf cart owned by Santor and/or Sonja (50% to Sonja, 50% to the Receiver);
  - v. recoveries from Reverend William Dost respecting loans made to him by Santor or 839 Canada (10% to Sonja, 90% to the Receiver); and
  - vi. proceeds of any other Mareva Defendant asset not already specified or excluded below (10% to Sonja, 90% to the Receiver).
- c. Sonja could possibly receive an additional US\$250,000 (the “**Bonus Payment**”), but only if she continues to fully cooperate with the Receiver and the gross amounts recovered in the receivership exceed US\$20,250,000.

### 3.5 Excluded Recoveries

1. Sonja shall not receive any of the proceeds from the following categories of realizations, 100% of which shall go to the Receiver:
  - a) realizations from media assets (largely the Loans) and tax credit assets of PMI and the PMIF;
  - b) realizations from any claims of the Receiver not specified in the Settlement Agreement, including but not limited to the net proceeds of realizations from claims or anticipated claims by the Receiver against Chang-Sang, Hills, MNP LLP and APEX Fund Services (Canada) Ltd; and
  - c) realizations from any assets not specified above that are owned directly or indirectly by 839 Canada.

### 3.6 The Purchase of the Studio City Property

1. The Studio City Property was purchased by Santor and Sonja, as joint tenants, on January 3, 2018. They paid for the property in two instalments:
  - a) an initial deposit of US\$34,500 on November 21, 2017; and
  - b) a final payment of US\$1,096,144.10 on January 2, 2018.
2. As part of the PwC investigation that was conducted prior to the commencement of the Fraud Recovery Action, it was determined that between March 30, 2016 and December 22, 2017, Santor and the other parties to the Fraudulent Scheme misappropriated at least \$21,410,000 from PMFI.
3. As detailed in the Affidavit of Krista Mooney, affirmed November 20, 2024 and filed in the Fraud Recovery Action, the \$21,410,000 in fraudulent loans was wired from PMFI to bank accounts held by 839 Canada and Concourse Media Inc., all of which were controlled by Santor.

4. Based on instructions that Santor emailed to the National Bank of Canada (“NBC”) and transaction documents saved in Santor’s PMI email account, the Receiver has confirmed that the funds used for the deposit of US\$34,500 on November 21, 2017 and the final payment of US\$1,096,144.10 on January 2, 2018 came from the account of 839 Canada at NBC.

### **3.7 The Mortgaging and Sale of the Studio City Property**

1. On July 30, 2024, around when it is believed that Santor learned that the Fraudulent Scheme was in the process of being uncovered, Santor caused the Studio City Property to be mortgaged for US\$975,000.
2. On November 25, 2024—exactly one week prior to the Mareva and Norwich Order—the Studio City Property was sold to a third party for US\$1,500,000.
3. As noted above, the United States Internal Revenue Service imposed non-resident tax withholdings in the approximate amount of US\$202,000 and the California Tax Board imposed non-resident tax withholdings in the approximate amount of US\$34,000. These amounts still have not been released by either government agency.
4. The net proceeds of the sale of the Studio City Property after paying the mortgage, taxes, closing costs, and deducting the above-noted withholding costs, were US\$142,219.60. As ordered by Justice Black on December 12, 2024, which is attached as Appendix “J”, and Justice Cavanagh on December 19, 2024, which is attached as Appendix “K”, this amount was paid to Fogler, in trust. The Court ordered that these funds could be used by the Mareva Defendants only for the purpose of paying legal fees, expert fees, disbursements, and taxes.
5. Other than the US\$202,000 withheld by the IRS and the US\$34,000 withheld by the California Tax Board, it is not anticipated there will be any further proceeds from the sale of the Studio City Property.

### **3.8 Alan Plaunt’s Recently Asserted Claim to the Studio City Property Proceeds**

1. On April 14, 2023, Alan Plaunt and a corporation that he controlled (collectively “Plaunt”) commenced the above-noted Plaunt Action. The defendants named in the Plaunt Action included several Mareva Defendants, namely Santor, Prosapia Wealth Management Ltd., Prosapia Capital Management Corp., Prosapia Property Management Inc., and Prosapia Holdings Inc.
2. Other defendants named in the Plaunt Action included PMI, Prosapia Consulting Inc., Productivity Media Capital Inc. Productivity Media Management Inc., Productivity Media UK Limited, Productivity Media Pictures Inc., Productivity Media (Malta) Ltd., Productivity Media Sicav PLC, Tristar Film Finance Corp., Media House Capital (Canada) Corp., and Aaron Gilbert, along with the placeholder defendants John Doe Corporation, John Doe Partnership, and John Doe.
3. As set out in the Statement of Claim attached as Appendix “L”, the Plaunt Action is based on various loans that Santor purportedly induced Plaunt to make in or around 2009 and 2010.



4. On December 22, 2023, Plaunt filed a motion seeking a preservation order. A copy of the Motion Record is attached as Appendix “M”. The motion made no mention of the Studio City Property. The motion was scheduled to be heard on May 27, 2025, but did not proceed because on May 20, 2025, counsel for Plaunt, Claudio Aiello, emailed the Court, noting that “Mr. Santor has recently died and a Receivership Order [...] has stayed this litigation for the time being.”.
5. On January 22, 2025, DLA served Mr. Aiello and counsel for the other parties in the Plaunt Action with a Notice of Change of Lawyer. It advised that DLA would be taking over as counsel for PMI. The service letter to Mr. Aiello indicated that Bobby Kofman and Murtaza Tallat of KSV Restructuring Inc. were being copied on the correspondence.
6. On May 17, 2025, Mr. Aiello, wrote to counsel for the defendants in the Plaunt Action, including to DLA as counsel for PMI, asserting—for the first time—that Plaunt had a prior interest in the proceeds of the Studio City Property, presumably based in constructive trust. A copy of Mr. Aiello’s email [redacted for settlement privilege] is attached as Appendix “N”.
7. In his email, Mr. Aiello asserted that the Studio City Property was likely purchased using part of \$2.85 million that Santor received in or around October 2017 from settling litigation with Media House Capital (Canada) Corp. (“**Media House**”) that involved the money invested by Plaunt in or around 2010 (the “**Media House Settlement**”).
8. In his letter, Mr. Aiello mistakenly asserted that the purchase of the Studio City Property “seems to predate all [Santor’s] activities that the substantive subject of the Receivership and related proceedings.” As noted above, by the time the Studio City Property was purchased on January 3, 2018, Santor had already misappropriated at least \$21,410,000 from PMIF, much of which was directed to 839 Canada, the very entity that wired the seller the funds used to purchase the Studio City Property.
9. While, as noted above, the Receiver has access to email attachments showing the purchase money for the Studio City Property came from 839 Canada, as a result of NBC’s seven-year document retention policy, the bank statements provided by NBC pursuant to the December 2, 2024 Mareva and Norwich Order only date back to December 1, 2017. Thus, despite the strong inferences that can be drawn, this creates impediments for the Receiver to fully trace the source of the funds Santor used to purchase the Studio City Property.
10. Given the seven-year document retention policy of NBC and the lack of any bank records or other tracing evidence included with Plaunt’s motion record or Mr. Aiello’s May 17, 2025 email, it appears that Plaunt will face significant difficulties in establishing the alleged tracing of his 2009 and 2010 loans into the purchase of the Studio City Property in 2018.

### 3.9 Plaunt’s Claim is Statute-Barred

1. More fundamentally, regardless of whether Santor purchased the Studio City Property in January 2018 using cash from the Fraudulent Scheme or the Media House Settlement, any such claim by Plaunt is barred under the *Limitations Act, 2002*, SO 2002, c 24, Sched B. This time limitation was expressly pleaded by the defendants to the Plaunt Action.

2. In the Plaunt Action, Plaunt asserts that Santor had represented to him that Santor had commenced litigation in or around 2011 for the purposes of recovering the funds owing to Santor and Plaunt by Media House and others. Further, Plaunt alleges that “[f]rom time to time, and as recently as December 2022, Santor assured Plaunt that the said litigation was proceeding albeit slowly” and “would assure Plaunt that the matter was under control and that the litigation would ultimately reach a satisfactory conclusion”.
3. As set out in the emails enclosed with the June 9, 2025 letter of DLA responding to Mr. Aiello, which are attached as part of Appendix “O”:
  - a) On November 11, 2018, over a year after the Media House Settlement, Plaunt emailed Santor, asking, “How is the legal action going?” Santor replied that same day, “Waiting for a court date right now. We didn’t get the summary proceedings as we had hoped so in cue [sic].”
  - b) On May 28, 2019, Plaunt wrote to Santor and a business associate of his, Bill Dost. Plaunt wrote, “I went over my portfolio, structure and tax implications. Between you [Dost and Santor], I have loan >\$8M for a VERY long time on ‘safe and fast-ish’ ventures of which I’ve seen \$0 return.” He wrote specifically to Santor, “We need to talk about getting my money, which you got tied up in your legal battle, away from the mess and deployed somewhere else where there is some light at the end of the tunnel.”
  - c) On January 23, 2020, Plaunt emailed Santor, “How is the legal action going? When am I going to see my \$ from Prosapia, etc?” Santor did not respond.
  - d) On April 14, 2020, Plaunt emailed Santor again, “Time to get updated with various things. [...] How is the legal action with Media House going?” Once again, Santor did not respond.
  - e) On October 1, 2020, Plaunt emailed Santor on the same email chain: “My emails to you have seemed to go into a black void. [...] Please respond to make sure you are getting this.” Santor still did not respond.
  - f) On December 12, 2020, Plaunt emailed Santor again, “I will need to address the Media House legal action. Looks like this will need some legal action on my part to help the process along...? It has been some time (more than a year?) since you have responded to any of my correspondence. Please respond as soon as possible.” Yet again, Santor did not respond.
4. It is the Receiver’s view that in the foregoing circumstances, Plaunt ought to have consulted a lawyer to learn what could be done to ascertain the status of Santor’s legal action.
5. Had Plaunt or his counsel performed a court search, Plaunt would have discovered that, contrary to Santor’s misrepresentation on November 11, 2018, the action against Media House had been dismissed in 2017.

6. Plaunt's claim against Santor was or ought to have been discovered by at least the Spring of 2020, if not years before. Despite Plaunt's emails to Santor seeming "to go into a black void," he apparently took no steps to investigate the status of the Media House litigation. Plaunt's Notice of Action was not issued until March 15, 2023. Any claim he is now seeking to assert against the Studio City Property proceeds, whether in constructive trust or otherwise, is statute-barred.
7. Plaunt's only recently asserted and untenable claim against the Studio City Property proceeds should not be allowed to prevent the Settlement Agreement between the Receiver and Sonja from proceeding. This would unjustly prejudice recoveries and increase costs for PMIF's investors and other stakeholders with non-statute-barred claims.

### **3.10 Proposed Releases**

1. As detailed in paragraphs 14-16 of the Settlement Agreement, to provide finality and certainty, the parties have contemplated various releases of liability being provided and their approval sought from the Court. This includes an order pursuant to which:
  - a) Sonja releases the Receiver, PMI, and PMIF from any claims or liability arising from or related to the Fraud Recovery Action; and
  - b) PMI, PMIF, PMIF's investors, 839 Canada, and the Receiver release Sonja from any claims or liability, arising from or related to the Fraud Recovery Action.
2. As set out in paragraphs 7-10, 14 and 17(b) of the Settlement Agreement, the releases of Ms. Santor are conditional upon her full and continuing cooperation with the Receiver and would be rendered void by any deliberate and material misrepresentation or event of default under the Settlement Agreement.
3. The Receiver recommends these releases be approved and ordered by the Court. They provide certainty and finality for the parties that will facilitate recoveries for stakeholders, including the sale of the VMD Property. By agreeing that the releases of Sonja's liability are conditional upon her ongoing cooperation and would be voided by any deliberate and material misrepresentation, Sonja has further demonstrated her commitment to cooperation.
4. Given the lack of any information indicating that Sonja took any role in the Fraudulent Scheme, and given that the investors will be the primary beneficiaries of the net realizations obtained through the Settlement Agreement, it is fair and reasonable in exchange that the investors be required not to commence or continue any claims against Sonja for anything arising out of the same subject matter.
5. For clarity, no release is being sought or recommended with respect to any Mareva Defendant other than Sonja.

### **3.11 Legal Costs of Counsel for the Mareva Defendants**

1. Fogler has been representing Sonja and the other Mareva Defendants in the Fraud Recovery Action. As counsel for the Mareva Defendants, Fogler has worked extensively with counsel for the Receiver to address various issues arising out of the Fraud Recovery Action and negotiate the Settlement Agreement being presented to the Court for approval.

2. It is anticipated that Fogler will continue to represent Sonja and the other Mareva Defendants in working with counsel for the Receiver to liquidate assets of the Mareva Defendants, advance claims on behalf of the Defendants, and maximize realizations for the benefit of affected stakeholders.
3. The Mareva Continuation Order directed that US\$105,000 from the Studio City Property tax withholdings was to be paid in trust to Fogler. This has not yet occurred, and those funds have not yet been paid.
4. In addition, the Settlement Agreement states that the Receiver shall pay the reasonable legal fees and disbursements of Fogler from available cash flow, up to an additional maximum amount of US\$150,000, unless the Receiver and Fogler agree to increase this greater amount.
5. As set out in the Settlement Agreement, the Receiver requests and recommends that the Court amend section 3(i) the ARRO to authorize the Receiver to pay the reasonable fees and disbursements of Fogler in the same manner as those of DLA, PwC, and TOML.

### **3.12 Related Relief in the Fraud Recovery Action**

1. In addition to granting an order in the Receivership approving the Settlement Agreement and amending the ARRO to authorize payment of reasonable fees and disbursements to Fogler, the Receiver requests and recommends an order within the Fraud Recovery Action:
  - a) discharging the Mareva injunction as against Sonja (except for her interest in the VDM Property, which shall remain subject to the Cayman Order and which shall require further motion to this Court to approve any sale) and 839 Canada only (since 839 Canada is now a Debtor within the Receivership);
  - b) directing that the Mareva injunction shall be continued against the remaining Mareva Defendants until the earlier of,
    - i. dismissal or discontinuance of the Fraud Recovery Action, or
    - ii. the expiry of 60 days following pronouncement of final judgment in the Fraud Recovery Action by the Court;
  - c) amending the Fraud Recovery Action to remove Sonja, in her personal capacity, as a Defendant;
  - d) directing, *nunc pro tunc*, that Sonja's entitlement to be paid any Living Expense Amounts was terminated as of May 31, 2025;
  - e) requiring Sonja to obtain the Receiver's express written consent prior to selling, encumbering, or otherwise dealing with any property identified in section 2(c) of the Settlement Agreement; and

- f) authorizing the Receiver to dispose of or sell any of the assets of the remaining Mareva Defendants to the Fraud Recovery Action, notwithstanding the Mareva injunction:

5.f.1. upon the mutual written consent the Receiver and Ms. Santor, but only during any time prior to payment to Ms. Santor of the “Second Payment” described in the Settlement Agreement;

5.f.2 Following payment to Mr. Santor in full of the “Second Payment”, with the cooperation of Ms. Santor, which cooperation Ms. Santor shall provide at no further cost, except out-of-pocket expenses for which she will be reimbursed at cost on a timely basis by the Receiver.

## 4.0 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)(c) 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.,  
PRODUCTIVITY MEDIA LENDING CORP. AND 8397830 CANADA INC.  
AND NOT IN ITS PERSONAL CAPACITY**

# **APPENDIX “A”**

**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.

Conway J

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**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:

**TWO SHORES CAPITAL CORP.**

Applicant

-and-

**PRODUCTIVITY MEDIA INC., et al**

Respondents

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

***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”**



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

THE HONOURABLE  
JUSTICE W.D. BLACK

)  
)  
)

MONDAY, THE 2<sup>ND</sup> DAY  
OF DECEMBER, 2024

**BETWEEN:**

**PRODUCTIVITY MEDIA INCOME FUND I LP, by its general partner,  
PRODUCTIVITY MEDIA INC., by its court-appointed receiver and manager,  
KSV RESTRUCTURING INC.**

Plaintiff

and

**WILLIAM GREGORY SANTOR, SONJA SANTOR, also known as SONJA  
NISTELBERGER, RADIANT FILMS INTERNATIONAL INC., DARK STAR PICTURES  
(CANADA) INC., CONCOURSE MEDIA INC., JOKER FILMS PRODUCTIONS INC.,  
8397830 CANADA INC., PRODUCTIVITY MEDIA RELEASING INC., PRODUCTIVITY  
MEDIA RENTALS INC., PRODUCTIVITY MEDIA PRODUCTIONS (CAYMAN) LTD.,  
PROSAPIA CAPITAL MANAGEMENT CORP., PROSAPIA HOLDINGS INC.,  
PROSAPIA PROPERTY MANAGEMENT INC., PROSAPIA WEALTH MANAGEMENT  
LTD., ERBSCHAFT CAPITAL CORP., STREAM.TV (CAYMAN) LTD., STARK  
INDUSTRIES LIMITED, JOHN DOE, MARY DOE, and ABC COMPANY**

Defendants

**ORDER**

**NOTICE**

If you, the Defendant, disobey this order you may be held to be in contempt of court and may be imprisoned, fined or have your assets seized. You are entitled to apply on at least twenty-four (24) hours notice to the Plaintiff, for an order granting you sufficient funds for ordinary living expenses and legal advice and representation.

Any other person who knows of this order and does anything which helps or permits the Defendant 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.

**THIS MOTION**, made without notice by the Plaintiff, Productivity Media Income Fund I LP, by its general partner Productivity Media Inc., by its court-appointed receiver and manager, KSV Restructuring Inc., for, among other things, (1) an interim Order in the form of an interim and interlocutory *Mareva* injunction restraining the Defendants, WILLIAM GREGORY SANTOR, SONJA SANTOR a.k.a. SONJA NISTELBERGER, RADIANT FILMS INTERNATIONAL INC., DARK STAR PICTURES (CANADA) INC., CONCOURSE MEDIA INC., JOKER FILMS PRODUCTIONS INC., 8397830 CANADA INC., PRODUCTIVITY MEDIA RELEASING INC., PRODUCTIVITY MEDIA RENTALS INC., PRODUCTIVITY MEDIA PRODUCTIONS (CAYMAN) LTD., ERBSCHAFT CAPITAL CORP., STREAM.TV (CAYMAN) LTD., and STARK INDUSTRIES LIMITED (the **Mareva Defendants**), from dissipating their assets and other relief; (2) an Order directing the Financial Institutions (as defined in this Order) to freeze the accounts of the Mareva Defendants; (3) an Order compelling the Mareva Defendants to disclose the nature, value, and location of their assets; (4) an Order requiring the Financial Institutions and the Corporate Records Offices (as defined in this Order) to disclose certain records and information respecting the Mareva Defendants; (5) an Order requiring the Mareva Defendants to disclose certain records and information; and (6) an Order dispensing with the undertaking as to damages of the Plaintiff; and other ancillary relief, was heard this day at Toronto by judicial videoconference via Zoom.

**ON READING** the Statement of Claim, the Affidavit of Andrew Chang-Sang sworn, November 20, 2024 and the Affidavit of Krista Mooney affirmed, November 20, 2024; on dispensing with the requirement for an undertaking of the Plaintiff to abide by any Order this Court may make concerning damages arising from the granting and enforcement of this Order; on noting the undertaking of the Plaintiff to pay the costs of the Financial Institutions and the Corporate Records Offices (as defined below) named in this Order for disclosing and delivering the documents required in this Order, and on hearing the submissions of counsel for the Plaintiff, with the Defendants not having been served.

## **Mareva Injunction**

1. **THIS COURT ORDERS** that the Mareva Defendants, and their respective servants, employees, agents, assigns, officers, directors and anyone else acting on their behalf or in conjunction with any of them, and any and all persons with notice of this injunction, are restrained from directly or indirectly, by any means whatsoever:
  - (a) selling, removing, dissipating, alienating, transferring, assigning, encumbering, or similarly dealing with any assets of the Mareva Defendants, wherever situated in the world, including but not limited to the assets and accounts listed in Schedule "A" hereto (the **Accounts and Assets**);
  - (b) instructing, requesting, counselling, demanding, or encouraging any other person to do so; and
  - (c) facilitating, assisting in, aiding, abetting, or participating in any acts the effect of which is to do so.
2. **THIS COURT ORDERS** that paragraph 1 applies to all of the Mareva Defendants' assets whether or not they are in their own name and whether they are solely or jointly owned, and wherever located in the world, including any Accounts and Assets which they have the power, directly or indirectly, to dispose of or deal with as if it were their own. The Mareva Defendants are to be regarded as having such power if a third party holds or controls the assets in accordance with their direct or indirect instructions.

## **Ordinary Living Expenses**

3. **THIS COURT ORDERS** that the Defendants William Santor and Sonja Santor may apply for an order, on at least twenty-four (24) hours notice to the Plaintiff, specifying the amount of funds which those Defendants are entitled to spend on ordinary living expenses and legal advice and representation.



### **Disclosure of Information**

4. **THIS COURT ORDERS** that the Mareva Defendants each prepare and provide to the Plaintiff within seven (7) days of the date of service of this Order, a sworn statement describing the nature, value, and location of their assets worldwide, whether in their own name or not and whether solely or jointly owned, including without limitation any bank or investment accounts, securities, cash, real property, vehicles, aircraft, boats, jewelry, or other personal property.
5. **THIS COURT ORDERS** that the Mareva Defendants each submit to examinations under oath within seven (7) days of the delivery by the Mareva Defendants of the aforementioned sworn statements. The examinations under oath shall be held with virtual Zoom attendance, with such attendance details to be provided in advance of the date of the examinations.
6. **THIS COURT ORDERS** that if the provision of any of this information is likely to incriminate the Defendant William Santor or Sonja Santor, they may be entitled to refuse to provide it, but is recommended to take legal advice before refusing to provide the information. Wrongful refusal to provide the information referred to in paragraph 4 herein is contempt of court and may render the Mareva Defendants liable to be imprisoned, fined, or have their assets seized.

### **Third Parties**

7. **THIS COURT ORDERS** National Bank of Canada, Bank of Montreal, The Toronto-Dominion Bank, CIBC Caribbean Bank (Cayman) Limited, Questrade Inc., and Interactive Brokers LLC, together with each of their subsidiaries or affiliates (collectively, the **Financial Institutions**) to forthwith freeze and prevent any removal or transfer of monies or assets of the Mareva Defendants held in any account, registered savings plans, investment accounts, safety deposit boxes, or other assets, or on credit on behalf of the Mareva Defendants, whether solely or jointly held, with the Financial Institutions, until further Order of the Court, including but not limited to the accounts listed in Schedule "A" hereto.

8. **THIS COURT ORDERS** that the Financial Institutions forthwith disclose and deliver up to the Plaintiff any and all records held by the Financial Institutions concerning any of the Mareva Defendants' assets, accounts, registered savings plans, investment accounts, safety deposit boxes, or other assets, including but not limited to the accounts listed in Schedule "A" hereto, including the existence, nature, value and location of any monies or assets or credit, wherever situated in the world, held on behalf of the Mareva Defendants by the Financial Institutions.

**Disclosure by Non-Parties (*Norwich Pharmacal Order*)**

9. **THIS COURT ORDERS** that the Financial Institutions shall disclose and deliver up to DLA Piper (Canada) LLP attn: Jordan R.M. Deering, at the expense of the Plaintiff, within seven (7) business days of the date of service of this Order, or such other date agreed, any and all records held by the Financial Institutions concerning the assets and accounts of any of the Mareva Defendants, including records of the existence, nature, value, and location of any funds, assets, or credit, wherever situated, held by the Financial Institutions on behalf of the Mareva Defendants, whether solely or jointly held, including, but not limited to:
- (a) a list of all accounts, registered savings plans, investment accounts, safety deposit boxes, or other assets, and/or credit products now or formerly held;
  - (b) all account opening documentation, corporate resolutions, signature cards, and powers of attorney;
  - (c) the current balances in all accounts;
  - (d) all monthly and/or periodic statements from 2016 to the present;
  - (e) copies of all cheques, payment instruments, debit vouchers, wire transfer instructions, deposit records, transfer records, or other documents relating to withdrawals, transfers, or deposits from 2016 to the present; and,
  - (f) all applications for credit.

10. **THIS COURT ORDERS** that each of Walkers Corporate Limited; Bodden Corporate Services Ltd.; Michael, Evrensel & Pawar LLP; and Bennett Jones LLP, as registered offices or holders of the corporate minutes books for the Defendants (the **Corporate Records Offices**), shall disclose and deliver up to DLA Piper (Canada) LLP attn: Jordan R.M. Deering, at the expense of the Plaintiff, within seven (7) business days of the date of service of this Order, or such other date agreed, any and all corporate records of the Mareva Defendants, including, but not limited to:

- (a) Certificate of Incorporation;
- (b) Memorandum and articles of association;
- (c) Register of directors and officers;
- (d) Register of shareholders/members;
- (e) Minute book;
- (f) All director or shareholder resolutions; and,
- (g) Annual returns.

**Dispensing with Undertaking as to Damages**

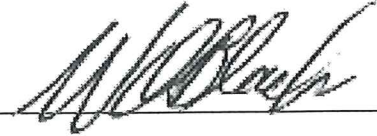
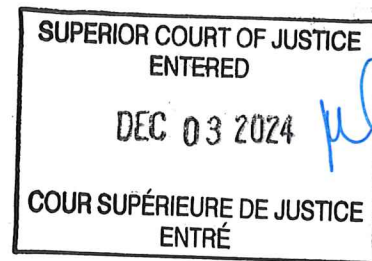
11. **THIS COURT ORDERS** that the requirement under Rule 40.03 for the Plaintiff to provide an undertaking as to damages is dispensed with.

**Variation, Discharge or Extension of Order**

12. **THIS COURT ORDERS** that anyone served with or notified of this Order may apply to the Court at any time to vary or discharge this order, on four (4) days notice to the Plaintiff.

13. **THIS COURT ORDERS** that the terms of this Order shall remain in force and be effective for ten (10) days.

14. **THIS COURT ORDERS** that the Plaintiff shall apply for a continuation of this Order to a Judge on December 12, 2024, at 10:00 a.m., or as soon as possible thereafter, via judicial videoconference via Zoom.

A handwritten signature in black ink, appearing to be "M. B. B.", is written over a horizontal line.



DEFENDANT, WILLIAM GREGORY SANTOR		
Known Account or Asset	Details	Asset Holder
Real Property: West Bay Beach North, Block 10A, Parcel 150, Grand Cayman	Vista Del Mar Property	William Santor and Sonja Santor
Real Property: A two-bedroom condominium unit under construction located at West Bay South (WBS) Block 5C, Parcel 77, Grand Cayman	20 North Condominium Property	William Santor
Real Property: 203, 12045 Guerin Street, Studio City, California, USA	Studio City Property Legal Description: LOT NUMBER: 1; UNIT: 203; TRACT: 72705; CITY/MUNI/TWN: LOS ANGELES; MAP: MB 1397 PG 88&89	William Santor and Sonja Santor
Bank Accounts: National Bank of Canada, Account #0005104	National Bank of Canada Branch located at 121 King Street West, Toronto, Ontario, Transit 7031	William Santor
Shares: 8397830 Canada Inc.	Registered office located at: 59-833 Scollard Court Mississauga, ON L7N 1Y4	William Santor
Shares: Erbschaft Capital Corp.	Registered office located at: Walkers Corporate Limited 190 Elgin Avenue, George Town, Grand Cayman, KY1-9008 Cayman Islands	William Santor
Shares: Productivity Media Productions (Cayman) Ltd.	Registered office located at: Bodden Corporate Services Ltd. P. O. Box 10335 Governors Square, 23 Lime Tree Bay Avenue Grand Cayman KY1-1003 Cayman Islands	William Santor
Shares: Productivity Media Rentals Inc.	Registered office located at: 2521 Wyecroft Road Oakville, ON L6L 6P8	William Santor
Shares: Joker Films Productions Inc.	Registered office located at: Michael, Evrensel & Pawar LLP 1750 – 1055 West Georgia St P.O. Box 11125 Vancouver, BC V6E 3P3	William Santor
Shares: Radiant Films International Inc.	Registered office located at: Bennett Jones LLP 100 King Street West, 3400, Toronto, Ontario, M5X 1A4	William Santor



DEFENDANT, WILLIAM GREGORY SANTOR		
Known Account or Asset	Details	Asset Holder
Shares: Dark Star Pictures (Canada) Inc.	Registered office located at: Bennett Jones LLP 25th Floor, 666 Burrard Street Vancouver, BC V6C 2X8	William Santor
Shares: Concourse Media Inc.	Registered office located at: Bennett Jones LLP 25th Floor, 666 Burrard Street Vancouver, BC V6C 2X8	William Santor
Shares: Prosapia Capital Management Corp.	Registered office located at: 2521 Wyecroft Road Oakville, ON L6L 6P8	William Santor
Shares: Prosapia Holdings Inc.	Registered office located at: 2521 Wyecroft Road Oakville, ON L6L 6P8	William Santor
Shares: Prosapia Property Management Inc.	Registered office located at: 300, 1100 Burloak Drive Burlington, ON L7L 6B2	William Santor
Shares Prosapia Wealth Management Ltd.	Registered office located at: 2521 Wyecroft Road Oakville, ON L6L 6P8	William Santor
Investment Accounts: Questrade Inc. Account 27481653	5700 Yonge Street Unit G1, Ground Floor Toronto, ON, M2M 4K2	William Santor
Investment Accounts: Interactive Brokers LLC (IBKR) Account U4250117	One Pickwick Plaza Greenwich, CT 06830	William Santor
Investment Accounts: CIBC Caribbean (formerly CIBC FirstCaribbean) Account FCI002252	Account located at CIBC FirstCaribbean located at 25 Main Street, P.O. Box 68, George Town, Grand Cayman	William Santor
Vehicle: Jaguar F-Type		William Santor
Vehicle: Porsche Cayenne		William Santor
Vehicle: Jaguar XJL		William Santor
Vehicle: Bentley Bentayga		William Santor
Personal property: jewelry, wine, watches		William Santor

<b>DEFENDANT, SONJA SANTOR</b>		
<b>Known Account or Asset</b>	<b>Details</b>	<b>Asset Holder</b>
Real Property: West Bay Beach North, Block 10A, Parcel 150, Grand Cayman	Vista Del Mar Property	William Santor and Sonja Santor
Real Property: 203, 12045 Guerin Street, Studio City, California, USA	Studio City Property Legal Description: LOT NUMBER: 1; UNIT: 203; TRACT: 72705; CITY/MUNI/TWNSP: LOS ANGELES; MAP: MB 1397 PG 88&89	William Santor and Sonja Santor
Bank Account: The Toronto-Dominion Bank, Account #6007061	Toronto-Dominion Bank branch located at 5 Worthington Ave, Brampton, Ontario, Transit 21222	Sonja Santor

<b>DEFENDANT, RADIANT FILMS INTERNATIONAL INC.</b>		
<b>Known Account or Asset</b>	<b>Details</b>	<b>Asset Holder</b>
Bank Accounts: National Bank of Canada, Account #0012925	National Bank of Canada Branch located at 121 King Street West, Toronto, Ontario, Transit 07031	Radiant Films International Inc.

<b>DEFENDANT, DARK STAR PICTURES (CANADA) INC.</b>		
Bank Accounts: National Bank of Canada, Account # 0003160 and 0011520	National Bank of Canada Branch located at 121 King Street West, Toronto, Ontario, Transit 07031	Dark Star Pictures (Canada) Inc.

<b>DEFENDANT, CONCOURSE MEDIA INC.</b>		
<b>Known Account or Asset</b>	<b>Details</b>	<b>Asset Holder</b>
Bank Accounts: National Bank of Canada, Account #0009320	National Bank of Canada Branch located at 121 King Street West, Toronto, Ontario, Transit 07031	Concourse Media Inc.

DEFENDANT, 8397830 CANADA INC.		
Known Account or Asset	Details	Asset Holder
Bank Accounts: National Bank of Canada, Account # 0001869 and 0007620	National Bank of Canada Branch located at 121 King Street West, Toronto, Ontario, Transit 07031	8397830 Canada Inc.
Bank Accounts: Bank of Montreal, Account #1993163	Bank of Montreal Branch located at 2 Queen Street East, Toronto, Ontario M5C 3G7, Transit 24872	8397830 Canada Inc.
Shares: Moviebill LLC	Registered agent located at: A Registered Agent, Inc. 8 The Green, Ste A Dover, Delaware 19901	8397830 Canada Inc.
Shares: Greenlight Essentials Inc.	Registered office located at: 100, 151 Charles Street West Kitchener, ON N2G 1H6	8397830 Canada Inc.
Shares: Post City Sound Inc.	Registered office located at: 151-152, 1159 Dundas Street East Toronto, ON M4M 3N9	8397830 Canada Inc.
Shares: Stream.TV (Cayman) Ltd.	Registered Office located at: c/o Walkers Corporate Limited 190 Elgin Avenue, George Town, Grand Cayman, KY1-9008 Cayman Islands	8397830 Canada Inc.
Limited Partner Interest: Goanna Capital Private Technology II LP	C/O Goanna Capital Management LLC 515 N. Flagler Drive, Suite P 300 West Palm Beach, FL, 33401	8397830 Canada Inc.
Shares: Katch Entertainment Inc.	Registered Office located at: 170 Wildwood Way Woodside, California 94602	8397830 Canada Inc.
Shares: Productivity Media Releasing Inc.	Registered office located at: 2521 Wyecroft Road Oakville, ON L6L 6P8	8397830 Canada Inc.
Shares: Productivity Media Rentals Inc.	Registered office located at: 2521 Wyecroft Road Oakville, ON L6L 6P8	8397830 Canada Inc.
Shares: Joker Films Productions Inc.	Registered office located at: Michael, Evrensel & Pawar LLP 1750 – 1055 West Georgia St	8397830 Canada Inc.



**DEFENDANT, 8397830 CANADA INC.**

Known Account or Asset	Details	Asset Holder
	P.O. Box 11125 Vancouver, BC V6E 3P3	
Shares: Radiant Films International Inc.	Registered office located at: Bennett Jones LLP 100 King Street West, 3400, Toronto, Ontario, M5X 1A4	8397830 Canada Inc.
Shares: Dark Star Pictures (Canada) Inc.	Registered office located at: Bennett Jones LLP 25th Floor, 666 Burrard Street Vancouver, BC V6C 2X8	8397830 Canada Inc.
Shares: Concourse Media Inc.	Registered office located at: Bennett Jones LLP 25th Floor, 666 Burrard Street Vancouver, BC V6C 2X8	8397830 Canada Inc.
Promissory Notes: Concourse Media LLC	Registered office located at: 5024 Mammoth Ave Sherman Oaks, California 91423	8397830 Canada Inc.
Promissory Note: Moviebill LLC	Registered agent located at: A Registered Agent, Inc. 8 The Green, Ste A Dover, Delaware 19901	8397830 Canada Inc.
Promissory Note: Smith Global Media, Inc.		8397830 Canada Inc.
Promissory Note: Productivity Media Releasing Inc.	Registered office located at: 2521 Wyecroft Road Oakville, ON L6L 6P8	8397830 Canada Inc.

**DEFENDANT, PRODUCTIVITY MEDIA PRODUCTIONS (CAYMAN) LTD.**

Known Account or Asset	Details	Asset Holder
Bank Accounts: CIBC Caribbean (formerly CIBC FirstCaribbean), Account #10488359	CIBC Caribbean Branch located at 25 Main Street, P.O.Box 68, George Town, Grand Cayman, KY1-1102, Cayman Islands	Productivity Media Productions (Cayman) Ltd.

<b>DEFENDANT, ERBSCHAFT CAPITAL CORP.</b>		
<b>Known Account or Asset</b>	<b>Details</b>	<b>Asset Holder</b>
Bank Accounts: CIBC Caribbean (formerly CIBC FirstCaribbean), Accounts #10482214, 10482215, 10487974	CIBC Caribbean Branch located at 25 Main Street, P.O.Box 68, George Town, Grand Cayman, KY1-1102, Cayman Islands	Erbschaft Capital Corp.
Investment Accounts: CIBC Caribbean (formerly CIBC FirstCaribbean), Account FCI002252	CIBC Caribbean Branch located at 25 Main Street, P.O.Box 68, George Town, Grand Cayman, KY1-1102, Cayman Islands	Erbschaft Capital Corp.
Investment Accounts: Interactive Brokers LLC (IBKR) Account U4250117	One Pickwick Plaza Greenwich, CT 06830	Erbschaft Capital Corp.
Shares: Stream.TV (Cayman) Ltd.	Registered Office located at: c/o Walkers Corporate Limited 190 Elgin Avenue, George Town, Grand Cayman, KY1-9008 Cayman Islands	Erbschaft Capital Corp.
Shares: Stark Industries Limited	Registered Office located at: c/o Walkers Corporate Limited 190 Elgin Avenue, George Town, Grand Cayman, KY1-9008 Cayman Islands	Erbschaft Capital Corp.
Shares: Katch Entertainment Inc.	Registered Office located at: 170 Wildwood Way Woodside, California 94602	Erbschaft Capital Corp.
Shares: Wind Sun Sky Entertainment Inc.		Erbschaft Capital Corp.

<b>DEFENDANT, STREAM.TV (CAYMAN) LTD.</b>		
<b>Known Account or Asset</b>	<b>Details</b>	<b>Asset Holder</b>
Bank Accounts: CIBC Caribbean (formerly CIBC FirstCaribbean), Account #10482217	CIBC Caribbean Branch located at 25 Main Street, P.O. Box 68, George Town, Grand Cayman, KY1-1102, Cayman Islands	Stream.TV (Cayman) Ltd.

DEFENDANT, STARK INDUSTRIES LIMITED		
Known Account or Asset	Details	Asset Holder
Bank Accounts: CIBC Caribbean (formerly CIBC FirstCaribbean), Accounts #10482218 and 10482219	CIBC Caribbean Branch located at 25 Main Street, P.O. Box 68, George Town, Grand Cayman, KY1-1102, Cayman Islands	Stark Industries Limited

DEFENDANT, PRODUCTIVITY MEDIA RENTALS INC.		
Known Account or Asset	Details	Asset Holder
Various film equipment understood to be owned by Productivity Media Rentals Inc. or another entity controlled by Mr. Santor	Currently stored at Productivity Media Inc.'s office located at 5100 South Service Road, Unit 22, Burlington, Ontario	Productivity Media Rentals Inc.

PRODUCTIVITY MEDIA INCOME FUND I LP, by its general partner  
PRODUCTIVITY MEDIA INC., by its court-appointed receiver and manager  
KSV RESTRUCTURING INC.

and

Court File No CV-24-00731806-00CL  
WILLIAM GREGORY SANTOR ET AL

Plaintiff

Defendants

ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)

PROCEEDING COMMENCED AT  
TORONTO

ORDER

DLA PIPER (CANADA) LLP  
Barristers & Solicitors  
Suite 5100, Bay Adelaide – West Tower  
333 Bay Street  
Toronto, ON M5H 2R2  
Jordan R.M. Deering (LSO #86337A)

Tel: 416-365-3515  
Fax: 403-213-4479  
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Regan Christensen (LSA #24319)

Tel: 403-698-8760  
Email: regan.christensen@dlapiper.com

Cristina Fulop (LSO #82224H)

Tel: 416-862-3389  
cristina.fulop@dlapiper.com

Lawyers for the Plaintiff

## **APPENDIX “C”**





**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 (NSI)

**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

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INJUNCTION PROHIBITING  
DISPOSAL OF ASSETS IN THE CAYMAN ISLANDS

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**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 unincumbered 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](mailto: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 6<sup>th</sup> day of December 2024

FILED this 6<sup>th</sup> day of December 2024



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**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 “D”**

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

THE HONOURABLE  
JUSTICE W.D. BLACK

)  
)  
)

MONDAY, THE 24<sup>th</sup> DAY  
OF MARCH 2025

B E T W E E N:

**PRODUCTIVITY MEDIA INCOME FUND I LP, by its general partner,  
PRODUCTIVITY MEDIA INC., by its court-appointed receiver and manager,  
KSV RESTRUCTURING INC.**

Plaintiff

and

**WILLIAM GREGORY SANTOR, SONJA SANTOR, also known as SONJA NISTELBERGER,  
RADIANT FILMS INTERNATIONAL INC., DARK STAR PICTURES (CANADA) INC.,  
CONCOURSE MEDIA INC., JOKER FILMS PRODUCTIONS INC., 8397830 CANADA INC.,  
PRODUCTIVITY MEDIA RELEASING INC., PRODUCTIVITY MEDIA RENTALS INC.,  
PRODUCTIVITY MEDIA PRODUCTIONS (CAYMAN) LTD., PROSAPIA CAPITAL  
MANAGEMENT CORP., PROSAPIA HOLDINGS INC., PROSAPIA PROPERTY  
MANAGEMENT INC., PROSAPIA WEALTH MANAGEMENT LTD., ERBSCHAFT CAPITAL  
CORP., STREAM.TV (CAYMAN) LTD., STARK INDUSTRIES LIMITED, JOHN DOE,  
MARY DOE, and ABC COMPANY**

Defendants

**ORDER  
(Mareva Continuation)**

**THIS MOTION**, made by Productivity Media Income Fund I LP, by its general partner Productivity Media Inc., by its court-appointed receiver and manager, KSV Restructuring Inc. (collectively, the **Plaintiff**), together with the Defendant Sonja Santor, also known as Sonja Nistelberger, for an Order varying the Order of Justice Black dated December 2, 2024 (the **Mareva Order**), was heard this day at Toronto by judicial videoconference via Zoom.

**ON READING** the materials filed, and on hearing the submissions of counsel for the Plaintiff, and counsel for the Defendants, WILLIAM GREGORY SANTOR, SONJA SANTOR

a.k.a. SONJA NISTELBERGER, RADIANT FILMS INTERNATIONAL INC., DARK STAR PICTURES (CANADA) INC., CONCOURSE MEDIA INC., JOKER FILMS PRODUCTIONS INC., 8397830 CANADA INC., 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**),

**AND BEING ADVISED** that the within Order is on Consent,

1. **THIS COURT ORDERS** that paragraphs 1 and 2 of the *Mareva* Order, as amended by the December 12, 2024 *Mareva* Continuation Order of the Honourable Justice Black, the December 19, 2024 *Mareva* Continuation Order of the Honourable Justice Cavanagh, the January 2, 2025 *Mareva* Continuation Order of the Honourable Justice Kimmel, the January 28, 2025 *Mareva* Continuation Order of the Honourable Justice Black, and the February 14, 2025 *Mareva* Continuation Order of the Honourable Justice Black, is further amended to permit the addition, removal, access, or transfer of funds as set out in paragraphs 2 - 7 below.
2. **THIS COURT ORDERS** that Sonja Santor (**Ms. Santor**) shall forthwith deposit into the into the account at The Toronto-Dominion Bank (**TD Bank**) bearing account number 6372309 (the **TD Account**) funds received in respect of the property tax adjustment for the sale of the condominium unit located at 203, 12045 Guerin Street, Studio City, California, USA (the **Studio City Condo**) in the amount of USD \$8,578.09 (or such other amount as may be received). This amount or part of it may only be accessed by Ms. Santor for payment of ordinary living expenses in accordance with paragraph 4 below.
3. **THIS COURT FURTHER ORDERS** that Ms. Santor shall forthwith deposit to the TD Account, or have deposited to the respective parties pursuant to the allocations below, the IRS non-resident tax withholdings and California Tax Board non-resident tax withholdings, which are respectively estimated to total USD\$202,000 and USD\$34,000, which amounts relate to the sale of the Studio City Condo and which shall be allocated as follows:
  - (a) USD \$105,000 shall be paid to Fogler Rubinoﬀ LLP, in trust, for use by the Mareva Defendants solely for the purpose of paying Fogler Rubinoﬀ LLP, legal



fees, expert fees, and disbursements of the Mareva Defendants, and any taxes in respect of the same;

- (b) USD \$50,000 shall be paid to KSV Restructuring Inc. (the **Receiver**) to be deposited into a segregated bank account in the name of the Receiver, in trust (the **Receiver's Trust Account**); and
  - (c) the balance shall be accessed by Ms. Santor for the sole purpose of payment of ordinary living expenses in accordance with paragraph 4 below.
4. **THIS COURT ORDERS** that TD Bank shall continue to release or otherwise permit the removal or transfer of funds from the TD Account by Ms. Santor by cheque, debit, or cash withdrawal an amount totalling USD \$6,025.36 per week starting each Monday, for the sole purpose of payment of ordinary living expenses.
5. **THIS COURT ORDERS** that the Receiver may sell the film and other equipment understood to be owned by Productivity Media Rentals Inc. currently stored at the office of Productivity Media Inc. located at 5100 South Service Road, Unit 22, Burlington, ON, and shall deposit, wire, or transfer any and all proceeds of sale of the film equipment to the Receiver's Trust Account.
6. **THIS COURT ORDERS** that the Receiver and Ms. Santor, together, may sell personal assets previously owned by the late William Gregory Santor, including but not limited to the following:
- (a) 2019 Jaguar XJ50 LWB bearing VIN SAJXJ2GD4K8W20324;
  - (b) Two watercraft;
  - (c) Golf Cart;
  - (d) Various watches;
  - (e) Rare books, including limited edition copies of Braveheart and Romeo and Juliet;
  - (f) Various wines now or previously stored at the Grand Old House restaurant in George Town, Grand Cayman, Cayman Islands;
  - (g) Various wines stored in California; and
  - (h) Any other personal assets previously owned by the late William Gregory Santor.

7. **THIS COURT ORDERS** that the proceeds of sale of the assets listed in paragraph 6 above, shall be deposited, wired, or transferred to the Receiver's Trust Account forthwith upon receipt.
8. **THIS COURT FURTHER ORDERS** that the terms of the *Mareva* Order are otherwise continued and remain in force until trial, subject to further order of this court.

A handwritten signature in blue ink is written over a horizontal line. The signature is stylized and appears to be 'M. Blach'.

**PRODUCTIVITY MEDIA INCOME FUND I LP, by its general partner  
PRODUCTIVITY MEDIA INC., by its court-appointed receiver and  
manager KSV RESTRUCTURING INC.**

Plaintiff

and

**WILLIAM GREGORY SANTOR ET AL**

Defendants

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

**PROCEEDING COMMENCED AT  
TORONTO**

**ORDER**

**DLA PIPER (CANADA) LLP**  
Barristers & Solicitors  
Suite 5100, Bay Adelaide Ctr – West Tower  
333 Bay Street  
Toronto, ON M5H 2R2

**Jordan R.M. Deering (LSO #86337A)**  
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**Regan Christensen (LSO # 69801L)**  
Tel: 403-698-8760  
Email: regan.christensen@dlapiper.com

**Cristina Fulop (LSO #82224H)**  
Tel: 416-862-3389  
cristina.fulop@dlapiper.com

Lawyers for the Plaintiff

## **APPENDIX “E”**

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

THE HONOURABLE	)	<u>WEDNESDAY, THE 16TH</u>
	)	
JUSTICE <u>J. DIETRICH</u>	)	DAY OF <u>APRIL</u> , 2025

**TWO SHORES CAPITAL CORP.**

**Applicant**

- and -

**PRODUCTIVITY MEDIA INC., PRODUCTIVITY MEDIA INCOME FUND I LP,  
PRODUCTIVITY MEDIA LENDING CORP. I and 8397830 CANADA INC.**

**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**

**AMENDED AND RESTATED 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 8397830 Canada Inc. (“839 Canada”), and together with PMI, the Limited Partnership and PMLC and 839 Canada, 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 \$2,500,000 (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

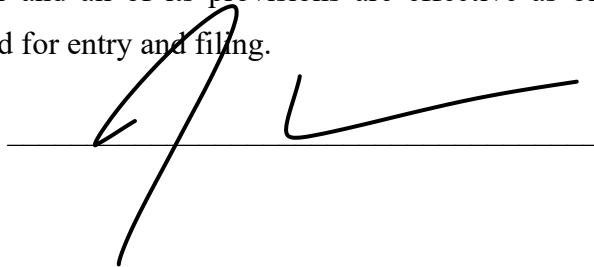


representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

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.

A handwritten signature in black ink, consisting of a large, stylized 'A' followed by a horizontal line and a checkmark-like flourish.

## 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, Productivity Media Lending Corp. I and 8397830 Canada Inc. (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:

**TWO SHORES CAPITAL CORP.**

-and-  
Applicant

**PRODUCTIVITY MEDIA INC., et al**

Respondents

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

**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

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Tel. 416 868 3409

Lawyers for the Applicant

## **APPENDIX “F”**

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

**B E T W E E N:**

**PRODUCTIVITY MEDIA INCOME FUND I LP, by its general partner,  
PRODUCTIVITY MEDIA INC., by its court-appointed receiver and manager,  
KSV RESTRUCTURING INC.**

**Plaintiff**

**and**

**WILLIAM GREGORY SANTOR, SONJA SANTOR also known as SONJA  
NISTELBERGER, RADIANT FILMS INTERNATIONAL INC., DARK STAR PICTURES  
(CANADA) INC., CONCOURSE MEDIA INC., JOKER FILMS PRODUCTIONS INC.,  
8397830 CANADA INC., PRODUCTIVITY MEDIA RELEASING INC., PRODUCTIVITY  
MEDIA RENTALS INC., PRODUCTIVITY MEDIA PRODUCTIONS (CAYMAN) LTD.,  
PROSAPIA CAPITAL MANAGEMENT CORP., PROSAPIA HOLDINGS INC., PROSAPIA  
PROPERTY MANAGEMENT INC., PROSAPIA WEALTH MANAGEMENT LTD.,  
ERBSCHAFT CAPITAL CORP., STREAM.TV (CAYMAN) LTD., STARK INDUSTRIES  
LIMITED, JOHN DOE, MARY DOE, and ABC COMPANY**

**Defendants**

**ORDER**

On the requisition of Productivity Media Income Fund I, by its general partner, Productivity Media Inc., by its court-appointed receiver and manager, KSV Restructuring Inc., the Plaintiff in this action, and on reading the affidavit of Robert Kofman affirmed May 15, 2025, filed, which indicates that the Defendant, William Gregory Santor, passed away on December 28, 2024, and that Sonja Santor is named as Executor and Trustee of the late William Santor's Estate,

**IT IS ORDERED** that this proceeding continue and that the title of the proceeding in all documents issued, served, or filed after the date of this order be as follows:

B E T W E E N:

**PRODUCTIVITY MEDIA INCOME FUND I LP, by its general partner,  
PRODUCTIVITY MEDIA INC., by its court-appointed receiver and manager,  
KSV RESTRUCTURING INC.**

Plaintiff

and

**THE ESTATE OF WILLIAM GREGORY SANTOR by its Executrix SONJA SANTOR,  
SONJA SANTOR also known as SONJA NISTELBERGER, RADIANT FILMS  
INTERNATIONAL INC., DARK STAR PICTURES (CANADA) INC., CONCOURSE MEDIA  
INC., JOKER FILMS PRODUCTIONS INC., 8397830 CANADA INC., PRODUCTIVITY  
MEDIA RELEASING INC., PRODUCTIVITY MEDIA RENTALS INC., PRODUCTIVITY  
MEDIA PRODUCTIONS (CAYMAN) LTD., PROSAPIA CAPITAL MANAGEMENT CORP.,  
PROSAPIA HOLDINGS INC., PROSAPIA PROPERTY MANAGEMENT INC., PROSAPIA  
WEALTH MANAGEMENT LTD., ERBSCHAFT CAPITAL CORP., STREAM.TV (CAYMAN)  
LTD., STARK INDUSTRIES LIMITED, JOHN DOE, MARY DOE, and ABC COMPANY**

Defendants

Date: May 20, 2025

Signed by: Richard M. Ittleman **R.M. Ittleman**  
Local Registrar

Digitally signed  
by R.M. Ittleman  
Date: 2025.05.20  
15:12:25 -04'00'

Address of 330 University Avenue, 9th Floor,  
court office: Toronto, ON M5G 1R7

A party who wishes to set aside or vary this Order must make a Motion to do so forthwith after the Order comes to the party's attention.

Where a transmission of interest occurs by reason of bankruptcy, leave of the bankruptcy court may be require under section 69.4 of the *Bankruptcy and Insolvency Act* (Canada) before the proceeding may continue.

PRODUCTIVITY MEDIA INCOME FUND I LP, by its general partner  
PRODUCTIVITY MEDIA INC., by its court-appointed receiver and  
manager KSV RESTRUCTURING INC.

WILLIAM GREGORY SANTOR ET AL

Plaintiff

Defendants

ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)

PROCEEDING COMMENCED AT  
TORONTO

ORDER

**DLA PIPER (CANADA) LLP**  
Barristers & Solicitors  
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Toronto, ON M5H 2R2

**Jordan R.M. Deering (LSO #86337A)**

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**Cristina Fulop (LSO #82224H)**

Tel: 416-862-3389

cristina.fulop@dlapiper.com

Lawyers for the Plaintiff



## **APPENDIX “G”**

## **SETTLEMENT AGREEMENT**

This Settlement Agreement is dated and made effective as of June 16, 2025.  
(the **Effective Date**)

**BETWEEN:**

**KSV RESTRUCTURING INC.,**

in its capacity as court appointed receiver and manager of Productivity Media Inc.,  
Productivity Media Income Fund I LP, and 8397830 Canada Inc.

(the **Receiver**)

- and -

**SONJA SANTOR**

(**Ms. Santor**)

- and -

**THE ESTATE OF WILLIAM GREGORY SANTOR BY ITS EXECUTRIX SONJA SANTOR, RADIANT FILMS INTERNATIONAL INC., DARK STAR PICTURES (CANADA) INC., CONCOURSE MEDIA INC., JOKER FILMS PRODUCTIONS INC., PRODUCTIVITY MEDIA RELEASING INC., PRODUCTIVITY MEDIA RENTALS INC., PRODUCTIVITY MEDIA PRODUCTIONS (CAYMAN) LTD., PROSAPIA CAPITAL MANAGEMENT CORP, PROSAPIA HOLDINGS INC., PROSAPIA PROPERTY MANAGEMENT INC., PROSAPIA WEALTH MANAGEMENT LTD., ERBSCHAFT CAPITAL CORP., STREAM.TV (CAYMAN) LTD., AND STARK INDUSTRIES LIMITED**

(the **Santor Defendants**)

(collectively, the **Parties** or individually, a **Party**)

**REFERENCE IS MADE TO** the Statement of Claim filed November 22, 2024 (the **Claim**) in the Ontario Superior Court of Justice (Commercial List) (the **Ontario Court**), Court File No. CV-24-00731806-00CL (the **Action**) between the Plaintiff, Productivity Media Income Fund I LP (the **Fund**), by its general partner, Productivity Media Inc. (**PMI**), by its court-appointed receiver and manager, KSV Restructuring Inc. (the **Receiver**), and the Defendants, The Estate of William Gregory Santor (**Mr. Santor**) by its Executrix Sonja Santor, Sonja Santor (**Ms. Santor**), also known as Sonja Nistelberger, 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., Prosapia Capital Management Corp, Prosapia Holdings Inc., Prosapia Property Management Inc., Prosapia Wealth Management Ltd., Erbschaft Capital Corp., Stream.TV (Cayman) Ltd., and Stark Industries Limited.

**REFERENCE IS MADE TO** the Order granted by the Honourable Justice Conway (the **Receivership Order**) in Court File No. CV-24-00730869-00CL (the **Receivership Proceedings**) dated November 19, 2024, appointing KSV Restructuring Inc. as the Court appointed receiver and manager (the **Receiver**) of all of the property, assets and undertakings of PMI and the Fund and Productivity Media Lending Corp. I. By Order dated April 16, 2025, 839 Canada was added as an additional respondent to the Receivership Proceedings, and as such, KSV Restructuring Inc. was appointed the receiver and manager of 839 Canada.

**REFERENCE IS MADE TO** the Order granted by the Honourable Justice Black in the Action on December 2, 2024 (the **Mareva Order**), granting a worldwide Mareva injunction against all the assets of the Mareva Defendants (as defined in the Mareva Order).

**REFERENCE IS MADE TO** the Injunction Prohibiting Disposal of Assets in the Cayman Islands (the **Cayman Order**) granted December 6, 2024, by the Grand Court of the Cayman Islands, FSD2024-0360 (the **Cayman Court**) granting a Mareva Injunction against the assets of Mr. Santor, Ms. Santor, Productivity Media Productions (Cayman) Ltd., Erbschaft Capital Corp., and Stream.TV (Cayman) Ltd.

**NOW THEREFORE** for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

**Maximization of Realizations:**

1. The Parties shall make reasonable commercial efforts to sell and liquidate certain assets of Ms. Santor and the assets of the Santor Defendants during the duration of this Settlement Agreement, with the joint goal being to maximize the value of the realizations to the mutual benefits of the Parties in a commercially reasonable manner.

**Settlement Payment to Ms. Santor:**

2. Subject to Ms. Santor's continuing cooperation with the Receiver (as particularized in paragraph 7 below), the Receiver shall pay to Ms. Santor up to \$1,500,000 USD, as follows:
  - a. Upon the sale of the property at West Bay Beach North Block 10A Parcel 150, Vista Del Mar, Cayman Islands (**Vista Del Mar**), the proceeds of sale shall be used to pay the applicable realtor commissions, closing and/or legal costs, amounts owing to third parties, such as contractors in respect of the reasonable and documented claims related to Vista Del Mar, and taxes, if any. From the amount remaining (collectively, with all other Vista Del Mar related sale proceeds and costs, the **Net Proceeds of Sale**), Ms. Santor will receive \$1,000,000 USD and the Receiver will receive the balance, provided the Net Proceeds of Sale exceed \$2,000,000 USD. If the Net Proceeds of Sale are less than \$2,000,000 USD, then Ms. Santor and the Receiver will negotiate a sharing arrangement in respect of the Net Proceeds of Sale at that time;
  - b. Upon the sale of the property at West Bay Beach South, Block 5C, Parcel 77, Cayman Islands (**20 North**), the proceeds, net of any realty commissions, closing and/or legal costs, and tax, including capital gains tax, shall be split equally between the Receiver and Ms. Santor. As set out in paragraph 11 below, the proceeds payable to Ms. Santor, shall first be applied toward the Living Expense Amount (as defined in paragraph 3 below), and the balance shall be applied as a lump sum toward the Second Payment amount (as defined in subparagraph 2.c below); and
  - c. Ms. Santor shall receive the percentage in brackets in the sub-subparagraphs of this subparagraph (the **Allocation**) of the recoveries net of all reasonable costs directly associated with such recoveries (the **Recoveries**), for a total of \$500,000 USD (the **Second Payment**), from realizations of the assets or claims of Ms. Santor and the Santor Defendants, including the assets and claims noted in this subparagraph. As set out in paragraph 11 below, the proceeds payable to Ms. Santor, shall first be applied toward the Living Expense Amount, and the balance shall be applied as a lump sum toward the Second Payment.
    - i. 839 Canada's anticipated claim against Reverend William Dost in respect of certain cash held by Reverend William Dost (50%);

- ii. Mr. Santor's claim against Jordan Stubblefield in respect of the proceeds of the sale of gold bars (50%);
  - iii. the remaining proceeds, if any, from the property located at 203, 12045 Guerin Street, Studio City, California, USA (**Studio City**), together with the recovery of (and not limited to) the IRS non-resident tax withholdings in the approximate amount of \$202,000 USD and the California Tax Board non-resident tax withholdings in the approximate amount of \$34,000 USD (collectively, the **Studio City Proceeds**) (100%);
  - iv. the proceeds of the sale of any automobile owned by Mr. Santor or Ms. Santor (50%);
  - v. the proceeds of the sale of wine collections in the Cayman Islands and California (50%);
  - vi. the proceeds of the sale of two Sea-Doos and a golf cart in the Cayman Islands (50%);
  - vii. the proceeds of the sale of jewelry, watches, purses, artwork and rare books (50%);
  - viii. the proceeds of the sale of equipment owned by PMI Media Rentals Inc. (50%);
  - ix. recoveries from Reverend William Dost respecting loans made to him by Mr. Santor or 839 Canada (10%);
  - x. proceeds of any other Defendant asset not already specified in this subparagraph (10%);
- d. Realizations from the assets and claims of Ms. Santor and the Santor Defendants set out in this subparagraph 2.d) are specifically excluded from the Allocations, and Ms. Santor shall not receive any portion of these assets and claims:
- i. realizations from film and tax credit assets of PMI and the Fund (the **Media Assets**);
  - ii. realizations from claims of the Receiver, including but not limited to the net proceeds of realizations from claims or anticipated claims by the Receiver against Andrew Chang-Sang, John Hills, MNP LLP and APEX Fund Services (Canada) Ltd; and
  - iii. realizations from other assets owned directly or indirectly by 839 Canada.
- e. Ms. Santor shall be paid the Second Payment as follows:
- i. Ms. Santor shall be paid her Allocation on a quarterly basis as set out below until she receives the Second Payment in full;
  - ii. If Ms. Santor has not received the Second Payment in full from Allocations by one (1) year from the date of Approval Order (the **Payment Date**), Ms. Santor shall be paid the difference between \$500,000 USD and her Allocations to date, to a maximum of \$100,000 USD (the **One Year Payment**) provided the Receiver has a cash balance of at least \$1,000,000 USD after the payments to Ms. Santor contemplated in this subparagraph. For example, provided the Receiver has sufficient cash in its account, if Ms. Santor has received Allocations totaling

\$20,000 by the Payment Date, she is entitled to be paid from Recoveries an additional \$80,000 USD. Further, if Ms. Santor has received Allocations totaling an amount in excess of \$100,000 USD, she will not receive any further amount during that year;

- iii. If Ms. Santor has not received \$200,000 from the Allocations and the One Year Payment within two (2) years of the Approval Order (the **Two Year Payment Date**), Ms. Santor shall be paid the difference between \$200,000 USD and the sum of her Allocations to the Two Year Payment Date and her One Year Payment, to a maximum of \$100,000 USD (the **Two Year Payment**), provided the Receiver has a cash balance of at least \$1,000,000 USD after the payments to Ms. Santor contemplated in this subparagraph;
  - iv. If Ms. Santor has not received \$300,000 from the Allocations, the One Year Payment, and the Two Year Payment within three (3) years of the Approval Order (the **Three Year Payment Date**), Ms. Santor shall be paid the difference between \$300,000 USD and the sum of her Allocations to the Three Year Payment Date, her One Year Payment, and her Two Year Payment, to a maximum of \$100,000 USD (the **Three Year Payment**), provided the Receiver has a cash balance of at least \$1,000,000 USD after the payments to Ms. Santor contemplated in this subparagraph; and
  - v. such construct shall continue until Ms. Santor has received the Second Payment amount of \$500,000 USD.
3. The proceeds of any Recoveries under paragraph 2 above paid to Ms. Santor prior to May 31, 2025 shall first be applied to any outstanding living expense amount (the **Living Expense Amount**) that she is entitled to receive pursuant to the Order of the Ontario Court issued on March 24, 2025, which weekly allowance will continue to accrue until May 31, 2025 and will not reduce the Second Payment. All amounts paid to Ms. Santor from Recoveries from and after June 1, 2025, will be treated as an Allocation and shall reduce the Second Payment.
  4. Ms. Santor shall, after May 31, 2025, no longer be responsible for the maintenance costs of the Vista Del Mar property, and those shall be paid by the Receiver. Ms. Santor will require the Receiver's approval for any property related expenses from and after June 1, 2025. The Receiver, acting reasonably, shall have the authority to make maintenance and other property-related decisions from and after this date.
  5. The Second Payment shall only be reduced from the payments to which Ms. Santor is entitled under this Settlement Agreement after her Living Expense Amount is fully paid. For greater certainty, payment by the Receiver on account of legal fees, as set out in paragraph 12 and 13 shall not reduce the Second Payment amount.

**Additional Cooperation Settlement Payment:**

6. In light of Ms. Santor's ongoing cooperation and provision of information to assist the Receiver in its investigations and review, and subject to the continued cooperation of Ms. Santor with the Receiver, if the gross amounts recovered in the receivership exceed \$20,250,000 USD (including from any litigation commenced by the Receiver, whether in its name, or at its direction, but excluding all realizations from the Media Assets), Ms. Santor shall receive an additional payment of \$250,000 USD, payable by the Receiver within 90 days.

**Cooperation of Ms. Santor with Receiver:**

7. Ms. Santor will cooperate fully with the Receiver in identifying assets and claims of PMI and the Santor Defendants to maximize the realizations. In particular, and without limiting the generality of the foregoing:
  - a. Ms. Santor shall make full disclosure of any and all assets (with a materiality threshold above \$1,000) that may be subject to the Action;
  - b. Ms. Santor shall only sell, encumber or otherwise deal with the assets particularized in section 2.c above with the express written consent of the Receiver;
  - c. Ms. Santor shall respond, using best efforts, within three (3) business days to requests from the Receiver or its counsel for information and assistance, subject to any delays occasioned by the request involving or requiring the cooperation, assistance or provision of information by third parties;
  - d. Ms. Santor shall provide viewing only access to the Receiver, its counsel or authorized representatives of all electronic devices and accounts of the Santor Defendants (including but not limited to the Erbschaft email accounts, electronic copies of Mr. Santor's computers and smartphones, and access to all cloud storage);
  - e. as the authorized representative of the corporate Defendants, Ms. Santor shall commence any actions or proceedings in the name of the corporate Santor Defendants requested by the Receiver. The Receiver shall assume full conduct and control of such proceedings and shall be responsible for paying all legal fees associated with such proceedings;
  - f. to the extent cooperation with the Receiver requires the expenditure of funds, the Receiver shall be responsible for these out-of-pocket fees, expenditures, disbursements and taxes, on the condition that all such amounts must be reasonable and are subject to approval by the Receiver in advance.

**Event of Default:**

8. If the Receiver discovers, learns, or otherwise determines that Ms. Santor has made any deliberate and material misrepresentation to the Receiver (the **False Statement**), the Receiver may bring a motion at any time on or before January 1, 2033, on notice to Ms. Santor before the Ontario Court in the Receivership Proceedings for a declaration that Ms. Santor has made a False Statement. Upon Order of the Ontario Court declaring that Ms. Santor has made a False Statement (the **Non-Compliance Order**), paragraph 16 of this Settlement Agreement will be deemed immediately null and void *ab initio*.
9. Failure by Ms. Santor to cooperate with the Receiver, as required pursuant to paragraph 7 of this Settlement Agreement, constitutes an event of default. Upon an event of default:
  - a. the Receiver shall provide written notice to Ms. Santor, in the manner prescribed in paragraph 26 below; and
  - b. if Ms. Santor does not cure the event of default within three (3) business days of the written notice, paragraph 16 of this Settlement Agreement will be deemed immediately null and void *ab initio*.

10. Upon the Non-Compliance Order or an event of default which is not cured within three (3) business days:
  - a. the Receiver shall be at liberty to commence whatever legal proceedings it deems necessary to proceed against Ms. Santor, and the Parties agree that any and all limitation periods or timelines as between the Parties prescribed in the *Limitations Act, 2002*, S.O. 2002, c. 24 (the **Limitations Act**), the *Courts of Justice Act*, R.S.O. 1990, c. C.43 (the **Courts of Justice Act**), the *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194 (the **Rules of Civil Procedure**), or any other statute or regulation which may otherwise have been applicable that operate in any fashion to limit the time applicable for the Receiver to commence or continue any claim(s) against Ms. Santor, along with any claims discovered by the Receiver against Ms. Santor, are hereby suspended and tolled until 180 days following the Receiver's discovery of any False Statement or the event of default; and
  - b. subject to further order of the Court, Ms. Santor shall not be entitled to any amounts that would otherwise be owing to her under this Settlement Agreement.

**Living Expense Amount and Legal Fees of Ms. Santor:**

11. Prior to May 31, 2025, the proceeds of the assets of Ms. Santor and the Santor Defendants required to satisfy the Living Expense Amount shall not be included within the meaning of Recoveries.
12. As set out in the Order granted March 24, 2025, by the Ontario Court, \$105,000 USD shall be paid to Fogler Rubinoff LLP in trust from the Studio City Proceeds or such other sources as required. Any remaining balance of the Studio City Proceeds shall be paid to Ms. Santor.
13. The Receiver shall pay the reasonable legal fees and disbursements of Fogler Rubinoff LLP from available cash flow, up to an additional maximum amount of \$150,000 USD above the amount contemplated in paragraph 12 above, unless the Receiver and Fogler Rubinoff LLP agree to increase this greater amount. The Receiver shall seek to amend the Receivership Order to include Fogler Rubinoff LLP in paragraph 3(i) of the Receivership Order. The Receiver confirms and acknowledges Fogler Rubinoff LLP remains counsel to Ms. Santor, this provision does not constitute a joint retainer, and there is no waiver of solicitor-client privilege.

**Release:**

14. Upon execution of this Settlement Agreement, and issuance of the Approval Order, the releases set forth in paragraphs 15 and 16 below shall become effective (subject to paragraph 16 of this Settlement Agreement being void *ab initio* pursuant to paragraphs 8, 9, and 10 above).
15. Ms. Santor does for herself and each of her successors, assigns, heirs, executors, and administrators (collectively, the **Ms. Santor's Releasors**) forever release, remise and discharge the Receiver, KSV Restructuring Inc. in its personal capacity, PMI, the Fund and 839, and each of their respective shareholders, directors, officers, employees, affiliates, related parties, successors, and assigns (collectively, the **PMI Releasees**) of and from any and all actions, causes of action, claims, and demands of every nature or kind whatsoever, known or unknown, at law or in equity, which the Ms. Santor Releasors ever had, now have, or can, shall, or may hereafter have against the PMI Releasees, for or by any reason of any act, omission, matter, cause, or thing existing up to and including Effective Date, arising from or related to the Action, save and except any motion or proceeding required to enforce the terms of this Settlement Agreement.
16. PMI, the Fund and 839 (by their Court appointed receiver and manager, KSV) do for themselves, and each of their respective shareholders, directors, officers, employees, affiliates, related parties, successors, and assigns (collectively, the **PMI Releasors**) forever release, remise and discharge Ms. Santor, in her personal capacity, and any of her successors, assigns, heirs, executors, and administrators (collectively, the **Ms. Santor Releasees**) of and from any and all actions, causes of

action, claims and demands of every nature or kind whatsoever, at law or in equity, which the PMI Releasors ever had, now have, or can, shall or may hereafter have against the Ms. Santor's Releasees, for or by any reasons of any act omission, matter, cause or thing existing up to and including the Effective Date, arising from or related to the Action, save and except any motion or proceeding required to enforce the terms of this Settlement Agreement.

**Court Approval:**

17. The Parties shall seek approval of the Settlement Agreement in both the Ontario Court and the Cayman Court, as particularized in this paragraph:

- a. The Receiver shall obtain an Order from the Ontario Court in the Receivership Proceedings:
  - i. approving this Settlement Agreement; and
  - ii. amending the Receivership Order to include Fogler Rubinoff LLP in paragraph 3(i) of the Receivership Order.

(the **Approval Order**);

- b. as part of the Approval Order from the Ontario Court, the Receiver will apply for, on notice to the investors, an order for a release of all claims against Ms. Santor by the investors. Such a release shall be void in the event of a Non-Compliance Order or an event of default which is not cured within three (3) business days, each as set out in paragraphs 8, 9, and 10 above.
- c. in the Receiver's Report submitted as part of the application for the Approval Order, the Receiver will indicate that to the best of its information at the time of the report, it has not identified any information that indicates that Ms. Santor took any role in the Fraudulent Scheme.
- d. the Receiver shall obtain an Order from the Ontario Court in the Action:
  - i. discharging the Mareva Order as against Ms. Santor (except for her interest in Vista Del Mar, which shall remain subject to the Cayman Order and which shall require further motion to the Ontario Court to approve the Receiver's consent to the sale of Vista Del Mar) and 839 Canada only;
  - ii. directing that the Mareva Order shall be continued against the Santor Defendants until the earlier of:
    1. dismissal or discontinuance of the Action; or
    2. the expiry of 60 days following pronouncement of final judgment in the Action by the Ontario Court;
  - iii. amending the Action to remove Ms. Santor as a Defendant, and Ms. Santor and the Santor Defendants shall consent to such amendment;
  - iv. directing, *nunc pro tunc*, that Ms. Santor's continuing entitlement to be paid a weekly Living Expense Amount was terminated as of May 31, 2025;



- v. authorizing the Parties to dispose of or sell any of the assets of the Defendants to the Action, notwithstanding the Mareva Order:
  - 1. Respecting Vista Del Mar, upon the consent of both the Receiver and Ms. Santor, in writing, and upon approval of the Receiver's consent to the sale by the Ontario Court;
  - 2. Respecting the assets of 839 Canada, with the sole consent of the Receiver; and
  - 3. Respecting all other assets of the Defendants, except Vista Del Mar and the assets of 839 Canada:
    - a. upon the consent of both the Receiver and Ms. Santor, in writing, in the case of all Defendants, except 839 Canada, , but only during any time prior to payment to Ms. Santor in full of the Second Payment;
    - b. following payment to Ms. Santor in full of the Second Payment, with the cooperation of Ms. Santor, which cooperation Ms. Santor shall provide at not further cost, except out-of-pocket expenses for which she will be reimbursed at cost on a timely basis by the Receiver. For greater certainty, after payment in full to Ms. Santor of the Second Payment, her consent shall not be required to sell all other assets of the Defendants.
- e. The Receiver shall obtain an Order from the Cayman Court:
  - i. discharging the Cayman Order as against Ms. Santor only (but not as against Vista Del Mar);
  - ii. directing that the Cayman Order as against Vista Del Mar shall only be discharged upon the Receiver filing a discharge of the Inhibition in the Cayman Land Registry;
  - iii. directing that the Cayman Order shall be continued against all other Defendants subject to the Cayman Order until the earlier of:
    - 1. dismissal or discontinuance of the Action; or
    - 2. the expiry of 60 days following pronouncement of final judgment in the Action by the Ontario Court;
  - iv. authorizing the Parties to dispose of or sell any of the assets of the Defendants subject to the Cayman Order, notwithstanding the Cayman Order, upon consent of both the Receiver and Ms. Santor, in writing;
  - v. directing CIBC Caribbean to forthwith provide all records of the accounts of any of the Defendants to the Cayman Order to the Receiver and Ms. Santor; and
  - vi. directing CIBC Caribbean to forthwith pay all amounts held in the accounts of any of the Defendants to the Cayman Order to the Receiver. Such amounts shall be included within the meaning of "Recoveries", unless applied toward the Living Expense Amount.

18. Prior to making any distributions to investors of the Fund, the Receiver shall seek approval from the Ontario Court in the Receivership, on notice to Ms. Santor.

**Standstill Agreement:**

19. The Parties agree that during the standstill period created by this Settlement Agreement, which period commences on the Effective Date and continues until the expiry of the period provided for in paragraph 20 below (the **Standstill Period**):
- a. KSV, as Receiver for PMI, the Fund and 839, shall not take any steps in the Action against the Santor Defendants which are not specified in this Settlement Agreement; and
  - b. any and all limitation periods or timelines otherwise of potential application to the Action, whether as prescribed in the *Limitations Act*, the *Courts of Justice Act*, the *Rules of Civil Procedure*, or any other statute or regulation, or common law, which operate in any fashion to limit the time applicable for the Receiver to continue the Action, are hereby suspended.
20. The Standstill Period shall expire upon service of written notice of termination by KSV upon any of the Santor Defendants (the **Termination Notice**).
21. Any Termination Notice is effective upon sending the notice by email in the manner prescribed by paragraph 26 below.
22. The Parties agree that this part of the Settlement Agreement is a business agreement within the meaning of Section 22(5) of the *Limitations Act*.
23. Except as provided for in this Settlement Agreement, the execution and delivery of this Agreement shall not limit, prejudice, preclude, impair, extinguish, or alter any claims, demands, rights, remedies and defences that are now and hereafter available to the Receiver or the Santor Defendants, either at law or in equity. In addition, this Settlement Agreement does not revive any claim that was barred by the passage of time prior to the commencement of the Standstill Period.
24. The Parties acknowledge that the execution of this Settlement Agreement is not, nor shall it be construed as, an admission of any fact or liability. Any fault, wrongdoing or liability on the part of any of the Parties to this Settlement Agreement is specifically denied.

**Understanding:**

25. All Parties acknowledge and irrevocably declare that they have had sufficient time to consider this Settlement Agreement and that they have had the opportunity to seek independent legal advice with respect to the matters addressed in this Settlement Agreement and that they fully understand this Settlement Agreement. All Parties have not been influenced by any representations or statements made by or on behalf of any other Party. All Parties voluntarily accept the terms of this Settlement Agreement for the purpose of making full and final compromise, adjustment and settlement of all disputed claims, as described in this Settlement Agreement.

**Notice:**

26. Any notice, consent, waiver, demand or other communication under this Settlement Agreement shall be in writing and given by delivering it or sending it by email addressed:
- a. To the Receiver:
    - i. By email to KSV Restructuring Inc. at [bkofman@ksvadvisory.com](mailto:bkofman@ksvadvisory.com).

- ii. With copy by email to DLA Piper (Canada) LLP at [jordan.deering@ca.dlapiper.com](mailto:jordan.deering@ca.dlapiper.com);
  - b. To Ms. Santor:
    - i. By email to [sonja.santor@erbcap.com](mailto:sonja.santor@erbcap.com).
    - ii. With copy by email to Fogler Rubinoff LLP at [dlevangie@foglers.com](mailto:dlevangie@foglers.com); and
  - c. To the Santor Defendants (or any one of them):
    - i. By email to [sonja.santor@erbcap.com](mailto:sonja.santor@erbcap.com).
    - ii. With copy by email to Fogler Rubinoff LLP at [dlevangie@foglers.com](mailto:dlevangie@foglers.com).
27. Any such communication shall be deemed to have been validly and effectively given on the day of transmission if sent before 4 pm Eastern Time, and otherwise on the following day.
28. Any party may change its address for service from time to time by notice given in accordance with the foregoing.

**General Terms:**

29. The definitions contained in the recitals to this Settlement Agreement are incorporated and form part of the agreement between the Parties, with the same force and effect as if defined in the body of the Settlement Agreement itself.
30. All references to dollar amounts in this Settlement Agreement shall be in US funds, unless otherwise specified.
31. Each Defendant Party represents and warrants that this Settlement Agreement has been duly authorized by all necessary corporate, court order or other action, power and authority by or on behalf of such Party and has been duly executed and delivered by such Defendant Party.
32. This Settlement Agreement shall enure to the benefit of and be binding upon the Parties and their respective successors and assigns.
33. If any provision of this Settlement Agreement or the application of such provision to any Party or person or circumstance will be held illegal, invalid, or unenforceable, the remainder of this Settlement Agreement, or the application of such provision to a Party or person or circumstance other than those as to which it is held illegal, invalid, or unenforceable will not be affected thereby.
34. This Settlement Agreement, and the documents referenced in this Settlement Agreement, collectively shall constitute the entire agreement among the Parties. There are no representations, collateral agreements, or warranties between the Parties that are not contained in this Settlement Agreement and the documents referenced in this Settlement Agreement.
35. This Settlement Agreement shall not be construed in favour of or against any of the Parties, but shall be construed as if the Parties jointly drafted it.
36. The Parties shall promptly execute and deliver all further documents and take all further action that may be necessary or required to carry into force and effect the purpose and intent of this Settlement Agreement.

37. The Receiver agrees to reasonably cooperate in structuring the payments to Ms. Santor in a tax efficient manner provided that it does not result in any adverse tax consequences for the Receiver or any receivership entities.
38. This Settlement Agreement will be interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.
39. This Settlement Agreement may be executed electronically and in any number of counterparts, and all such counterparts taken together will be deemed to constitute one and the same instrument.

By executing this Settlement Agreement as of the dates set out below the Parties confirm that this Settlement Agreement reflects accurately the Parties' understanding with respect to the matters set out above.

**DATED** this \_\_16\_\_ day of June, 2025

**KSV RESTRUCTURING INC.**, in its capacity as court appointed receiver and manager of Productivity Media Inc., Productivity Media Income Fund I LP, and 8397830 Canada Inc.

~~Per~~ Signed by:

*Robert Kofman*

9CG864AF95294A6...

Robert Kofman, Managing Director

**DATED** this \_\_16\_\_ day of June, 2025

**SONJA SANTOR**

*Sonja Santor*

CD61909B74344BC...

Sonja Santor, in my own capacity

**DATED** this \_\_16\_\_ day of June, 2025

**THE ESTATE OF WILLIAM GREGORY SANTOR BY  
ITS EXECUTRIX SONJA SANTOR**

~~Per~~ Signed by:

*Sonja Santor*

CD61909B74344BC...

Signature:

**DATED** this \_\_16\_\_ day of June, 2025

**RADIANT FILMS INTERNATIONAL INC.**

~~Per~~ Signed by:

*Sonja Santor*

CD61909B74344BC...

Name: Sonja Santor

*I have authority to bind the corporation*

DATED this \_\_16\_\_ day of June, 2025

**DARK STAR PICTURES (CANADA) INC.**

~~Per~~igned by:



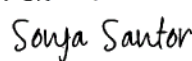
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Name: Sonja Santor

I have authority to bind the corporation

DATED this \_\_16\_\_ day of June, 2025

**CONCOURSE MEDIA INC.**

~~Per~~igned by:



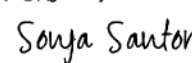
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Name: Sonja Santor

I have authority to bind the corporation

DATED this \_\_16\_\_ day of June, 2025

**JOKER FILMS PRODUCTIONS INC.**

~~Per~~igned by:



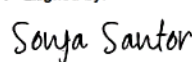
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Name: Sonja Santor

I have authority to bind the corporation

DATED this \_\_16\_\_ day of June, 2025

**PRODUCTIVITY MEDIA RELEASING INC.**

~~Per~~igned by:



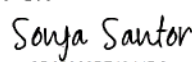
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Name: Sonja Santor

I have authority to bind the corporation

DATED this \_\_16\_\_ day of June, 2025

**PRODUCTIVITY MEDIA RENTALS INC.**

~~Per~~igned by:



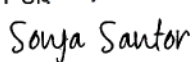
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Name: Sonja Santor

I have authority to bind the corporation

DATED this \_\_16\_\_ day of June, 2025

**PRODUCTIVITY MEDIA PRODUCTIONS (CAYMAN) LTD.**

~~Per~~igned by:



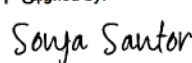
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Name: Sonja Santor

I have authority to bind the corporation

DATED this \_\_16\_\_ day of June, 2025

**PROSAPIA CAPITAL MANAGEMENT CORP.**

~~Per~~igned by:



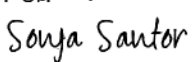
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Name: Sonja Santor

I have authority to bind the corporation

DATED this \_\_16\_\_ day of June, 2025

**PROSAPIA HOLDINGS INC.**

~~Per~~igned by:

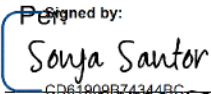


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DATED this \_\_16\_\_ day of June, 2025

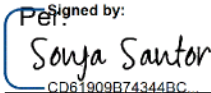
Name:  
*I have authority to bind the corporation*

**PROSAPIA PROPERTY MANAGEMENT INC.**

  
Signed by:  
Name: Sonja Santor  
*I have authority to bind the corporation*

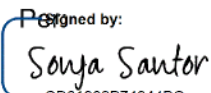
DATED this \_\_16\_\_ day of June, 2025

**PROSAPIA WEALTH MANAGEMENT LTD.**

  
Signed by:  
Name: Sonja Santor  
*I have authority to bind the corporation*

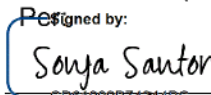
DATED this \_\_16\_\_ day of June, 2025

**ERBSCHAFT CAPITAL CORP.**

  
Signed by:  
Name: Sonja Santor  
*I have authority to bind the corporation*

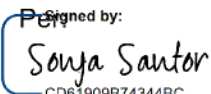
DATED this \_\_16\_\_ day of June, 2025

**STREAM.TV (CAYMAN) LTD.**

  
Signed by:  
Name: Sonja Santor  
*I have authority to bind the corporation*

DATED this \_\_16\_\_ day of June, 2025

**STARK INDUSTRIES LIMITED**

  
Signed by:  
Name: Sonja Santor  
*I have authority to bind the corporation*

## **APPENDIX “H”**



**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



<b>Contents</b>		<b>Page</b>
1.0	Introduction.....	1
1.1	Purposes of this Report.....	2
1.2	Restrictions .....	3
1.3	Currency .....	3
2.0	Background .....	3
3.0	839 Canada .....	4
3.1	Appointment of a Receiver .....	5
4.0	Borrowing Limit.....	6
5.0	Conclusion.....	7

<b>Appendices</b>		
<b>Appendix</b>		<b>Tab</b>
	Receivership Order.....	A
	Cayman Injunction Order.....	B
	General Security Agreement dated March 24, 2016 .....	C
	Grid-P Note.....	D



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 Description <sup>1</sup>
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.

<sup>1</sup> 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 “I”**



**DLA Piper (Canada) LLP**  
Bay Adelaide - West Tower  
Suite 5100 - 333 Bay Street  
Toronto, ON M5H 2R2  
www.dlapiper.com

Cristina Fulop  
cristina.fulop@dlapiper.com  
**T** +1 416.862.3389  
**F** 416.365.7886

June 17, 2025

FILE NUMBER: 115753-00001

**DELIVERED BY EMAIL**

**CONFIDENTIAL**

David Levangie  
Fogler Rubloff LLP  
Scotia Plaza  
40 King Street West, Suite 2400  
Toronto, ON M5H 3Y2

Dear David:

**Re: Productivity Media Income Fund I LP v Santor, et al.**  
**Court File No. CV-24-00731806-00CL**

---

We write regarding Sonja Santor's entitlement to living expenses pursuant to the Orders of the Ontario Superior Court of Justice (Commercial List) issued from January 2, 2024 to March 24, 2025 (the **Mareva Continuation Orders**). We also write regarding the terms of settlement (the **Settlement Agreement**) being formalized as between Ms. Santor and KSV Restructuring Inc. (the **Receiver**), in its capacity as court-appointed receiver and monitor over Productivity Media Inc. and Productivity Media Income Fund I LP.

The Settlement Agreement contemplates that Ms. Santor's weekly ordinary living expenses entitlement shall be continued until May 31, 2025. As per the Mareva Continuation Orders, Ms. Santor's living expenses entitlement is as follows:

- Past due rent and living expenses up to January 5, 2025 = USD \$45,200
- Funeral expenses = USD \$10,000
- Ordinary living expenses @ USD \$10,000/week from January 6 to February 2, 2025 (4 weeks) = USD \$40,000
- Ordinary living expenses @ USD \$5,805.36/week from February 3 to March 23, 2025 (7 weeks) = USD \$40,637.52
- Ordinary living expenses @ USD \$6,025.36/week from March 24 to May 31, 2025 (10 weeks, or exactly 9 weeks and 5 days) = USD \$60,253.60
- **TOTAL = USD \$196,091.12 or CAD \$266,644.70**, based on the Bank of Canada FX rate as of June 13, 2025<sup>1</sup>.

---

<sup>1</sup> \$1.3598.



Based on our review of the monthly statements for TD Account No. 6372309 (the **TD Joint Account**) you provided on May 9, 2025, as well as payments since that date, it appears Sonja has been paid or has been given access to the following amounts:

Date	Amount (CAD)	Comments
December 2, 2024	\$16,333.70	Incoming transfer by William Santor from account at CIBC Cayman
December 19, 2024	\$201,034.79	Proceeds of sale of the Studio City Condo, as authorized by the December 12, 2024 Order of Black, J
December 24, 2024	- \$201,683.28	Payment to Fogler Rubinoff LLP for legal fees
January 14, 2025	\$1,519.05	As per correspondence exchanged around December 16, 2024, the Receiver consented to the deposit of an uncashed cheque for "just over US \$1,069.98."
January 14, 2025	\$50,954.60	Appears to be proceeds of sale of vehicle as authorized by the December 12, 2024 Order of Black, J
January 14, 2025	\$90,860.80	Appears to be proceeds of sale of vehicle as authorized by the December 12, 2024 Order of Black, J
January 14, 2025	\$142.40	Forex adjustment by TD Bank in connection with the three above-noted deposits the same day
March 26, 2025	\$11,844.09	As per emails exchanged Mar 27, 2025, this wire transfer appears to be the Studio City Condo property tax adjustment of US \$8,500
April 4, 2025	\$4,663.45	Incoming wire of US \$3,400 from purchaser of Studio City Condo for furniture purchase
April 21, 2025	\$19,982.50	Incoming wire for Ms. Santor's portion of net minimum guarantee from the sale of film equipment owned by Productivity Media Rentals Inc.
April 25, 2025	\$317.58	Two deposits on the same date to Ms. Santor for mortgage overages.
April 25, 2025	\$9,293.91	
May 2, 2025	\$11,506.59	Wire payment of Ms. Santor's portion of the proceeds of sale of the gold bars formerly held by Jordan Stubblefield.
May 22, 2025	\$13,598.60	Advance on proceeds of sale of wine in Grand Cayman
May 23, 2025	\$45,000.00	NMG proceeds from film equipment
<b>TOTAL</b>	<b>CAD \$275,368.78, equivalent to USD \$202,506.20.</b>	



***Confidential***

As set out above, Ms. Santor has been paid or has been given access to amounts that exceed her ordinary living expenses entitlement up until May 31, 2025 by USD \$6,415.08. This amount, and any additional amount paid after May 31, 2025, shall be applied to the Second Payment as prescribed under the Settlement Agreement.

Sincerely,  
**DLA Piper (Canada) LLP**  
Per:

A handwritten signature in black ink, appearing to read 'Cristina Fulop', written over a horizontal line.

Cristina Fulop  
Associate

CF7780

cc: Jordan R.M. Deering and Regan Christensen, DLA Piper (Canada) LLP

## **APPENDIX “J”**



Court File No.CV-24-00731806-00CL

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

THE HONOURABLE

JUSTICE W.D. BLACK

)  
)  
)

THURSDAY, THE 12<sup>TH</sup> DAY

OF DECEMBER, 2024

B E T W E E N:

**PRODUCTIVITY MEDIA INCOME FUND I LP, by its general partner,  
PRODUCTIVITY MEDIA INC., by its court-appointed receiver and manager,  
KSV RESTRUCTURING INC.**

Plaintiff

and

**WILLIAM GREGORY SANTOR, SONJA SANTOR, also known as SONJA NISTELBERGER,  
RADIANT FILMS INTERNATIONAL INC., DARK STAR PICTURES (CANADA) INC.,  
CONCOURSE MEDIA INC., JOKER FILMS PRODUCTIONS INC., 8397830 CANADA INC.,  
PRODUCTIVITY MEDIA RELEASING INC., PRODUCTIVITY MEDIA RENTALS INC.,  
PRODUCTIVITY MEDIA PRODUCTIONS (CAYMAN) LTD., PROSAPIA CAPITAL  
MANAGEMENT CORP., PROSAPIA HOLDINGS INC., PROSAPIA PROPERTY  
MANAGEMENT INC., PROSAPIA WEALTH MANAGEMENT LTD., ERBSCHAFT CAPITAL  
CORP., STREAM.TV (CAYMAN) LTD., STARK INDUSTRIES LIMITED, JOHN DOE, MARY  
DOE, and ABC COMPANY**

Defendants

**ORDER  
(Mareva Continuation, Funds Release)**

**THIS MOTION**, made by the Plaintiff, Productivity Media Income Fund I LP, by its general partner Productivity Media Inc., by its court-appointed receiver and manager, KSV Restructuring Inc. (the **Plaintiff**) for an Order continuing the Order of Justice Black dated December 2, 2024 (the **Mareva Order**), was heard this day at Toronto by judicial videoconference via Zoom.

**ON READING** the Plaintiff's Motion Record Vols. 1 through 9 dated November 22, 2024, filed,

**ON READING** the materials filed, and on hearing the submissions of counsel for the Plaintiff, and counsel for the Defendants, WILLIAM GREGORY SANTOR, SONJA SANTOR a.k.a. SONJA NISTELBERGER, RADIANT FILMS INTERNATIONAL INC., DARK STAR PICTURES (CANADA) INC., CONCOURSE MEDIA INC., JOKER FILMS PRODUCTIONS INC., 8397830 CANADA INC., 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**),

**AND ON READING** the Consent of the parties, filed,

1. **THIS COURT ORDERS** that paragraphs 1 and 2 of the *Mareva* Order are amended to permit the removal, access, or transfer of funds solely as set out in paragraphs 2, 3, 4, 5, and 7 below.
2. **THIS COURT ORDERS** that the Defendants, William Gregory Santor (**Mr. Santor**) and Sonja Santor a.k.a. Sonja Nistelberger (**Mrs. Santor**) shall forthwith open a new bank account at Butterfield Bank (the **Expenses Account**) into which they shall deposit and access the funds set out in paragraphs 3, 4, 5, and 7 below for the purpose of payment of living expenses and fees for legal representation. Mr. Santor and Mrs. Santor shall provide to KSV Restructuring Inc. full access to the Expenses Account for the purposes of monitoring transactions on the Expenses Account.
3. **THIS COURT ORDERS** that Mr. Santor and Mrs. Santor shall forthwith deposit or transfer into the Expenses Account the following amounts:
  - (a) The cheques, in the amount of \$64,000 USD and \$35,710 USD provided to Mrs. Santor respecting the sale of her motor vehicles, and
  - (b) Upon receipt, the return of the foreign withholding to the Internal Revenue Service from the sale of the condominium unit located at 203, 12045 Guerin Street, Studio City, California, USA in the amount of \$225,000 USD, less any tax payable.
4. **THIS COURT ORDERS** that Butterfield Bank shall release or otherwise permit the removal or transfer of funds by each of Mr. Santor and Mrs. Santor in the amount of \$5,000 USD per week for the sole purpose of payment of living expenses, commencing on Monday December 16, 2024. The amount of living expenses specified in this paragraph shall be reviewed at the return date specified in paragraph 11 below.

5. **THIS COURT FURTHER ORDERS** that in addition to paragraph 4 above Butterfield Bank shall release or otherwise permit a one-time immediate removal or transfer of funds by Mr. Santor and Mrs. Santor in the amount of \$20,000 USD to pay December 2024 rent on their home and other living expenses that have come due.
6. **THIS COURT ORDERS** that Mr. Santor and Mrs. Santor shall provide to the Plaintiff, by their respective legal counsel, a detailed budget for living expenses, no later than Monday, December 16, 2024.
7. **THIS COURT ORDERS** that Mr. and Mrs. Santor shall direct the proceeds of sale of the condominium unit located at 203, 12045 Guerin Street, Studio City, California, USA payable to Mr. Santor and Mrs. Santor, estimated at \$142,219.60 USD to Fogler Rubinoff LLP, in trust. These funds shall be used by the Mareva Defendants only for the purpose of payment of legal fees, expert fees, disbursements and taxes of the Mareva Defendants. In the event the \$142,219.60 USD has been or is projected to be exhausted, the Mareva Defendants may apply to court for additional funds for legal representation.
8. **THIS COURT ORDERS** that the Mareva Defendants shall file a Notice of Intent to Defend in this Action no later than December 23, 2024.
9. **THIS COURT ORDERS** that the virtual examinations under oath on the nature, value and location of the Mareva Defendants' assets, as directed under paragraph 6 of the *Mareva* Order, shall be held no later than December 20, 2024.
10. **THIS COURT ORDERS** that the terms of the *Mareva* Order are otherwise continued and remain in force until January 28, 2025.
11. **THIS COURT ORDERS** that the Plaintiff shall apply for a further continuation of the Mareva Order, as varied by this Order, to a judge of the Ontario Superior Court of Justice, Commercial List on January 28, 2025, or as soon as possible thereafter, via judicial videoconference via Zoom.



12. **THIS COURT ORDERS** that the costs of this motion are to be as Ordered by the Court on a subsequent date, as applicable.



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Court File No.CV-24-00731806-00CL

**PRODUCTIVITY MEDIA INCOME FUND I LP, by its general partner  
PRODUCTIVITY MEDIA INC., by its court-appointed receiver and  
manager KSV RESTRUCTURING INC.**

**WILLIAM GREGORY SANTOR ET AL**

Plaintiff

Defendants

<b>ONTARIO SUPERIOR COURT OF JUSTICE (COMMERCIAL LIST)</b>
PROCEEDING COMMENCED AT TORONTO
<b>ORDER</b>
<b>DLA PIPER (CANADA) LLP</b> Barristers & Solicitors Suite 5100, Bay Adelaide – West Tower 333 Bay Street Toronto, ON M5H 2R2 <b>Jordan R.M. Deering (LSO #86337A)</b> Tel: 416-365-3515 Fax: 403-213-4479 Email: jordan.deering@dlapiper.com <b>Regan Christensen (LSA #24319)</b> Tel: 403-698-8760 Email: regan.christensen@dlapiper.com <b>Cristina Fulop (LSO #82224H)</b> Tel: 416-862-3389 cristina.fulop@dlapiper.com Lawyers for the Plaintiff



## **APPENDIX “K”**

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

THE HONOURABLE  
JUSTICE CAVANAGH

)  
)

THURSDAY, THE 19<sup>th</sup>  
DAY OF DECEMBER, 2024

B E T W E E N:

**PRODUCTIVITY MEDIA INCOME FUND I LP, by its general partner,  
PRODUCTIVITY MEDIA INC., by its court-appointed receiver and manager,  
KSV RESTRUCTURING INC.**

Plaintiff

and

**WILLIAM GREGORY SANTOR, SONJA SANTOR, also known as SONJA NISTELBERGER,  
RADIANT FILMS INTERNATIONAL INC., DARK STAR PICTURES (CANADA) INC.,  
CONCOURSE MEDIA INC., JOKER FILMS PRODUCTIONS INC., 8397830 CANADA INC.,  
PRODUCTIVITY MEDIA RELEASING INC., PRODUCTIVITY MEDIA RENTALS INC.,  
PRODUCTIVITY MEDIA PRODUCTIONS (CAYMAN) LTD., PROSAPIA CAPITAL  
MANAGEMENT CORP., PROSAPIA HOLDINGS INC., PROSAPIA PROPERTY  
MANAGEMENT INC., PROSAPIA WEALTH MANAGEMENT LTD., ERBSCHAFT CAPITAL  
CORP., STREAM.TV (CAYMAN) LTD., STARK INDUSTRIES LIMITED, JOHN DOE, MARY  
DOE, and ABC COMPANY**

Defendants

**ORDER  
(Mareva Continuation, Funds Release)**

**THIS MOTION**, made by the Mareva Defendants, together with Productivity Media Income Fund I LP, by its general partner Productivity Media Inc., by its court-appointed receiver and manager, KSV Restructuring Inc. (the **Plaintiff**), for an Order continuing the Order of Justice Black dated December 2, 2024 (the **Mareva Order**), was heard this day at Toronto by judicial videoconference via Zoom.

**ON READING** the materials filed, and on hearing the submissions of counsel for the Plaintiff, and counsel for the Defendants, WILLIAM GREGORY SANTOR, SONJA SANTOR a.k.a. SONJA NISTELBERGER, RADIANT FILMS INTERNATIONAL INC., DARK STAR PICTURES (CANADA) INC., CONCOURSE MEDIA INC., JOKER FILMS PRODUCTIONS

INC., 8397830 CANADA INC., 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**),

**AND BEING ADVISED** that the within Order is on Consent of the Plaintiff and Mareva Defendants,

1. **THIS COURT ORDERS** that paragraphs 1 and 2 of the *Mareva* Order, as amended by the December 12, 2024, Mareva Continuation Order of the Honourable Justice Black, is further amended to permit the addition, removal, access, or transfer of funds solely as set out in paragraphs 2 and 3 below.
  2. **THIS COURT ORDERS** that the Defendants, William Gregory Santor (**Mr. Santor**) and Sonja Santor a.k.a. Sonja Nistelberger (**Mrs. Santor**) shall forthwith deposit, wire or transfer the proceeds of sale of the condominium unit located at 203, 12045 Guerin Street, Studio City, California, USA payable to Mr. Santor and Mrs. Santor, estimated at \$142,219.60 USD to their joint bank account with The Toronto-Dominion Bank, bearing account number 6372309 (the "**TD Account**").
  3. **THIS COURT FURTHER ORDERS** that once the funds in paragraph 2 above are deposited into the TD Account, The Toronto-Dominion Bank shall forthwith either wire the entire balance in the TD Account to Fogler Rubinoff LLP, in trust, in accordance with the wire instructions attached hereto as Schedule A or send an electronic funds transfer for the entire balance in the TD Account to Fogler Rubinoff LLP, in trust, in accordance with the electronic funds transfer instructions attached hereto as Schedule B .
  4. **THIS COURT ORDERS** that the terms of the *Mareva* Order are otherwise continued and remain in force until January 28, 2025.
-



## Canadian "Trust" Incoming Instructions -TD Canada Trust

### Instructions to Send CAD\$ to Fogler, Rubinoff LLP, in Trust

Bank:	<b>TD Canada Trust</b> <b>55 King Street West</b> <b>Toronto, Ontario</b> <b>M5K 1A2</b>
TD SWIFT or CHIPS #	<b>TDOMCATTOR</b> (Only required for wire transfers originating outside of Canada)
Institute Number:	<b>004</b>
Branch Code:	<b>10202</b> (If input field requires 5 digits) <b>1020</b> (If input field requires 4 digits)
Beneficiary:	<b>Fogler, Rubinoff LLP</b>
CDN \$ Account Number:	<b>5663818</b>

**Please include Matter #, Matter Name or Lawyer Name in description field.**



Fogler, Rubinoff LLP

Lawyers

Scotia Plaza

40 King Street West, Suite 2400

P.O. Box #215

Toronto, ON M5H 3Y2

t: 416.864.9700 | f: 416.941.8852

foglers.com

## For Payment in CAD \$ of Fogler, Rubinoff LLP Invoices

Bank: TD Canada Trust 55  
King Street West  
Toronto, Ontario M5K 1A2  
Canada

TD SWIFT or CHIPS # TDOMCATTOR  
(only required for wire transfers originating outside of Canada)

Institute Number: 004

Branch Code: 10202 (If input field requires 5 digits)  
1020 (If input field requires 4 digits)

Beneficiary: Fogler, Rubinoff LLP

CAD \$ Account Number: 5249884

Please reference the invoice number you are paying

Remittance Advices  
to be sent to:

[accountsreceivable@foglers.com](mailto:accountsreceivable@foglers.com)

or fax to 416-941-8852, Attn: Accounts Receivable



**PRODUCTIVITY MEDIA INCOME FUND I LP, by its general partner  
PRODUCTIVITY MEDIA INC., by its court-appointed receiver and  
manager KSV RESTRUCTURING INC.**

and

**WILLIAM GREGORY SANTOR ET AL**

Plaintiff

Defendants

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

PROCEEDING COMMENCED AT  
TORONTO

**ORDER**

**DLA PIPER (CANADA) LLP**

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Lawyers for the Plaintiff

## **APPENDIX “L”**

COURT FILE NO.: CV-23-00696306-0000

(ONTARIO)  
SUPERIOR COURT OF JUSTICE

BETWEEN:

ALAN PLAUNT AND 1401713 ALBERTA LTD.



Plaintiffs

-AND-

WILLIAM GREGORY SANTOR, PROSAPIA WEALTH MANAGEMENT LTD., PROSAPIA  
CAPITAL MANAGEMENT CORP., PROSAPIA PROPERTY MANAGEMENT INC., PROSAPIA  
HOLDINGS INC., PROSAPIA CONSULTING INC., PRODUCTIVITY MEDIA INC.,  
PRODUCTIVITY MEDIA CAPITAL INC., PRODUCTIVITY MEDIA MANAGEMENT INC.,  
PRODUCTIVITY MEDIA UK LIMITED, PRODUCTIVITY MEDIA PICTURES INC.,  
PRODUCTIVITY MEDIA (MALTA) LTD., PRODUCTIVITY MEDIA SICAV P.L.C.  
TRISTAR FILM FINANCE CORP., MEDIA HOUSE CAPITAL (CANADA) CORP. ARRON  
GILBERT, JOHN DOE CORPORATION, JOHN DOE PARTNERSHIP, AND JOHN DOE

Defendants

**STATEMENT OF CLAIM**  
(NOTICE OF ACTION ISSUED MARCH 15, 2023)

1 The Plaintiffs claim:

- a) a declaration that William Gregory Santor was a fiduciary to the Plaintiffs or either of them at all material times;
- b) a declaration that the remaining defendants were, or became at material times, fiduciaries to the Plaintiffs or either of them;
- c) a tracing and accounting of all monies directly or indirectly received and expended by the defendants or either of them directly or indirectly related to the movies colloquially known as 'Daydream Nation', 'Paradox', 'Janie Jones' and 'I Melt With You' (jointly and severally the "Movies");

- d) without limiting the forgoing, a tracing and accounting of all funds directly or indirectly received by the defendants or either of them which directly or indirectly originated from funds forwarded from the Plaintiffs;
- e) a declaration that the defendants are jointly and severally liable to the plaintiffs or either of them for damages to be particularized before trial;
- f) damages in amounts to be determined at trial for deceit, fraud in its various iterations and formulations, fraudulent and/or negligent misrepresentation, conspiracy, conversion, unjust enrichment, breach of fiduciary duty, breach of contract, negligence, oppression under the Ontario Business Corporations Act, and otherwise.
- g) Interest pursuant to the various arrangements between the Plaintiffs and various defendants from time to time;
- h) alternatively and/or additionally as context warrants pre and post judgement interest in accordance with the Courts of Justice Act, R.S.O. 1990 c. C-43 as amended;
- i) their costs of this action on a complete indemnity scale; and
- j) such further and other relief as may be requested and/or this Honourable Court may deem just given the evidence at trial herein.

2 Alan Plaunt is a resident of Ontario and a controlling mind of the 1401713 Alberta Ltd. which is an Alberta based corporation with assets in Ontario. They are jointly and severally referred to as "**Plaunt**" herein unless otherwise indicated directly or by context.

3 Tristar Film Finance Corp. ("**Tristar**") is an Alberta company in which William Gregory Santor and Arron Gilbert ("**Gilbert**") at material times had a financial interest.

4 Media House Capital (Canada) Corporation ("**Media House**") is an Alberta company with offices in British Columbia and is under the current control of Gilbert. Media House is a successor to Tristar and a company in which William Gregory Santor also had financial and/or other interest and involvement with at material times.

5 John Doe Corporation, John Doe Partnership and John Doe (jointly and severally the "**John Doe Defendants**") are placeholder defendants for corporations, persons and other entities the identity of which are presently unknown to the Plaunt.

6 William Gregory Santor is a resident of Ontario. The remaining corporate defendants are corporations that are or at all material times were directly or indirectly controlled by and/or affiliated with William Gregory Santor and/or each other on terms that are presently not fully known to Plaunt. Unless otherwise indicated below, these various defendants are jointly and or severally referred to below as "**Santor**" and/or the "**Santor Group**" as context and/or circumstance requires.

7 At all material times herein, Santor has held himself out and otherwise represented himself to Plaunt and others as, among other things, a financial planner, a financial advisor, a steward of intergenerational family wealth family and generally a person knowledgeable of and able to lawfully engage in financial and investment and related matters on behalf of and for the benefit of Plaunt.

8 Beginning in or about 2006, Santor dealt with Plaunt both directly and through Prosapia Wealth Management Ltd. ("**Prosapia WML**") using a business model ostensibly focused on managing intergenerational wealth for high-net-worth families.

9 Beyond providing specific purely financial advice, Santor provided Plaunt with guidance about how to arrange Plaunt's affairs so as to protect, preserve and maximize family wealth and Santor provided referrals to various professionals who might assist Plaunt in those endeavours. Santor thereby sought to and did cultivate the role of trusted advisor and confidant to Plaunt.

10 At all material times, all such and related representations and efforts were part of a deliberate effort to solicit trust and money from Plaunt and Santor is put to the strict proof of all allegations to the contrary.

11 In furtherance of that effort, at various material times Santor both expressly and implicitly undertook on behalf of himself personally and on behalf of various corporate defendants to act in the best interest of Plaunt and the defendants are put to the strict proof of all allegations to the contrary.

12 In time Santor sought to have Plaunt provide him with money which Santor would invest in various movies. Santor made various representations and assurances to Plaunt in order to address Plaunt's known low tolerance for financial risk in order to persuade Plaunt to advance funds so that Santor could invest them in the production of various movies. Full particulars are known to Santor and will be particularized both prior to and at trial.

13 Such assurances and representations included but were not limited to advising Plaunt that any such advances would be arranged on a last dollar in, first dollar out basis, that the funds would be collateralized and otherwise secured through various lawful means and that the investments were safe, lawfully secured and otherwise not only fully recoverable but also good financial investments per se. At all material times, Santor knew or reasonably ought to have known that those various representations were false, misleading and disingenuous.

14 For reasons presently unknown to Plaunt, Santor later indicated to Plaunt that he was going to jettison much of his alleged client base and instead focus his attention on a smaller group of clients, such as Plaunt, placing an emphasis on various investment opportunities in or related to the movie production industry.

15 Relying on the various representations made by Santor, Plaunt was persuaded to advance funds on terms to Prosapia WML which funds Plaunt was led to believe would be used solely for secured low risk loans for the production of movies entitled '*Paradox*',



*'DayDream Nation'*, *'I Melt With You'*, and *'Janie Jones'*. Between 2009 and 2010, those advances amounted to CDN\$2,135, 000 and US\$2,125,000, the particulars of which are known to Santor and will in any event be provided prior to trial.

16 At all material times, the defendants or either of them had discretion as to, among other things, whether, how, when, and on what terms the funds advanced by Plaunt would flow within and among the various defendants and others.

17 Throughout these dealings, Santor repeatedly advised Plaunt that given various peculiarities of the financing of those movies, the funds were being forwarded by way of direct loans from Prosapia WML to Tristar and Media House and Gilbert for direct expenditure on the movie productions but that all such monies were being advanced by Prosapia WML under a structure that ensured that Plaunt's monies were fully secured and would be repaid to Plaunt in priority to all other expenses and indebtedness for each movie together with minimum guaranteed interest thereon.

18 Plaunt relied on the said representations and assurances in advancing the subject funds and indeed Santor and the other defendants involved intended that Plaunt would do so. At all material times the defendants knew or reasonably ought to have known that those representations and assurances were false, misleading and disingenuous.

19 At one point in 2010, Gilbert also made representations to Plaunt in conjunction with Santor in order to secure desperately needed last minute funding for Janie Jones. Those joint representations were mostly similar to those relating to the prior advances but with the additional 'sweetener' or inducement of getting Plaunt Red Carpet access to the release of Janie Jones at TIFF. That singular representation (the Red Carpet access) was honoured.

20 In all the circumstances then and there existing, Santor and those acting under or with him, were fiduciaries to Plaunt and the defendants are put to the strict proof of all allegations to the contrary. To the extent that Santor engaged or collaborated with others

in connection with Plaunt or Plaunt's money, those other individuals and/or entities were fiduciaries as well.

21 At no time did the defendants take any or any reasonable steps in the circumstances then and there existing to ensure that the funds advanced by Plaunt were in fact lawfully and fully secured from end to end so as to comply with the substance and spirit of the various assurances given to Plaunt in order to induce him to advance those funds and the defendants are put to the strict proof of all allegations to the contrary.

22 At all material times Santor assured Plaunt that all the funds advanced by Plaunt in connection with the movies would actually be used for the said movies and not diverted, converted or otherwise dissipated. While Plaunt is not presently privy to the particulars, Plaunt notes and relies on the allegations in the Media House Litigation identified below to the effect that only \$3.63 million was advanced by Santor for production of the Movies and further that at least \$600,000 of the funds advanced by Plaunt were never advanced by Santor but instead diverted to other purposes.

23 At no time was Plaunt ever advised that Santor had any direct or indirect financial or other interest in TriStar and/or Media House or indicate that Santor was otherwise subject to any actual or potential conflict of interest either directly or through any company or through any affiliation with Gilbert or others. The full particulars of that involvement over time are presently unknown to Plaunt. At material times Santor was facing a series of personal issues and financial pressures related to the breakup of his marriage and otherwise.

24 Near the end of 2011, Santor indicated that he was having some difficulty realizing repayment of the aforementioned funds advanced by Plaunt and engaged a lawyer he was familiar with in order to facilitate settlement discussions and repayment to Santor and Plaunt.



25 Eventually Santor indicated that the settlement discussions had failed and that he had commenced legal action in order to recover the aforementioned funds advanced by Plaunt. Plaunt was never provided with actual particulars of that litigation nor even a copy of the pleadings. At all material times, Santor indicated that the said litigation was being undertaken by Santor on behalf of Plaunt and the defendants are put to the strict proof of all allegations to the contrary.

26 From time to time, and as recently as December 2022, Santor assured Plaunt that the said litigation was proceeding albeit slowly. During various such communications, Santor was deliberately vague about any specifics but from time to time would assure Plaunt that the matter was under control and that the litigation would ultimately reach a satisfactory conclusion, namely one favourable to Plaunt. In fact Santor had not initiated litigation against Media House as aforesaid nor was it continuing.

27 Plaunt has recently learned that Santor instead had only defended and commenced a counterclaim in an action commenced against himself personally and against Prosapia WML by Media House, Gilbert and another plaintiff in the Ontario Superior Court of Justice bearing court file number CV-12-459685 (the “**Media House Action**”).

28 Plaunt has also learned that pleadings were exchanged in the Media House Action in 2012 and 2013, that a summary judgment motion was thereafter timetabled and scheduled but that that summary judgement motion was never argued. Instead, the Media House Action, including the aforementioned counterclaim, were dismissed “*on consent*” in October 2017. The terms of any related settlement are presently unknown to Plaunt.

29 At all material times, Santor and his representatives knew or reasonably ought to have known that in all the circumstances then and there existing, Plaunt was defacto a person under disability affected by the said consent dismissal order when it was being taken out.

30 The pleadings in the Media House Action expressly reference Plaunt and the aforementioned monies he advanced and those monies, as well as their recovery, were in issue in that action. Apparently not all money advanced to Santor by Plaunt was actually used to finance the various movies for reasons not presently known to Plaunt.

31 To the extent that Santor, either alone or in conjunction with others participated in and was able to directly or indirectly control or influence the course of that litigation and its conclusion, Santor and those others had and exercised the power to influence the legal and substantial practical interests of Plaunt. That power was in addition to and not in lieu of all such power extant up to the commencement of the said litigation.

32 Also unbeknown to Plaunt at the material times, Santor has over time created and or become involved in the various corporate defendants comprising the Santor Group and others represented herein as the John Doe Group and has moved money between them. To the extent that any monies originating with, belonging to or that are otherwise juristically linked and/or belonging to Plaunt flowed between any of the defendants, they have been unlawfully converted and otherwise misappropriated from Plaunt and Plaunt seeks and is entitled to a full tracing and accounting regarding same. Plaunt also pleads and relies upon the doctrine of unjust enrichment.

33 In addition, at all material times, Plaunt was a 'claimant' within the meaning of the Ontario Business Corporations Act viz a viz the Santor Group, Tristar and Media Group and the defendants are put to the strict proof of all allegations to the contrary.

34 In the alternative and in any event, at all material times the conduct of the various defendants or either of them in direct and/or indirect connection with the subject funds as described herein and as to be further particularized prior to and at trial, was carried out in a manner that was oppressive, and/or unfairly prejudicial and/or which unfairly disregarded the interests of Plaunt and the defendants are put to the strict proof of all allegations to the contrary.

35 To the extent that Santor, either alone or in conjunction with others, directed, acquiesced to or suffered the said oppressive conduct of the corporate defendants he is personally liable to Plaunt for all damages flowing from the said conduct.

36 To the extent that Santor either alone or in conjunction with others directed, acquiesced to or suffered the corporate defendants converting, dissipating, diverting or otherwise relinquishing any funds that were advanced by Plaunt, Santor is personally liable to Plaunt for same and he is put to the strict proof of all allegations to the contrary.

37 While detailed particulars, identities and roles are not presently known to Plaunt at this time, at material times throughout Santor has conspired with various co-defendants and others to, among other things, unlawfully and otherwise gain access to money belonging to Plaunt, to use at least some of that money for purposes other than the purposes for which it was advanced by Plaunt, to delay and withhold or otherwise deprive Plaunt of the repayment of the subject funds, to unjustly enrich themselves with such funds and its use or misuse, to prevent Plaunt from discovering their true machinations, to prevent or delay Plaunt from taking independent action to recover same, and to deliberately cover up the true nature, status and settlement of the Media House Action, to compromise the legal position and interests of Plaunt, and otherwise.

38 At all material times, Santor and the various co-defendants and others involved in each such act, knew or reasonably ought to have known and indeed intended that their acts would likely harm Plaunt whose money was at issue.

39 In the course of their conduct as aforementioned and to be further particularized prior to and at trial, Santor and his various co-conspirators directly or indirectly perpetrated, among other things, deceit, fraud, constructive fraud, equitable fraud, negligent and/or fraudulent misrepresentation.

40 To date none of the funds advanced by Plaunt have been returned nor has any interest been paid on same.

41      Plaintiff pleads and relies on the relevant provisions of the following statutes:

- Courts of Justice Act, R.S.O. 1990 s. c-43 as amended;
- Business Corporations Act, R.S.O. 1990 c. B-16 as amended;
- Negligence Act, R.S.O. 1990 c. N-1 as amended;
- Securities Act, R.S.O. 1990 c. S-5 as amended;
- Trustee Act, R.S.O. 1990 c. T-23 as amended

42      Plaintiff proposes that this action be tried in Toronto.

**CLAUDIO R. AIELLO**

Barrister & Solicitor

500-439 University Ave. Toronto ON M5G 1Y8

100-133 Milani Blvd. Vaughan ON L4H 4M4

(416) 969-9900

*claudio@aiellolaw.ca*

Lawyer for the Plaintiffs

LSO No: 26796B

ALAN PLAUNT ET AL  
Plaintiffs

V.

WILLIAM GREGORY SANTOR ET AL  
Defendants

(ONTARIO)  
SUPERIOR COURT OF JUSTICE  
Proceeding commenced at Toronto

STATEMENT OF CLAIM

CLAUDIO R. AIELLO  
Barrister & Solicitor  
500-439 University Ave. Toronto ON M5G 1Y8  
100-133 Milani Blvd. Vaughan ON L4H 4M4  
(416) 969-9900     *claudio@aiellolaw.ca*

Lawyer for the Plaintiffs  
LSO No: 26796B

## **APPENDIX “M”**

COURT FILE No **CV-23-00696306-0000**

(ONTARIO)  
SUPERIOR COURT OF JUSTICE

BETWEEN

**ALAN PLAUNT AND 1401713 ALBERTA LTD.**

Plaintiffs

**-AND-**

**WILLIAM GREGORY SANTOR, PROSAPIA WEALTH MANAGEMENT LTD., PROSAPIA  
CAPITAL MANAGEMENT CORP., PROSAPIA PROPERTY MANAGEMENT INC., PROSAPIA  
HOLDINGS INC., PROSAPIA CONSULTING INC., PRODUCTIVITY MEDIA INC.,  
PRODUCTIVITY MEDIA CAPITAL INC., PRODUCTIVITY MEDIA MANAGEMENT INC.,  
PRODUCTIVITY MEDIA UK LIMITED, PRODUCTIVITY MEDIA PICTURES INC.,  
PRODUCTIVITY MEDIA (MALTA) LTD., PRODUCTIVITY MEDIA SICAV P.L.C.  
TRISTAR FILM FINANCE CORP. , MEDIA HOUSE CAPITAL (CANADA) CORP. ARRON  
GILBERT, JOHN DOE CORPORATION, JOHN DOE PARTNERSHIP, AND JOHN DOE**

Defendants

**MOTION RECORD**  
*(Motion Returnable May 27, 2025)*

**CLAUDIO R. AIELLO**  
Barrister & Solicitor  
100-133 Milani Blvd  
Vaughan ON L4H 4M4

(416) 969-9900 [claudio@aiellolaw.ca](mailto:claudio@aiellolaw.ca)

Lawyer for the Plaintiffs

LSO No 26796B

(ONTARIO)  
SUPERIOR COURT OF JUSTICE

BETWEEN

**ALAN PLAUNT AND 1401713 ALBERTA LTD.**

Plaintiffs

**-AND-**

**WILLIAM GREGORY SANTOR, PROSAPIA WEALTH MANAGEMENT LTD , PROSAPIA  
CAPITAL MANAGEMENT CORP., PROSAPIA PROPERTY MANAGEMENT INC., PROSAPIA  
HOLDINGS INC., PROSAPIA CONSULTING INC., PRODUCTIVITY MEDIA INC.,  
PRODUCTIVITY MEDIA CAPITAL INC., PRODUCTIVITY MEDIA MANAGEMENT INC.,  
PRODUCTIVITY MEDIA UK LIMITED, PRODUCTIVITY MEDIA PICTURES INC.,  
PRODUCTIVITY MEDIA (MALTA) LTD., PRODUCTIVITY MEDIA SICAV P.L.C. TRISTAR  
FILM FINANCE CORP. , MEDIA HOUSE CAPITAL (CANADA) CORP. ARRON GILBERT,  
JOHN DOE CORPORATION, JOHN DOE PARTNERSHIP, AND JOHN DOE**

Defendants

### **NOTICE OF MOTION**

The Plaintiffs will make a motion to the Court on **Tuesday, May 27, 2025 at 10:00 am** or  
as soon after that time as the motion can be heard

#### **PROPOSED METHOD OF HEARING**

The motion is to be heard

- ☐ In writing under subrule 37.12.1 (1) because it is (*insert one of* on consent, unopposed  
*or* made without notice),
- ☐ In writing as an opposed motion under subrule 37.12.1 (4),
- ☐ In person,
- ☐ By telephone conference,
- ☒ By video conference at the following location using a video link to be provided by  
the Court



**THE MOTION IS FOR:**

- 1      An Order compelling Prosapia Wealth Management Ltd and William Gregory Santor to pay into Court to the credit of this action pending trial herein, the \$2,850,000 received pursuant to a September 5, 2017 Settlement Agreement in the Media House Action as described below,
- 2      An Order compelling production of all the Security Documents referenced in an October 2017 Assignment of Security Agreement (the “**Assignment Agreement**”) between Media House Capital (Canada) Corp and Prosapia Wealth Management, Ltd together with any successor security documents,
- 3      An Order compelling the Prosapia Wealth Management Ltd and William Gregory Santor to pay into Court to the credit of this action pending trial herein, all funds directly or indirectly received by virtue of the aforesaid Assignment Agreement and to continue doing so with respect to any future receipts pending further order of the Court,
- 4      To the extent necessary, an order in rem compelling Prosapia Wealth Management Ltd , William Gregory Santor and such other parties or others as may be appropriate, to provide a detailed tracing and accounting of all the aforesaid funds,
- 5      To the extent necessary, an order in rem compelling Prosapia Wealth Management Ltd , William Gregory Santor and such other parties or others as may be appropriate, to pay such of the aforementioned monies as may have come into their possession into court pending trial herein,
- 6      Alternatively, an order in rem preserving any and all such funds pending trial herein,
- 7      Such further and other relief as counsel may request and/or this Honourable Court may deem just so as to permit the expeditious location and preservation of any and all proceeds of the settlement of the Media House Action as described below,

- 8 An Order amending the Statement of Claim in accordance with the draft Amended Statement of Claim tendered to the Court at the hearing of this motion, and
- 9 Such further and other relief as counsel may request and/or this Honourable Court may deem just

**THE GROUNDS FOR THE MOTION ARE.**

***Parties & Others***

- 1 Alan Plaunt is a resident of Ontario and a controlling mind of the 1401713 Alberta Ltd (jointly and severally “**Plaunt**”)
- 2 Media House Capital (Canada) Corporation (“**Media House**”) is an Alberta company with offices in British Columbia and is under the current control of Aaron Gilbert (“**Gilbert**”)
- 3 Tristar Film Finance Corp is an Alberta company in which William Gregory Santor and Gilbert had a financial interest at material times
- 4 William Gregory Santor is a resident of Ontario The remaining corporate defendants other than Prosapia Consulting Inc and those companies identified below as ‘Collateral Payors’, are corporations that are or at all material times were directly or indirectly controlled by and/or affiliated with William Gregory Santor and/or each other on terms that are presently not fully known to Plaunt Unless otherwise indicated below, these various defendants are jointly and or severally referred to below as “**Santor**” and/or the “**Santor Group**” as context and/or circumstance requires

**The Media House Action**

- 5 Between 2009 and 2010, Plaunt advanced to Santor CDN\$2,135, 000 and US\$2,125,000 to be used for loans to enable the production of movies entitled ‘*Paradox*’, ‘*DayDream Nation*’, ‘*I Melt With You*’, and ‘*Janie Jones*’

6        The funds were not repaid and Santor advised Plaunt that had commenced legal action in order to recover same on Plaunt's behalf

7        From time to time, and as recently as December 2022, Santor assured Plaunt that the said litigation was proceeding albeit slowly and would reach a satisfactory conclusion

8        In fact Santor instead had only defended and commenced a counterclaim in an action commenced against himself personally and against Prosapia WML by Media House, Gilbert and another plaintiff in the Ontario Superior Court of Justice bearing court file number CV-12-459685 (the "**Media House Action**") :-

9        Santor's Statement of Defence and Counterclaim in the Media House Action sought recovery of \$3,630,000 plus interest and fees. Earlier in that pleading, Santor asserted that "*All of those funds had been drawn from accounts held by Alan Plaunt . . and entities he controlled...*"

10       The counterclaim also seeks an additional \$300,000 for other breach of contract and oppression but clearly the pith and substance of the counterclaim was recovery of money advanced by Plaunt

#### **Proceeds of the Media House Action**

11       Unbeknown to Plaunt at the time, Santor had purported to settle the Media House Action on terms which essentially involved payment to Santor of \$2,850,000 plus assignment to Santor of all security held by Media House over various loans related to the aforementioned movies which presumably have resulted in residual and ongoing payment of funds to Santor

12       The \$2,850,000 balloon payment, the assignment of security and the dismissal of the Media House Action all appear to have happened in October 2017. Residual and other secured payments are presumably ongoing

### ***Misappropriation***

13 Santor has not paid any of the proceeds of the Media House Action and the current whereabouts of those proceeds is currently unknown to Plaunt

14 After the within action for recovery was commenced, Gilbert delivered a Statement of Defence and Crossclaim which referenced the aforementioned settlement of the Media House Action That led to a Request to Inspect which in turn led in October 2023 to the production of settlement documents, namely a Settlement Agreement, a Release and an Assignment of Security Agreement

15 The Assignment of Security Document contains, among other things, a general list of various security agreements that had been held by Media House and were being transferred to Santor as part of the aforementioned settlement Those companies are the additional parties named in the proposed Amended Statement of Claim

16 The Assignment of Security Document also contains warranties from Media House to the general effect that indebtedness reflected in the various loan documents was at the time still outstanding and had not been disputed by any of the relevant borrowers

17 Santor has been asked to pay the \$2,850,000 and all other settlement proceeds to Plaunt and to forward a copy of all the loan documents but has refused to do so

### ***Preservation Pending Trial***

18 The thrust of the Order(s) sought is merely to preserve the proceeds of aforementioned settlement pending trial Those funds, both the balloon payment, the assigned security and any residual payments that have and may flow from the said security are discrete identifiable funds

19 There is no juristic harm that flows to Santor or others that may flow from the order sought but significant juristic harm to Plaunt if the preservation Order is not sought

20 In the Santor Statement of Defence and Crossclaim herein, the only substantive defence alleged is that " *Plaunt was aware or should have been aware*" of the 2017 settlement in the Media House Action and a related reliance on the Limitation Act Plaunt had already asserted in his Statement of Claim that he had no such knowledge at the time

21 The Santor Statement of Defence and Crossclaim is filed on behalf of various corporations that were created and presumably operated outside Ontario and outside Canada

22 Rules 1, 2, 26 and 45 of the Rules of Civil Procedure

23 Section 96, 100, 104 of the Courts of Justice Act, R S O 1990 c c 43

24 Such further and other grounds as counsel may suggest and/or the Court may deem appropriate

**THE FOLLOWING DOCUMENTARY EVIDENCE** will be used at the hearing of the motion

1 Affidavit in support

2 Such further and other evidence as counsel may offer and/or the Court may consider

December 22, 2023

**CLAUDIO R. AIELLO**  
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LSO No 26796B  
Lawyer for the Plaintiffs

COURT FILE NUMBER **CV-23-00696306-0000**

**ALAN PLAUNT ET AL**  
PLAINTIFFS

**V. WILLIAM GREGORY SANTOR ET AL**  
DEFENDANTS

(ONTARIO)  
SUPERIOR COURT OF JUSTICE  
Proceeding commenced at Toronto

**NOTICE OF MOTION**

**Claudio R. Aiello**  
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Lawyer for the Plaintiffs  
  
LSO No 26796B

COURT FILE No CV-23-00696306-0000  
(ONTARIO)  
SUPERIOR COURT OF JUSTICE

BETWEEN

ALAN PLAUNT AND 1401713 ALBERTA LTD.

Plaintiffs

-AND-

WILLIAM GREGORY SANTOR, PROSAPIA WEALTH MANAGEMENT LTD., PROSAPIA  
CAPITAL MANAGEMENT CORP., PROSAPIA PROPERTY MANAGEMENT INC., PROSAPIA  
HOLDINGS INC., PROSAPIA CONSULTING INC., PRODUCTIVITY MEDIA INC.,  
PRODUCTIVITY MEDIA CAPITAL INC., PRODUCTIVITY MEDIA MANAGEMENT INC.,  
PRODUCTIVITY MEDIA UK LIMITED, PRODUCTIVITY MEDIA PICTURES INC.,  
PRODUCTIVITY MEDIA (MALTA) LTD., PRODUCTIVITY MEDIA SICAV P.L.C.  
TRISTAR FILM FINANCE CORP. , MEDIA HOUSE CAPITAL (CANADA) CORP. ARRON  
GILBERT, JOHN DOE CORPORATION, JOHN DOE PARTNERSHIP, AND JOHN DOE

Defendants

**Affidavit**

I, Tejinderpal Sanghera, MAKE OATH AND SAY

1 I am temporarily assisting Claudio R Aiello (“**Aiello**”), counsel for the Plaintiffs herein and as such have knowledge of the matters hereinafter deposed Where I do not have personal knowledge of any matter set out below, I have been advised of same by Aiello and I believe it to be true

***The Prior Media House Action***

2 Attached as **Exhibit 1** is a copy of the Statement of Claim in the Ontario Superior Court of Justice bearing court file number CV-12-459685 (the “**Media House Action**”) in which Media House Capital (Canada) Corp , Arron Gilbert and another individual sued William Santor and Prosapia Wealth Management Ltd

3 Attached as **Exhibit 2** is a copy of the Statement of Defence and Counterclaim in the Media House Action

4 Attached as **Exhibit 3** is a copy of the Reply and Defence to Counterclaim in the Media House Action

5 Attached as **Exhibit 4** are the endorsements from the Media House Action court file

6 Attached as **Exhibit 5** is a copy of the October 6, 2017 Order dismissing the Media House Action

***Current Pleadings in the Within Action***

7 Attached as **Exhibit 6** is a copy of the Statement of Claim followed by the Notice of Action herein

8 Attached as **Exhibit 7** is a copy of the Statement of Defence and Crossclaim of William Gregory Santor, Prosapia Wealth Management Ltd , Prosapia Capital Management Corp , Prosapia Property Management Inc , Prosapia Holdings Inc , Prosapia Consulting Inc Productivity Media Inc , Productivity Media Capital Inc , Productivity Media Management Inc , Productivity Media UK Limited, Productivity Media Pictures Inc , Productivity Media (Malta) Ltd , and Productivity Media Sicav P L C (collectively “**Santor**”) together with the previously delivered Notice of Intent to Defend

9 Attached as **Exhibit 8** is a copy of the Statement of Defence and Crossclaim of Media House Capital (Canada) Corp and Arron Gilbert (collectively “**Gilbert**”)

***Settlement Documents From The Media House Action***

10 Attached as **Exhibit 9** is October 2023 correspondence from Aiello to counsel for Gilbert requesting to inspect the settlement documents referenced in the Gilberts Statement of Defence and Crossclaim



11 Attached as **Exhibit 10** is a copy of the September 5, 2017 Settlement Agreement (the "**Settlement Agreement**") in the Media House Action received by Aiello in response to the aforementioned request to inspect

12 Attached as **Exhibit 11** is a copy of the Release in the Media House Action received by Aiello in response to aforementioned request to inspect

13 Attached as **Exhibit 12** is a copy of the October 2017 Assignment of Security Agreement received by Aiello in response to the aforementioned request to inspect The Assignment of Security Agreement contains two schedules the first of which lists various Loan Documents being assigned (the "**Loan Document List**")


***Non- Production of Settlement Monies or Loan Documents***

14 Attached as **Exhibit 13** is October 2023 correspondence from Aiello to counsel for Santor regarding the \$2,850,000 payment referenced in the aforementioned Settlement Agreement, and the Loan documents and collateral proceeds referenced in the Assignment of Security Agreement I am advised by Aiello that no substantive answer has ever been provided

***Draft Amended Pleading***

15 In the circumstances, Aiello has prepared a draft Amended Statement of Claim and a copy is attached as **Exhibit 14** hereto Aiello may make modifications to the draft as may be advisable from time to time pending the formal amendment

SWORN BEFORE ME at Vaughan, Ontario)  
this 22 day of December 2023 )

  
\_\_\_\_\_  
A Commissioner for Taking Affidavits, etc

  
\_\_\_\_\_  
Tejinderpal Sanghera

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

BETWEEN

MEDIA CANADA HOUSE (CAPITAL) CORP , AARON GILBERT and  
DAVID BODANIS

Plaintiffs

-and-

WILLIAM SANTOR and PROSAPIA WEALTH MANAGEMENT LTD

Defendants

**STATEMENT OF CLAIM**

Notice of Action issued on July 25, 2012

1 The Plaintiffs, Media House Capital (Canada) Corp (incorrectly identified in the title of proceedings as "Media Canada House (Capital) Corp ") ("Media House"), Aaron Gilbert ("Gilbert") and David Bodanis ("Bodanis"), claim against the Defendants as follows

- (a) Gilbert claims as against William Santor for the repayment of personal loans in the amount of \$55,000 00,
- (b) Bodanis claims as against William Santor for the repayment of persona loans in the amount of \$125,000 00,
- (c) In addition to the foregoing, the Plaintiffs claim as against all of the Defendants, on a joint and several basis

This is Exhibit 1 referred to in the  
affidavit of T. Sanghera  
sworn before me, this 22  
day of Dec 2012.  
A COMMISSIONER FOR TAKING AFFIDAVITS

- (i) Damages for breach of contract, conversion, fraudulent and/or negligent misrepresentation in the amount of the sum of \$2,000,000 00,
- (ii) Pre-judgment interest in accordance with section 128 of the *Courts of Justice Act*, R S O 1990, c C 43, as amended,
- (iii) Post-judgment interest in accordance with section 129 of the *Courts of Justice Act*, as amended,
- (iv) All applicable goods and services tax and/or harmonized sales tax,
- (v) Costs of this proceeding on a substantial indemnity basis, and,
- (vi) Such further and other relief as to this Honourable Court may seem just

### The Parties

2 The Plaintiff, Gilbert, is an individual who resides in the City of Port Moody in the Province of British Columbia. Gilbert is the President and Director of the Plaintiff Media House, and is an executive producer of many motion pictures.

3 The Plaintiff, Bodanis, is an individual who resides in the City of Toronto in the Province of Ontario. Bodanis is Secretary and a Director of Media House.

4 Media House is a corporation incorporated pursuant to the laws of Canada and is registered inter-provincially in British Columbia and Ontario. Media House carries on business as a debt lender in the independent motion picture industry.

5 The Defendant, Prosapia Wealth Management Ltd ("Prosapia"), is a corporation incorporated pursuant to the laws of the Province of Ontario. Prosapia carries on business in Ontario as a financial advisor and a manager of investment portfolios.

6 The Defendant, William Santor ("Santor"), is an individual who resides in the City of Burlington in the Province of Ontario. Santor is Prosapia's President and Chief Executive Officer.

### **Overview**

7 Starting in or about October, 2009, Santor, on his own behalf and on behalf of Prosapia, approached Gilbert and Bodanis proposing to enter into a business venture to create a pool of funds from investors, which would be invested in independent motion picture projects. As set out in greater detail below, this business venture was eventually incorporated as Media House in January, 2011.

8 During the course of their business relationship with Santor and Prosapia, Gilbert and Bodanis learned that Santor had grossly misrepresented his experience, his ability to raise financing, various transactions, as well as his control and authority to deal with investor funds, which caused Media House to enter into agreements and commitments that it was unable to meet and was destined to breach. As a result, Gilbert, Bodanis and Media House incurred losses and damages for which the Defendants are jointly and severally liable.

9 In addition, over the course of their business relationship, at Santor's request, Gilbert and Bodanis made several personal loans to Santor and paid for many personal expenses on Santor's

behalf and on Santor's assurances that he would repay them all of these amounts. Notwithstanding demands, Santor has not repaid these amounts, which are due and payable

### **Inception of the Relationship**

10 In or about October, 2009, Santor approached Gilbert and asked Gilbert whether he was interested in entering into a venture which would invest in motion picture productions. Santor approached Gilbert because of Gilbert's knowledge and experience in the motion picture industry as an executive producer of motion pictures. Santor understood that Gilbert would be able to help identify motion picture productions in which investments could be made.

11 At or about the same time, Santor also approached Bodanis seeking Bodanis's interest to participate in this venture. Santor knew that Bodanis was involved in philanthropic fundraising and was connected with individuals who may be interested in investing funds in motion picture productions.

12 When he first approached Gilbert and Bodanis, Santor represented that he was then in the process of arranging financing of \$60,000,000.00 for two major Hollywood motion picture productions with business partners using the name TriStar Film Finance Corp. ("TriStar"), each of which would receive \$30,000,000.00.

13 When Santor first approached Gilbert and Bodanis, he held himself out as representing an entity called "Prosapia Film Financing", which was looking to invest investor funds between \$60,000,000.00 and \$100,000,000.00 in motion picture productions. Santor also represented that he had unfettered control over approximately \$5,000,000.00 in client accounts and had the authority and discretion to invest these funds on the clients' behalf.

14 Santor represented to Gilbert and Bodanis that the business venture he proposed would use investor funds under his control in Prosapia to invest in motion picture productions. He advised that the business venture had been incorporated as Media House Capital (Canada) Corp at the end of 2009. As detailed below, Gilbert and Bodanis later discovered that Santor had not incorporated Media House, notwithstanding that Media House entered into a variety of contractual agreements using this corporate name.

15 From in or about December, 2009 to in or about March, 2011, Media House entered into a number of motion picture production financing agreements. Ultimately, each of these financing agreements had to be posted as security in order to arrange for bridge financing to prevent Media House from defaulting on its financing commitments, which defaults were occasioned by Santor and Prosapia's inability to raise financing as represented. Particulars of these agreements are detailed in paragraphs 16 through 38 below.

#### ***Daydream Nation Financing***

16 In February, 2011, Media House acquired rights under loans that were made to DDN Production, a corporation that was incorporated for the purpose of producing the motion picture, *Daydream Nation*.

17 On December 4, 2009, DDN Production entered into an agreement with TriStar Film Finance Corp ("Tristar") to fund the production of the film. On January 8, 2010, Tristar used funding provided by Prosapia to arrange a loan of \$800,000.00 to DDN Production and entered into ancillary security agreements to perfect TriStar's security. For ease of reference all of the arrangements referred to in this paragraph will be referred to collectively as the "*Daydream Nation* Loan Agreements".

18 The security posted by DDN Production for the *Daydream Nation* Loan Agreements was the right to proceeds from unsold territories and a further security interest in all other elements of the film

19 On September 10, 2010, Tristar, Prosapia and related entities entered into an agreement by which all rights, title and interest in the *Daydream Nation* Loan Agreements were assigned to Prosapia. On February 16, 2011, Prosapia assigned its rights, title and interest in the *Daydream Nation* Loan Agreements to Media House

### ***Paradox Financing***

20 Also in or about February, 2011, Media House acquired rights under loans that were made to GBP Paradox Films Inc ("GBP"), a corporation that was incorporated for the purpose of producing the motion picture, *Paradox*

21 On December 18, 2009, TriStar entered into a Credit Facility Agreement with GBP by which TriStar loaned \$755,000.00 to GBP in exchange for a secured interest in the tax credits that the production was expected to receive, estimated at \$916,127.00. Between December 22, 2009 and February 19, 2010, other security agreements were entered into to perfect TriStar's interest. For ease of reference, all of the arrangements referred to in this paragraph are referred to collectively as the "*Paradox Loan Agreements*"

22 As with the *Daydream Nation* Loan Agreements, on September 10, 2010, Tristar, Prosapia and related entities entered into an agreement by which all rights, title and interest in the *Paradox* Loan Agreements were assigned to Prosapia. On February 16, 2011, Prosapia assigned its rights, title and interest in the *Paradox* Loan Agreements to Media House

***I Melt With You Financing***

23 In or about July, 2010, Media House entered into a loan agreement with the film production company, I Melt With You Productions LLC, which was incorporated to fund the production of the motion picture, *I Melt With You*

24 Under that loan agreement, Media House loaned \$725,000 00 to I Melt With You Productions LLC in exchange for a first position interest in the worldwide sales generated by the film

***Janie Jones Financing***

25 In or about August, 2010, Media House entered into a loan agreement with Janie Jones LLC, which was incorporated to fund the production of the motion picture, *Janie Jones*

26 Under this loan agreement, Media House loaned \$1,350,000 00 to Janie Jones LLC, which was secured by an interest in the tax credits that the film was expected to receive, estimated at \$1,419,419 00

***Foreverland Bridge Financing***

27 In November, 2010, Gilbert identified the production of the motion picture *Foreverland* as a strong prospective investment for Media House. Gilbert was a producer for *Foreverland*. Santor agreed that Media House should fund a \$1,200,000 00 loan to *Foreverland* and assured Gilbert that Prosapia would provide the capital to Media House to fund the production.

28 Santor had represented to Gilbert that these funds that would be provided by Prosapia had been committed by and from Alan Plaunt ("Plaunt") who was (both alone and together with



family members) one of Prosapia's principal and significant clients whose investment portfolios were managed by Santor and Prosapia. As further described below, this loan did not materialize.

29 In addition to Plaunt, Santor had represented to Gilbert and Bodanis that he had discretionary authority to invest up to \$5,000,000.00 from his clients' accounts as he, Santor, saw fit.

30 Based on Santor's representation that Media House would have sufficient funds to make the \$1,200,000.00 loan to fund the *Foreverland* production, Gilbert continued to work on pre-production and preparation for production of the film.

31 On or about December 17, 2010, Santor continued to provide Gilbert with assurances that he was pooling investors for the *Foreverland* project. However, at the same time, he also advised that Media House's bank account had been frozen by the Court on account of his, Santor's, non-payment of child support obligations.

32 On or about December 28, 2010, Santor advised Gilbert and Bodanis that Plaunt had refused to invest any further funds in motion picture productions until he recovered amounts owed to him from other motion picture production investments.

33 On or about January 14, 2011, Santor advised Gilbert that the loan to fund the *Foreverland* production would be advanced by one or more investors other than Plaunt. Based on this representation, on January 17, 2011, Gilbert executed a loan agreement (the "*Foreverland* Loan Agreement") on behalf of Media House to provide a loan of \$1,200,000.00 for the production of *Foreverland*.

34 Soon after the *Foreverland* Loan Agreement was executed, Gilbert and Bodanis realized that Santor's alternate investors would not be providing the capital with Media House and that Media House was likely to default on the *Foreverland* Loan Agreement

35 When Santor's investors did not materialize, by mid-February, 2011, Media House entered into negotiations with 120dB Film Finances LLC ("120dB") to obtain bridge financing so that it would not default on its obligations under the *Foreverland* Loan Agreement. Ultimately, 120dB agreed to provide bridge financing in the amount of \$1,000,000.00 to Media House, which was secured by Media House posting as security all of its loans to the *Daydream Nation*, *Paradox*, and *I Melt With You* productions

36 By posting the security that it held in respect of all these other financings, Media House essentially provided its entire revenue stream to 120dB in exchange for the bridge financing that was required by Santor's failure to raise the investor financing as promised and represented

37 The 120dB bridge financing was for a period of 90 days, after which interest started to accrue at 5% per month, compounded monthly

38 Ultimately, Gilbert was able to identify another lender to take Media House's place pursuant to the *Foreverland* Loan Agreement and the bridge financing with 120dB was paid and extinguished on October 18, 2011

#### **Losses in Connection with *Foreverland* Bridge Financing**

39 As a result of the bridge financing that Media House required on the *Foreverland* project and the Defendants' misconduct as detailed above, Media House incurred considerable losses, including, but not limited to

- (a) \$287,968.25 in interest charges,
- (b) \$29,000.00 of an "origination fee" to 120dB,
- (c) \$31,000.00 in legal fees owed to 120dB,
- (d) \$140,000.00 in lost overhead, including Media House's own legal fees,
- (e) \$10,500.00 in legal fees payable to National Bank of Canada for legal fees to address the assignment *Daydream Nation* Loan Agreements,

40 Media House states that the Defendants are jointly and severally to Media House for these amounts

#### ***Syrup Financing***

41 In or about May, 2011, Santor entered into discussions with Crystal Wealth Management System Limited ("Crystal Wealth") about establishing a film financing fund that Media House would administer. Santor represented to Gilbert and Bodanis that Crystal Wealth was interested in this arrangement and would finance film productions that Media House would administer.

42 Based on Santor's representations that financing would be available through Crystal Wealth, on May 10, 2011, Media House entered into negotiations with the producers of the motion picture *Syrup* regarding a \$1,520,000.00 gap loan.

43 Based on Santor's repeated assurances and representations that funds would be available through Crystal Wealth by June 15, 2011, Media House entered into a loan agreement with *Syrup*'s producers on June 17, 2011.

44 On or about June 23, 2011, Santor advised Syrup's producers that the delay in advancing the loan funds was due to a "technicality" In reality and contrary to Santor's representations, Gilbert and Bodanis later learned that Crystal Wealth was in no position to finance the loan to fund the Syrup production Moreover, Gilbert and Bodanis later discovered that Crystal Wealth did not trust Santor and had no intention of entering into any arrangement with him

45 On June 29, 2011, Gilbert had to meet with Crystal Wealth and its counsel to persuade Crystal Wealth to disengage Media House from the loan agreement with *Syrup's* producers Media House incurred legal fees and additional costs to unwind itself from the loan agreement with Syrup's producers in the amount of \$45,000 00, for which Media House states the Defendants are jointly and severally liable and responsible

46 The Plaintiffs state and the fact is that the representations referred to by Santor above were each fraudulent (or in the alternative negligent) misrepresentations that were made by Santor on his own behalf and on behalf of Prosapia These representations were false and were intended by Santor to induce the Plaintiffs to enter into and to continue within the business venture proposed by Santor, which ultimately incorporated as Media House

47 Furthermore, the Plaintiffs state that they were induced by the misrepresentations made by Santor and entered into and continued with the Media House business venture based upon the misrepresentations made by Santor As a result, the Plaintiffs incurred losses and damages as described herein

### **Personal Loans Owed by Santor**

48 Starting in or about June, 2010, Santor began making requests of Bodanis to personally loan funds to Media House, which Santor undertook to repay. Santor claimed that Media House had run short of operating capital as a result of Santor's previous dealings with a former business partner. As a result of Santor's requests, on or about June 15, 2010, Bodanis loaned Santor \$75,000.00 by bank draft made out to Prosapia, as requested by Santor.

49 In or about October, 2010, Santor advised Bodanis and Gilbert that he was experiencing personal hardship and asked both Bodanis and Gilbert for personal loans in order to meet personal obligations, which Santor agreed to repay. In particular, Santor advised that he was in significant arrears in respect of his child support obligations, which could have created significant problems for Media House, as the Family Responsibility Office could suspend Santor's passport and preclude Santor from travelling to pursue Media House's business.

50 Commencing in or about October, 2010, Bodanis started to personally incur expenses for Santor's benefit in order to allow Santor to meet his personal obligations, including his child support obligations. The total amount of Santor's expenses that Bodanis paid for Santor's benefit is estimated to be \$35,000.00.

51 On November, 15, 2010, Gilbert loaned Santor \$25,000.00 by wiring funds to Prosapia's account with RBC Private Banking. Santor assured Gilbert that the loan would be repaid within two to three weeks.

52 In December, 2010, Bodanis assisted in arranging a function to take place at the Woodbine Banquet Hall to raise funds for a local charity known as "Jake's House". In support

of this fundraiser, Santor committed a \$10,000 00 donation on behalf of one of his Prosapia clients. When Santor was unable to make payment on this commitment, he requested that Bodanis personally pay this amount which Santor would repay to Bodanis.

53 In early April, 2011, Santor requested that Gilbert charge two tickets to the Lion King production onto his credit card for \$383 00. Santor promised that he would repay Gilbert for the charge. Gilbert agreed to and did incur this expense.

54 In addition to the foregoing, Gilbert personally and through his corporation, Bron Studios Inc., provided tens of thousands of dollars to fund Media House's operations, which the Defendants promised to repay. The further particulars of these loans will be provided prior to trial.

55 Therefore, the particulars of the personal loans borrowed by Santor (not including the loans by Gilbert and Bron Studios Inc.), which Santor agreed to repay and which, notwithstanding demands, remain due and owing are:

(a) To Bodanis \$125,000 00

(b) To Gilbert [please confirm - \$25,383 00]

56 The Plaintiffs state and the fact is that all of the amounts set out above from paragraphs 48 to 55 were personal loans made by Bodanis and/or Gilbert to Santor and were each enforceable contractual loan agreements. In every case, Santor promised to repay the amount of

the loans. To date, notwithstanding demand, none of the loans have been repaid and all remain outstanding.

57 The Plaintiffs also pleads and rely upon the tort of conversion. The Plaintiffs had clear legal ownership and unconditional right of possession over the funds loaned as detailed from paragraphs 48 to 55. Instead, those funds were diverted to or otherwise used to the benefit of Santor and/or Prosapia who deliberately and wrongfully interfered with the Plaintiffs' possessory rights to the loaned funds. Accordingly, the Defendants are liable to the Plaintiffs for conversion.

58 The Plaintiffs therefore claim that the Defendants are therefore liable and responsible to pay the amounts set out above.

59 The Plaintiffs propose that this action be tried at Toronto, Ontario.

August 23, 2012

**TORKIN MANES LLP**  
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Toronto ON M5C 2W7

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Lawyers for the Plaintiffs,  
Media Canada House (Capital) Corp., Aaron  
Gilbert and David Bodanis.

RCP-E 14D (July 1, 2007)

MEDIA CANADA HOUSE (CAPITAL) CORP , ET AL  
Plaintiffs

-and- WILLIAM SANTOR. ET AL  
Defendants

Court File No CV-12-459685



**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
PROCEEDING COMMENCED AT  
TORONTO

**STATEMENT OF CLAIM**

**TORKIN MANES LLP**  
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Lawyers for the Plaintiffs Media Canada House (Capital)  
Corp , Aaron Gilbert and David Bodanis

RCP-E 4C (July 1, 2007)



Court File No CV-12 459685

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

BETWEEN

MEDIA CANADA HOUSE (CAPITAL) CORP , AARON GILBERT and  
DAVID BODANIS

Plaintiffs

-and-

WILLIAM SANTOR and PROSAPIA WEALTH MANAGEMENT LTD

Defendants

**NOTICE OF ACTION**

TO THE DEFENDANT(S)

A LEGAL PROCEEDING HAS BEEN COMMENCED AGAINST YOU by the Plaintiff. The Claim made against you is set out in the Statement of Claim served with this Notice of Action.

IF YOU WISH TO DEFEND THIS PROCEEDING, you or an Ontario lawyer acting for you must prepare a Statement of Defence in Form 18A prescribed by the *Rules of Civil Procedure*, serve it on the Plaintiff's lawyer or, where the Plaintiff does not have a lawyer, serve it on the Plaintiff, and file it, with proof of service, in this court office, **WITHIN TWENTY DAYS** after this Notice of Action is served on you, if you are served in Ontario.

If you are served in another province or territory of Canada or in the United States of America, the period for serving and filing your Statement of Defence is forty days. If you are served outside Canada and the United States of America, the period is sixty days.

Instead of serving and filing a Statement of Defence, you may serve and file a Notice of Intent to Defend in Form 18B prescribed by the *Rules of Civil Procedure*. This will entitle you to ten more days within which to serve and file your Statement of Defence.

IF YOU FAIL TO DEFEND THIS PROCEEDING, JUDGMENT MAY BE GIVEN AGAINST YOU IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU. IF YOU WISH TO DEFEND THIS PROCEEDING BUT ARE UNABLE TO PAY LEGAL FEES, LEGAL AID MAY BE AVAILABLE TO YOU BY CONTACTING A LOCAL LEGAL AID OFFICE.

## **CLAIM**

The Plaintiffs' claim is for

1 Damages and losses sustained and incurred as a consequence of the Defendants' fraud, negligence, conversion and breach of contract in connection with various loans, fees and misrepresentations

2 The Plaintiffs claim in the order of \$2,000,000 00, together with interest and costs, for which the Defendants are jointly and severally liable

July 25, 2012

**TORKIN MANES LLP**  
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Media Canada House (Capital) Corp , Aaron  
Gilbert and David Bodanis

RCP-E 14C (July 1, 2007)

Date July 25, 2012 Issued by N. MOHAMMED-HAFIAMAN  
Local Registrar

Address of  
court office 393 University Avenue, 10th Floor  
Toronto, Ontario M5G 1E6

TO William Santor  
249 Lakeside Avenue  
Burlington, Ontario  
L7N 1Y4

AND Prosapia Wealth Management Ltd  
TO 1100 Burloak Drive  
Burlington, Ontario  
L7L 6B2

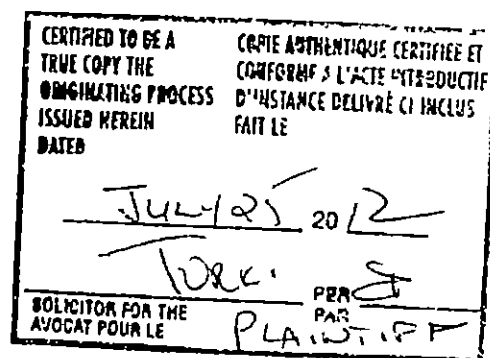
MEDIA CANADA HOUSE (CAPITAL) CORP, ET AL  
Plaintiffs

-and- WILLIAM SANTOR, ET AL  
Defendants

Court File No CV 12-459685

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
  
PROCEEDING COMMENCED AT  
TORONTO

**NOTICE OF ACTION**



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Corp, Aaron Gilbert and David Bodanis

RCP-E 4C (July 1 2007)

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

BETWEEN

**MEDIA CANADA HOUSE (CAPITAL) CORP., AARON GILBERT and  
DAVID BODANIS**

Plaintiffs  
(Defendants by Counterclaim)

- and -

**WILLIAM SANTOR and PROSAPIA WEALTH MANAGEMENT LTD**

Defendants  
(Plaintiffs by Counterclaim)

**STATEMENT OF DEFENCE AND COUNTERCLAIM**

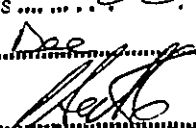
**I DEFENCE**

**A Admissions and denials**

1 The defendants, William Santor ("Santor") and Prosapia Wealth Management Ltd ("Prosapia"), admit the allegations at paragraphs 2-6, 17-19 and 21-25 of the Statement of Claim

2 The defendants deny the balance of the allegations in the Statement of Claim and, in particular, deny that the Plaintiffs, Media House Canada (Capital) Corp ("Media House"), Aaron Gilbert ("Gilbert") and David Bodanis ("Bodanis"), are entitled to any of the relief claimed in paragraph 1 of the Statement of Claim

This is Exhibit 2 referred to in the  
affidavit of T. Sanghera  
sworn before me, this 22  
day of Dec 2023

  
A COMMISSIONER FOR TAKING AFFIDAVITS

## B Overview

3 The defendant (plaintiff by counterclaim), Santor, is the President and Chief Executive Officer of the defendant (plaintiff by counterclaim), Prosapia. Santor was also a principal of the plaintiff (defendant by counterclaim) Media House until the events described below.

4 Santor founded Media House with Gilbert (a film producer) and Bodanis (a charity organizer) to carry on business as a lender in the independent motion picture industry. In July and August 2010, Media House borrowed \$2,075,000 from Prosapia in order to make two loans to independent film productions. It has not repaid these loans.

5 In January 2011, Gilbert committed Media House to loan \$1,200,000 that it did not have to a film that he was co-producing. Gilbert and Bodanis then convinced Santor to assign two loans owned by Prosapia, with an aggregate value of \$1,555,000, to Media House so that Media House could post them as collateral to secure bridge financing for Gilbert's film. Although Prosapia's loans are no longer required as collateral, Media House has retained these loans and used their proceeds for its own purposes.

6 In all, Media House received cash and other assets worth over \$3,600,000 from Prosapia. Gilbert and Bodanis obtained these assets for Media House by promising, in their personal capacities and on behalf of Media House, that (i) all of the funds advanced by Prosapia would be re-paid with interest, (ii) all of the loans assigned to Media House would be assigned back to Prosapia once they were no longer needed as collateral, and (iii) Santor was, or would be, the beneficial owner of at least one third of Media House's shares.

7 Media House, Gilbert and Bodanis have not kept their promises. Media House has not re-paid any of the amounts advanced by Prosapia or returned any of the loans assigned by Prosapia and Gilbert. Bodanis purport to be the sole owners of Media House.

8 Gilbert, Bodanis and Media House now have the temerity to claim still further amounts from Santor and Prosapia. As is set out in detail below, all of the allegations against Santor and Prosapia are wholly without merit. Santor made no misrepresentations, let alone fraudulent misrepresentations, breached no contract and did not convert any of the plaintiffs' property. The plaintiffs' suit is a transparent attempt to avoid responsibility for their own actions that should be dismissed with costs on an elevated scale as a result of the plaintiffs' decision to make allegations of fraud that they cannot substantiate.

9 Gilbert, Bodanis and Media House are not entitled to any damages from Santor or Prosapia. To the contrary, the plaintiffs have enjoyed the fruits of Santor's hard work and Prosapia's assets. Without Santor and Prosapia, Media House would have been a lender without any money to lend and it would not exist today. Santor and Prosapia have not received anything in return from Media House or the individual plaintiffs and, by the counterclaim set out below, seek to

- (a) hold the plaintiffs to the promises they made,
- (b) recover the damages they have suffered as a result of the plaintiffs' wrongdoing, and,
- (c) receive fair compensation for their respective contributions to Media House in accordance with their contractual rights and reasonable expectations.

## **C Background**

10 The venture that ultimately became Media House began at a meeting convened in November 2009 by Michael Olsen ("Olsen") in Los Angeles to discuss the creation of a new company that would identify and fund loans to the producers of independent motion pictures. This meeting was attended by Santor, Gilbert, Alex Krawtchenko ("Krawtchenko"), Bernie McLanson and Peter Roach ("Roach")

---

11 The business model discussed at the November 2009 meeting, which evolved over time, was to fund loans privately through sources known to the attendees of the November 2009 meeting and then, once the new company gained credibility and experience, to launch an investment fund that would be marketed to sophisticated investors and would purchase loans originated by the proposed film financing company.

12 In the period following the November 2009 meeting, Olsen, Santor, Gilbert, Krawtchenko and Roach agreed that they would work together to identify promising independent films and to raise the money necessary to fund loans to the companies that were making these films through Tristar Film Finance Corp ("Tristar")

13 Contrary to the allegation at paragraph 7 of the Statement of Claim, Bodanis was not involved in Tristar and did not learn of, or participate in, any film financing venture relevant to this proceeding until after Gilbert and Santor left Tristar in May 2010.

14 Contrary to the allegations at 12 of the Statement of Claim, Santor never told Gilbert or Bodanis that he was in the process of raising \$60,000,000 for two major Hollywood motion picture productions through Tristar. Gilbert and Santor were introduced to Tristar at the same time and, at all material times, Gilbert knew that Tristar was founded by Olsen.



15 Contrary to the allegation at paragraph 14 of the Statement of Claim, Santor did not represent to Gilbert and Bodanis that Media House had already been incorporated in 2009. At all material times both Gilbert and Bodanis were aware of, and participated in, Media House's corporate arrangements including discussions with counsel relating to when and how Media House would be incorporated.

16 Similarly, contrary to paragraph 14 of the Statement of Claim, Santor never represented to Gilbert or Bodanis that he intended to use investor funds already under his control to fund all of the loans that Tristar or Media House planned to make. Both Tristar and Media House planned to fund their loans through the investment fund described above.

17 Furthermore, at all material times, Santor made it clear that Prosapia had a fiduciary obligation to its clients and could only invest client funds in a manner that was consistent with each client's risk tolerance, goals and, in the case of all of Prosapia's non-discretionary accounts, instructions.

18 Santor did advise Gilbert, and later Bodanis, that some Prosapia clients might be potential investors for their proposed film financing venture and, as is described below, Prosapia made significant investments in loans made by Tristar and later Media House. In fact, both Tristar and Media House borrowed from Prosapia every dollar they loaned to film companies between November 2009 and January 2011.

19 In any event, the plaintiffs have failed to provide any particulars in respect of the damages that they allegedly suffered as a result of the misrepresentations alleged at paragraphs 12-14 of the Statement of Claim. The defendants reserve their right to strike paragraphs 12-14 of the Statement of Claim on that basis.

20 Santor and Gilbert were both actively involved in Tristar's business between November 2009 and May 2010. During that period, Tristar loaned approximately \$1,575,000 to two motion pictures. In particular:

- (a) in December 2009, Tristar loaned \$800,000 to DDN Productions Inc. to fund the film "Daydream Nation" (the "Daydream Nation Loan", which is described at paragraphs 17-19 of the Statement of Claim), and,
- (b) also in December 2009, Tristar loaned \$775,000 to GBP Paradox Films Inc. to fund the film "Paradox" (the "Paradox Loan", which is described at paragraphs 20-22 of the Statement of Claim).

21 All of the amounts that Tristar advanced pursuant to the Paradox Loan and Daydream Nation Loan were loaned to Tristar by Prosapia.

22 Beginning in January 2010, Santor expressed doubts about Olsen's management of Tristar. Gilbert asked Santor if he intended to continue his involvement with Tristar and said that he would not continue with Tristar if Santor departed. Santor advised Gilbert that he was not planning to leave Tristar and Gilbert responded that he would also remain at Tristar.

23 Gilbert's concerns about Olsen's handling of Tristar's affairs were not resolved and, in May 2010, Gilbert, Roach Krawtchenko and Santor decided to leave Tristar and start a new film financing company. This company was ultimately incorporated as Media House.

24 As set out above, Prosapia had funded both the Daydream Nation Loan and the Paradox Loan and so both of these loans were assigned to Prosapia as part of the arrangements that effected Santor's departure from Tristar.

**D The founding of Media House**

25 As described above, Bodanis was not involved in Tristar. Santor approached Bodanis in May 2010 on behalf of Gilbert, Roach and Krawtchenko to ask if he might be interested in participating in the new film financing company they were contemplating. Santor, Gilbert and Bodanis ultimately agreed to form Media House and to divide its equity between them. In particular, Gilbert, Santor and Bodanis agreed that Santor would receive an equity interest in Media House commensurate with his contribution to Media House's development and that, in any event, Santor would receive not less than one third of all of the shares issued by Media House. Santor also had a reasonable expectation that his efforts, which are described below, would be rewarded with an equity interest in Media House that was greater than, or at least equal to, one third of Media House's total equity.

26 The parties also discussed granting smaller equity interests in Media House or its related companies to Roach and Krawtchenko after Media House's business was established.

27 Bodanis agreed to provide \$300,000 in working capital to Media House in May 2010 but, after an initial investment of \$75,000, Bodanis did not invest any further capital in Media House despite his assurances in June 2010 that the promised funds had "been secured" and "would not be a problem."

28 Notwithstanding Bodanis' failure to provide the working capital that he promised, Media House was able to fund two loans in the summer of 2010 using monies loaned to it by Prosapia. In particular

- (a) In July 2010, Prosapia loaned \$725,000 to Media House to fund a loan to I Melt With You Productions LLC in respect of the production "I Melt With You" (the "I Melt With You Loan"), and,

- (b) In August 2010, Prosapia loaned \$1,350,000 to Media House to fund a loan to Janie Jones LLC in respect of the production "Janie Jones" (the "Janie Jones Loan")

29 Media House and Prosapia agreed that Media House would earn income by charging each of the borrowers identified above an origination fee and that all principal, interest and fees earned in respect of the I Melt With You Loan and the Janie Jones Loan would be collected by Media House and then paid over to Prosapia. The Janie Jones Loan and the I Melt With You Loan each granted Media House a residual interest in the film's earnings after the relevant loan had been repaid. Media House and Prosapia agreed to split any such residual payments evenly between them.

30 Media House also agreed that it would act diligently to collect amounts owed in respect of the Janie Jones Loan and the I Melt With You Loan in a timely manner.

31 Gilbert co-ordinated the preparation of the loan documents relating to the I Melt With You Loan and the Janie Jones Loan on behalf of Media House. He represented to Santor, Prosapia and Media House that he had received all appropriate legal assistance and advice and that the I Melt With You Loan and the Janie Jones Loan were properly secured and fully enforceable.

#### **E Delayed repayment of the I Melt With You Loan and the Janie Jones Loan**

32 As a result of Gilbert's acts and omissions, which are described below, repayment of each of the I Melt With You Loan and the Janie Jones Loan took significantly longer than was initially anticipated. These delays hindered Media House's ability to fund further loans, repay its debts and attract new investors.

33 The producers of Janie Jones represented to Media House that the Janie Jones Loan would be repaid as early as eight months from the date that funds were advanced and, in any event, no later

than 18 months from that date. Gilbert, however, did not ensure that these representations were incorporated into the Janie Jones Loan or that Media House's position would be properly secured if repayment was not made in a timely manner. As a result, recovery of the Janie Jones Loan took significantly longer than expected. In an e-mail explaining why Media House had not yet repaid the funds it had borrowed from Prosapia in respect of the Janie Jones Loan, Gilbert admitted that the closing documentation relating to the Janie Jones Loan, which he had overseen on behalf of Media House, was "not strong enough" and did not "insure [Media House] had recourse, options and controls as needed in the event something went wrong."

34 Difficulties with collection of the Janie Jones Loan were exacerbated by Gilbert's refusal to press the producer of Janie Jones, Keith Kjarval, for repayment, or even detailed information about the status of the film. Santor later learned that Gilbert was co-producing another film with Kjarval and did not want to jeopardize his relationship with Kjarval by aggressively pursuing repayment of the Janie Jones Loan.

35 Similarly, Gilbert failed to ensure that the projected timelines for repayment of the I Melt With You Loan were incorporated into the loan documents that he executed on behalf of Media House and, as a result, recovery took significantly longer than anticipated.

36 The Paradox Loan was secured by, and was to be repaid from, certain tax credit proceeds related to Paradox. In order to obtain the anticipated tax credits the borrower had to take various steps to satisfy the appropriate authorities that the tax credits were due and payable. Gilbert was a producer of Paradox and he had direct control of the steps required to obtain the amounts that secured the Paradox Loan. Accordingly, Gilbert was primarily responsible for administering the Paradox Loan while it was owned by Tristar and continued to provide assistance to Prosapia after the Paradox Loan was assigned to Prosapia. Gilbert was not diligent in ensuring that the steps required

to secure the tax credit proceeds payable to the production company that owed the Paradox Loan were taken and, as a result, repayment of the Paradox Loan did not occur on schedule. Gilbert acknowledged these delays in his e-mail to Santor dated July 7, 2011:

I am guilty for delays as well as I got distracted on other things and didn't put enough attention to detail

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**F The Foreverland Loan**

37 In December 2010, Gilbert identified a new film titled "Foreverland" as a potential investment opportunity for Media House. Gilbert was one of the producers of Foreverland and he urged Santor to raise \$1,200,000 through Prosapia and loan it to Media House for investment in Foreverland (the "Foreverland Loan").

38 At paragraphs 28-36 of the Statement of Claim, the plaintiffs allege that Santor induced Media House to commit \$1,200,000 to the producers of Foreverland by making fraudulent misrepresentations about his ability to raise funds for the Foreverland Loan. These allegations, which are at the core of the plaintiffs' claim against Santor and Prosapia, are all demonstrably false.

39 When Gilbert asked Santor to raise funds for Foreverland, Prosapia had funded \$3,630,000 in loans to the producers of independent films through Tristar and Media House. All of these funds had been drawn from accounts held by Alan Plaunt ("Plaunt"), and entities that he controlled. Plaunt's accounts at Prosapia were non-discretionary accounts and he had to specifically approve each investment made on his behalf by Prosapia. Plaunt had not received any repayment, let alone return, on the amounts invested by Prosapia through Tristar and Media House and advised Santor that he would not consent to any more of his funds being advanced to Media House until Prosapia was repaid the amounts that he had already advanced.

40 At paragraph 28 of the Statement of Claim, the plaintiffs allege that Santor told Gilbert that Plaunt had "committed" to fund the proposed Foreverland Loan. This is false. As set out above, Plaunt was not willing to invest in further films until his previous investments had been repaid. By e-mail dated December 28, 2010, Santor specifically advised Gilbert and Bodanis that Plaunt would not "do anything more until [his previous investments were] recouped in full."

41 In any event the plaintiffs admit (as they must) that Gilbert signed the Foreverland loan agreement on January 17, 2011 *after* being advised that Plaunt would not fund the loan and therefore the plaintiffs cannot have relied on the alleged misrepresentations with respect to Plaunt in entering into the loan agreements relating to Foreverland.

42 Contrary to the allegation at paragraph 29 of the Statement of Claim, Santor never represented to any of the plaintiffs that he had discretionary authority to invest client funds totalling up to \$5,000,000. Santor advised Gilbert and Bodanis that Prosapia clients might be prepared to move up to \$5,000,000 into the investment fund that Media House planned to establish once that fund was operational. Santor never represented that these funds would be invested in Foreverland, or in any specific loan. As is set out above, Prosapia had an obligation to all of its clients to only invest amounts held in discretionary accounts in accordance with each client's goals, risk tolerances and instructions. Neither Santor nor Prosapia ever had the ability or intention to invest client funds in a manner that would benefit Media House at the expense of clients. Santor did not, and would not, represent otherwise.

43 The plaintiffs allege, at paragraph 33 of the Statement of Claim, that Santor represented on January 14, 2011 that he had secured the amount required to fund the Foreverland Loan. This is not true. Throughout December 2009 and January 2010, Santor, together with Bodanis and Roach, worked diligently to secure funding for Foreverland. The plaintiffs were always accurately apprised of

the status of these efforts and always understood that the funds for the Foreverland Loan had not yet been secured. For example, on January 7, 2012, Santor copied Gilbert on an e-mail to potential investors describing the proposed loan to Foreverland. This e-mail made it clear that no funds had been committed to the Foreverland Loan.

44 Gilbert had represented to the other producers of Foreverland that Media House could provide the Foreverland Loan and so, although Media House had no legal obligations in connection with that loan, Gilbert felt that his personal reputation would suffer if Media House did not advance the Foreverland Loan. Accordingly, on or around January 17, 2011, Gilbert convinced Santor and Bodanis that Media House should agree to make the Foreverland Loan despite the fact that it did not have the funds that Gilbert wanted to promise to his fellow producers. Accordingly, on January 17, 2011, Gilbert executed a loan agreement and related documents committing Media House to the Foreverland Loan.

45 On or around February 1, 2011, Roach advised that he had secured funding for the Foreverland Loan from Steve Markoff ("Markoff"), co-chair of a Los Angeles based film financing company, but Gilbert refused to allow Media House to accept these funds because he disliked Markoff.

46 Media House's difficulties in securing funding for the Foreverland loan continued in January and February 2011. Media House therefore decided to secure a bridge loan from another motion picture financing company (the "Foreverland Bridge Loan") until the contemplated investment fund was operational and able to purchase the Foreverland Loan. Santor and Bodanis reached out to Devon Cranson ("Cranson"), the Principal of Cranson Capital, for assistance with securing the bridge loan that Media House required. Cranson ultimately introduced Media House to 120dB Film Finances LLC ("120dB"), a film financing company specializing in, among other things, bridge loans.



Media House, at Gilbert's insistence, subsequently refused to pay Cranson the finder's fee that it had promised in connection with the Foreverland Bridge Loan

**G The Assignment Agreement**

47 120dB was not satisfied that the security granted in connection with the Foreverland Loan was sufficient to ensure repayment of the Foreverland Bridge Loan. Media House offered to post the collateral that secured its other two loans, the Janie Jones Loan and the I Melt With You Loan, to secure Foreverland Bridge Loan but 120dB insisted that still more collateral was required. Accordingly, Gilbert asked Santor to allow Prosapia to post the Daydream Nation Loan and Paradox Loan as collateral to secure the Foreverland Bridge Loan.

48 Media House had no interest in the Paradox Loan or the Daydream Nation Loan and no right to receive any repayments or returns in respect of these loans. All of the funds loaned in connection with the Paradox Loan and the Daydream Nation Loan had been advanced by Prosapia and all of the rights associated with those loans belonged to Prosapia. In order to induce Prosapia to assign the Daydream Nation Loan and the Paradox Loan to Media House, Gilbert and Bodanis, on behalf of Media House, promised that Media House would

- (a) assign the Daydream Nation Loan and the Paradox Loan back to Prosapia once the Foreverland Bridge Loan was repaid, and,
- (b) pay all returns earned by Media House in connection with the Daydream Nation Loan and the Paradox Loan to Prosapia.

49 With Plaunt's permission, Santor and Prosapia agreed to assign the Paradox Loan and the Daydream Nation Loan to Media House. This assignment was made for the sole purpose of collateralizing the proposed bridge loan from 120dB.

the status of these efforts and always understood that the funds for the Foreverland Loan had not yet been secured. For example, on January 7, 2012, Santor copied Gilbert on an e-mail to potential investors describing the proposed loan to Foreverland. This e-mail made it clear that no funds had been committed to the Foreverland Loan.

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50 In order to satisfy 120dB that Media House had the authority to post the Daydream Nation Loan and the Paradox Loan as collateral, Gilbert asked Santor to execute an Assignment Agreement assigning Prosapia's right, title and interest in the Daydream Nation Loan and the Paradox Loan to Media House (the "Assignment Agreement")

51 Santor complied with Gilbert's request and executed the Assignment Agreement on or around February 16, 2011. Neither Santor nor Prosapia received independent legal advice, or any legal advice, in connection with the Assignment Agreement.

52 The written Assignment Agreement is not, and does not purport to be, the entire agreement between the parties with respect to the loans that it governs. In fact, the Assignment Agreement specifically refers to "other good and valuable consideration" given to Media House by Prosapia. This consideration included the various promises made by Gilbert and Bodanis on behalf of Media House to induce Santor and Prosapia to consent to the assignment of the Paradox Loan and the Daydream Nation Loan to Media House.

53 In the alternative to the foregoing, if the consideration listed at paragraph 52 above was not a part of the Assignment Agreement, then Prosapia's assignment of the Paradox Loan and the Daydream Nation Loan was induced by misrepresentations made by Gilbert and Bodanis on behalf of Media House with respect to the legal consequences of the Assignment Agreement. In this case, the Assignment Agreement is void and all rights relating to the Daydream Nation Loan and Paradox Loan, including the right to all security and proceeds associated with these loans, belong to Prosapia.

54. In the further alternative, the Assignment Agreement failed for lack of consideration. In particular, Prosapia purported to assign loans with an aggregate value of \$1,555,000 to Media House but, to date, it has received nothing in return.

H. Media House suffered no damages in connection with the Foreverland Bridge Loan and failed to mitigate any damages that it did suffer

55 The negotiation of the Foreverland Bridge Loan was significantly more lengthy, complex and expensive than was initially anticipated because the loan documents underlying Media House's loan portfolio, which had been prepared at Gilbert's direction, were deficient. With respect to the Janie Jones Loan, these documents were so unsatisfactory that 120dB simply refused to take the Janie Jones Loan as security and reduced the amount of the Foreverland Bridge Loan from \$1,200,000 to \$1,000,000. As a result of Gilbert's failure to ensure that Media House's loan portfolio was properly documented and secured, the Foreverland Bridge Loan did not close until May 2011.

56 As is set out above, Santor did not make any misrepresentations in connection with the Foreverland Loan. Media House, led by Gilbert and Bodanis, decided to proceed with the Foreverland Loan on the basis of a complete and accurate understanding of its position. In any event, Media House did not suffer any loss or damages in connection with the Foreverland Loan because all of the additional costs associated with the Foreverland Bridge Loan were passed on to the borrower as part of the closing of the Foreverland Loan.

57 In the alternative, the damages claimed in connection with the Foreverland Bridge Loan are remote, excessive and unmitigated. As is set out above, Roach identified a significantly less expensive source of funding for the Foreverland Loan but Gilbert refused to accept this funding because of his personal dislike for its source. Any losses associated with the Foreverland Bridge Loan flow from Gilbert's unreasonable refusal to accept these funds and not from any of the representations allegedly made by Santor (which representations are specifically denied).

58 In any event, Media House had no obligation to enter into the Foreverland Bridge Loan and could have delayed funding the Foreverland Loan until a more reasonably priced source of funds was

identified Gilbert caused Media House to enter into the Foreverland Bridge Loan to benefit Foreverland's producers (including himself) and protect his relationship with his fellow producers of Foreverland. Santor and Prosapia are not responsible for the cost of choices that Gilbert made to further his own reputation.

59 In addition, the costs associated with the Foreverland Bridge Loan would have been decreased or avoided altogether if Gilbert and Bodanis had taken reasonable steps to collect amounts owed to Media House. Gilbert and Bodanis' failure to collect amounts owed to Media House limited the cash on hand at Media House and made it significantly more difficult to attract funds to Media House. Gilbert specifically acknowledged the effect that Media House's failure to repay funds to Prosapia and Plaunt had on its ability to attract funding in his e-mail dated July 7, 2011:

With [Plaunt] we obviously want to get him repaid as quickly as possible. Hopefully we'll be able to book some of this revenue towards his recoupment thus allowing him to bring with confidence some of his other colleagues to the table.

60 The plaintiffs' allegation that Santor fraudulently induced Media House to commit to the Foreverland Loan was conceived long after the events in question in order to justify Gilbert, Bodanis and Media House's refusal to repay Prosapia the amounts it advanced to fund the Janie Jones Loan and the I Melt With You Loan, return the collateral posted by Prosapia to secure the Foreverland Bridge Loan and grant Santor the equity interest in Media House that he was promised. Gilbert and Bodanis did not suggest that Santor had made any misrepresentation – let alone a fraudulent misrepresentation – during the negotiation of the Foreverland Bridge Loan or at any point prior to March 2012 and continued to work with Santor for more than ten months after the allegedly fraudulent misrepresentations.

**I Gilbert and Bodanis terminate Roach and Krawtchenko**

61 Gilbert began expressing concerns with respect to Krawtchenko's contribution to Media House in the August 2010 during a trip to visit the set of I Melt With You in Big Sur, California. In March 2011, Gilbert convinced Roach, Santor and Bodanis that Krawtchenko should be terminated. Accordingly, Gilbert, on behalf of Media House, negotiated a termination agreement with Krawtchenko whereby Krawtchenko was to receive \$25,000 and an interest in the returns earned by Media House on certain loans. To date, Media House has failed to pay any amount to Krawtchenko.

62 Similarly, in May 2011, Gilbert convinced Santor and Bodanis to terminate Roach as a result of Roach's alleged failure to raise capital for Media House (despite the fact that Roach secured an alternate source of financing for Foreverland that Gilbert refused for personal reasons). Gilbert negotiated a termination agreement with Roach pursuant to which Media House agreed to pay Roach \$48,000. To date, Media House has failed to pay any amount to Roach.

**J The proposed loan to Syrup**

63 At paragraphs 41-45 of the Statement of Claim, the plaintiffs make allegations with respect to alleged misrepresentations made by Santor in connection with the proposed financing of a film titled "Syrup" (the "Syrup Loan"). These allegations are completely without merit.

64 During the spring and summer of 2011, Media House, lead by Santor, entered into discussions with Crystal Wealth Management ("Crystal"), with respect to the possibility of Crystal operating an investment fund that would purchase loans originated by Media House. Santor and Bodanis were in regular contact with Clayton Smith, a principal of Crystal, and Gilbert was kept apprised of all important communications with, or developments relating to, Crystal.

65 Gilbert and Bodanis attended a charity function organized by Bodanis in June 2011. At that function Smith advised Santor and Bodanis that the investment fund would be operational by Friday of that week. Both Santor and Bodanis communicated Smith's statement to Gilbert. Santor did not make any representation to Gilbert and Bodanis with respect to the truth or accuracy of Smith's statement or with respect to when the investment fund would in fact be operational.

66 Santor advised Gilbert and Bodanis that he would seek instructions from Prosapia's clients to invest between \$3,000,000 and \$5,000,000 in the investment fund once it was operational. Santor did not believe that an investment directly into any particular film would be appropriate for the relevant Prosapia clients but felt that investment in a fund would be much more attractive.

67 Santor, Gilbert and Bodanis intended to use funds invested by Prosapia's clients in the investment fund to make the loan to Syrup but launch of the investment fund was delayed because of last-minute concerns raised by Crystal's securities counsel. As a result of these delays, Media House could not fund the loan to Syrup as anticipated. Accordingly, any costs incurred by Media House in connection with Syrup are not the result of any misrepresentation made by Santor. Media House's inability to fund the Syrup Loan was caused by delays to the launch of the investment fund that were unknown to, and outside the control of, Santor.

68 In any event, Santor denies that Media House suffered the losses claimed – or any loss at all – in connection with the Syrup loan and puts Media House to the strict proof of its allegations to the contrary.

**K. Gilbert and Bodanis seize Media House and exclude Santor**

69 As set-out above, Santor, Gilbert and Bodanis agreed, and Santor had a reasonable expectation, that Santor would be granted an equity interest in Media House commensurate with his

considerable contribution to the company and, in any event, that was not less than one third of Media House's total equity. For example, on December 17, 2010, Santor e-mailed the lawyer retained to prepare Media House's incorporating documents and stated that companies designated by Santor, Gilbert and Bodanis would each initially hold a one third interest in Media House. Both Gilbert and Bodanis were copied on this e-mail and neither Gilbert nor Bodanis ever disputed that the proposed equity distribution reflected the agreement between, and reasonable expectation of, the parties.

70 In July 2011, while Media House was working to finalize arrangements with Crystal so that the investment fund could be launched, Santor's mother was diagnosed with terminal brain cancer. Gilbert and Bodanis assured Santor that they would manage Media House's affairs while Santor cared for his mother.

71 At paragraph 44 of the Statement of Claim, the plaintiffs allege that Crystal did not trust Santor and would not enter into any arrangement with him. Crystal gave no indication to Santor at any time that it mistrusted him and, in fact, arrangements with Crystal were virtually complete when Gilbert and Bodanis purported to terminate Santor.

72 On July 27, 2011, Santor e-mailed Gilbert and Bodanis and asked for an update with respect to Media House's affairs including details of Media House's efforts to collect amounts owed pursuant to the Paradox Loan, the Daydream Nation Loan, the Jamie Jones Loan and the I Melt With You Loan. Bodanis responded that Santor should simply move money held in Prosapia's client accounts into the new investment fund (which did not yet exist) without asking any questions about Media House or its business.

It appears from your e-mail that you need clarification on many, many items before you are prepared to move your clients money. This is not helpful at this point.



73 Santor could not invest client funds in Media House or its related investment fund unless he was comfortable with Media House's business and, in particular, with its ability to collect amounts owed to it. Accordingly, Santor continued to press Gilbert and Bodanis for information about Media House's affairs but Gilbert and Bodanis repeatedly refused to answer Santor's questions and, instead, postponed any meaningful discussion until an unspecified future date on which Gilbert was available to meet in person.

74 On October 31, 2011, Gilbert and Bodanis purported to terminate Santor's relationship with Media House. Prior to this purported termination Santor, on a date known to Gilbert and Bodanis but not known to the defendants, Gilbert and Bodanis issued all of the shares of Media House to themselves. This action was a breach of the agreement between the parties with respect to the distribution of the equity value of Media House and was contrary to Santor and Prosapia's reasonable expectations.

75 As is described above, every dollar loaned by Media House before Santor's termination was either loaned to Media House by Prosapia or secured by collateral that belonged to Prosapia. Without Santor and Prosapia, Media House would have had no money to lend and Media House would have gone out of business almost immediately. As a result of Prosapia's assets and Santor's hard work, Media House has significant value. Santor has a contractual right to at least one third of this value. Moreover, Santor had a reasonable expectation that he would receive at least one third of Media House's equity value. Gilbert and Bodanis' improper attempt to keep all of Media House's value (including funds and assets that are owed to Prosapia) for themselves has caused damages to Prosapia and Santor and has effected result that is oppressive and unfairly prejudicial to Santor and Prosapia.

**L. The defendants have not suffered the damages they claim**

76 At paragraph 1(i) of the Statement of Claim, the plaintiffs claim damages of \$2,000,000. This amount is invented from thin air. The plaintiffs' claim for damages bears no relation to the alleged losses identified in the Statement of Claim. Media House has suffered no damages as a result of any of the defendants' actions or omissions and, in any event, has only alleged losses totalling \$543,468 in its Statement of Claim.

77 Perhaps the most egregious claim for damages in the Statement of Claim is the allegation at paragraphs 48 and 54 that Santor and Prosapia are liable to repay funds that Gilbert and Bodanis advanced to fund Media House. The plaintiffs assert incorrectly that Gilbert and Bodanis are the only owners of Media House but still allege that Santor and Prosapia have an obligation to repay funds that, according to the Statement of Claim, they advanced to their own company. These assertions have no basis in fact or law.

78 With respect to the personal loans alleged by Gilbert and Bodanis, Santor and Prosapia deny that they have any obligation to pay any amount to Gilbert and Bodanis and put the plaintiffs to the strict proof that these amounts were advanced to, and are owed by, the defendants.

**M. No claim for conversion**

79 At paragraphs 57 the plaintiffs allege that Santor and Prosapia converted certain unspecified funds. No facts are plead that, if proven, could support a finding of conversion and the defendants reserve their right to strike the plaintiffs' claim for conversion on this basis.

80 In any event, the defendants deny that they converted any of the plaintiffs' property and put the plaintiffs to the strict proof of their allegation to the contrary.

N Set-off

81 In the alternative, if the defendants are liable to the plaintiffs in any amount (which is denied), such liability ought to be reduced by the amount owed by the plaintiffs to the defendants pursuant to the counterclaim below. The defendants plead and rely on the doctrine of equitable set-off.

COUNTERCLAIM

82 The plaintiff by counterclaim, Prosapia, claims against Media House

- (a) An accounting of all interest, fees, residual earnings and other returns collected by Media House in connection with the Daydream Nation Loan, the Paradox Loan, the Janie Jones Loan and the I Melt With You Loan (the "Prosapia Loans"),
- (b) Damages for breach of contract in the amount of \$3,630,000 plus all interest and fees (other than origination fees) and half of all residual earnings received or to be received in respect of the Prosapia Loans,
- (c) In the alternative, compensation for oppression in the amount of \$3,630,000 plus an amount equal to all interest and fees (other than origination fees) and half of all residual earnings recovered in respect of the Prosapia Loans, and,
- (d) In the further alternative, damages for unjust enrichment or *quantum meruit* in the amount of \$3,630,000 plus an amount equal to all interest and fees (other than origination fees) and half of all residual earnings recovered in respect of the Prosapia Loans,

(e) In the further alternative, an Order requiring assignment of Media House's interest in the Prosapia Loans, including Media House's interest in all security relating thereto, to Prosapia and payment of all interest and fees (other than origination fees) and half of all residual earnings received to date in respect of the Prosapia Loans,

(f) An Order directing the defendants by counterclaim to pay any amounts received in respect of the Prosapia Loans into Court pending the resolution of this action,

(g) An interim and interlocutory Order appointing a receiver and manager over the Prosapia Loans,

(h) Pre-judgment and post-judgment interest, including compound interest, on each of the amounts advanced by Prosapia to fund the Prosapia Loans at a rate equal to the rate earned by Media House in respect of such loans or, in the alternative, pursuant to *Courts of Justice Act*,

(i) Costs of the action and the counterclaim on a substantial indemnity basis, and,

(j) Such further and other relief as this Honourable Court deems just

83 The Plaintiff by counterclaim, Santor, claims against Media House, Gilbert and Bodanis

(a) A declaration that the defendants have breached their agreement to grant Santor at least a one third share of the equity in Media House,

- (b) An Order for specific performance of the agreement referenced in (a) above and, specifically, requiring that a number of shares to be determined by this Honourable Court and, in any event, not less than one third of the shares of Media House, be transferred to Santor,
- (c) In the alternative to (b) above, a declaration that the shares referenced in (b) above are held in trust for Santor,
- (d) In the further alternative to (a) and (b) above, damages in an amount to be determined and, in any event, equal to at least one third of the total equity value of Media House,
- (e) In addition to (a) – (d) above, additional damages in the amount of \$300,000 for breach of contract and oppression,
- (f) A full accounting of Media House's business and affairs since Santor's exclusion from Media House beginning in July 2011,
- (g) a declaration that the defendants by counterclaim, Gilbert and Bodanis have committed, in respect of Media House, one or more acts or omissions that has effected, and continues to effect, a result that is oppressive, unfairly prejudicial and that unfairly disregards the interests of Santor and Prosapia,
- (h) an Order rectifying the oppression complained of by, among other things, granting the relief set out in (a) – (e) above,
- (i) Costs of the action and the counterclaim on a substantial indemnity basis,

(j) Such further and other relief as this Honourable Court deems just, and,

(k) Pre-judgment interest pursuant to the *Courts of Justice*

84 In addition, Santor advanced a personal loan to Bodanis in the amount of \$13,500 in September 2011. Santor claims for repayment of this personal loan in the amount of \$13,500 plus pre-judgment and post-judgment interest.

85 The plaintiffs by counterclaim plead and rely on the facts as set forth in their Statement of Defence.

86 When Prosapia advanced funds in connection with the Janie Jones Loan and the I Melt With You Loan, Santor advised Gilbert and Bodanis that he would suffer significant damages if the amounts advanced by Prosapia were not repaid in a timely manner. Santor subsequently advised Gilbert and Bodanis that, as a result of the lengthy delay in recovering amounts advanced to Media House by Prosapia, there was a risk that he would have to incur extraordinary expenses to meet his obligations. Such expenses were in fact incurred and the defendants by counterclaim are jointly and severally liable for the losses suffered, which are presently estimated at \$300,000.

87 As a result the events described above, Media House, Gilbert and Bodanis have received considerable benefits in the form of funding, assets and increased equity value from Santor and Prosapia. Santor and Prosapia have been deprived of these benefits. There is no juristic reason for the benefits conferred on Media House, Gilbert and Bodanis or the corresponding deprivation suffered by Santor and Bodanis. Accordingly, the defendants by counterclaim are liable to pay damages to the plaintiffs by counterclaim for unjust enrichment.

88 The plaintiffs by counterclaim propose that this Counterclaim be tried together with the trial of the main action

December 20, 2012

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DAVID BODANIS**  
Plaintiff

and

**WILLIAM SANTOR and PROSAPIA  
WEALTH MANAGEMENT LTD**  
Defendants

Court File No CV-12-459685

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

Proceeding commenced at Toronto

**STATEMENT OF DEFENCE AND  
COUNTERCLAIM**

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**ONTARIO  
SUPERIOR COURT OF JUSTICE**

BETWEEN

MEDIA CANADA HOUSE (CAPITAL) CORP , AARON GILBERT and  
DAVID BODANIS

Plaintiffs  
(Defendants to the Counterclaim)

-and-

WILLIAM SANTOR and PROSAPIA WEALTH MANAGEMENT LTD

Defendants  
(Plaintiffs by Counterclaim)

**REPLY AND DEFENCE TO COUNTERCLAIM**

1 The Plaintiffs/Defendants by Counterclaim, Media House Capital (Canada) Corp (incorrectly identified in the title of proceedings as "Media Canada House (Capital) Corp", hereinafter "Media House"), Aaron Gilbert ("Gilbert") and David Bodanis ("Bodanis") (collectively, the "Plaintiffs"), admit the allegation contained in the first sentence of paragraph 3 of the Statement of Defence and Counterclaim (the "Defence") of William Santor ("Santor") and Prosapia Wealth Management Ltd ("Prosapia") (together the "Defendants")

2 Save and except as specifically admitted, the Plaintiffs deny the balance of the allegations contained the Defence and, in particular, deny that the Defendants are entitled to any of the relief claimed at paragraphs 82 and 83 of the Defence, and put the Defendants to the strict proof thereof

3 The Plaintiffs repeat and rely upon the contents of their Statement of Claim (the "Claim")

This is Exhibit .. 3 .. referred to in the  
affidavit of T. Sanghera  
sworn before me, this .. 22 ..  
day of .. Dec .. 20 .. 23  
A COMMISSIONER FOR TAKING AFFIDAVITS

## Overview

4 Contrary to the allegations set out at paragraph 4 of the Defence, Santor did not "found" Media House. As stated in the Claim, in October 2009, Santor approached Gilbert and Bodanis and proposed to enter into a business venture by which a pool of investment funds would be gathered to be invested in independent motion pictures.

5 The Plaintiffs deny that Media House borrowed \$2,075,000 from Prosapia. The fact is that Prosapia loaned funds to independent film productions as investments. The suggestion that Prosapia loaned funds directly to Media House for unspecified purposes is strictly denied.

6 Contrary to the allegations made in paragraph 5 of the Defence, Gilbert did not commit Media House to loans that it could not meet. The fact is that Santor (not Gilbert) committed Prosapia (not Media House) to loan funds in respect of the motion picture production *Foreverland*. When Santor and Prosapia were unable to meet this commitment, Media House was required to seek bridge financing for which Santor willingly pledged other loan assets as collateral. The Plaintiffs specifically deny the final sentence of paragraph 5 of the Defence that it has improperly retained loans or has used proceeds of loans for improper purposes.

7 Contrary to paragraphs 6 and 7 of the Defence, Media House did not receive cash or assets worth \$3,600,000 from Prosapia. Prosapia invested in motion picture productions in exchange for promises of repayment from those productions. Neither Media House, Gilbert nor Bodanis made promises to repay loans that the Defendants made to those productions.

8 Contrary to paragraph 7 of the Defence, Media House has met all of its obligations and denies that it failed to repay anything to Prosapia, as alleged. The only assets assigned by Prosapia to Media House were necessitated to secure bridge financing that was required when Prosapia

failed to fulfill commitments that it made to the *Foreverland* motion picture production. The Plaintiffs deny that any one of them received any benefit from purported loans, security for loans or other assets assigned by Santor and/or Prosapia.

9 Santor, on his own behalf and on behalf of Prosapia, made many misrepresentations as to his control over funds and ability to raise funds to further Media House's business ventures. As set out in the Claim, the Plaintiffs relied upon Santor's misrepresentations to Media House's detriment, which caused and contributed to Media House's significant losses and nearly resulted in the complete failure of Media House.

### **Background**

10 Contrary to paragraph 12, Gilbert was never a part of the Tristar Film Finance Corp ("Tristar"), which was Santor's previous motion picture financing business.

11 When Santor first approached Gilbert with his business proposal in October 2009, he represented himself, through his control of Prosapia, as having authority to invest a pool of investment funds behind Tristar. Santor represented that investment funds were invested by Prosapia to fund the *Paradox* and *Daydream Nation* motion picture productions, through Tristar, but that Santor controlled the actual investment funds.

12 The Plaintiffs specifically deny the allegations contained in paragraph 15 of the Defence. In fact, Santor repeatedly represented to Gilbert and Bodanis that he had diligently retained and instructed solicitors to incorporate Media House when he had not in fact done so. As late as December 2010, Santor continued to represent to Gilbert and Bodanis that solicitors based in Calgary had incorporated Media House when in fact Media House had not been incorporated.

13 Contrary to paragraph 20 of the Defence, Gilbert was not a part of Tristar and had limited knowledge of loans that were made by or through Tristar to the *Daydream Nation* and *Paradox* productions

14 Contrary to paragraphs 22 and 23 of the Defence, it was Gilbert, not Santor, who first expressed doubts about Michael Olsen ("Olsen"), even though Gilbert was never truly a part of Tristar's business endeavour. Gilbert did not "leave" Tristar in May 2010 as he was never part of its business

#### **Media House's Foundation and Start of Business**

15 The Plaintiffs deny the existence of any agreement whereby Santor was to receive an equity interest in Media House of not less than one-third (1/3) of all of the shares issued by Media House and holds the Defendants to the strict proof thereof. The Plaintiffs further deny that Santor is entitled to a one-third (1/3) equity interest in Media House's total equity based on his "contribution" to its development. Santor's "contribution" to Media House would not, in any event, merit any equity interest in Media House's total equity as Santor's contribution caused Media House to suffer substantial losses, as described in the Claim.

16 At paragraph 27 of the Defence, the Defendants allege events concerning the initial infusion of capital to Media House. Contrary to these allegations, the fact is that in May 2010, Santor represented to Gilbert that Tristar (Media House did not exist at this time) needed to raise funds on the basis that the head of Tristar, Michael Olsen ("Olsen"), had taken approximately \$600,000 from Tristar.

17 Accordingly, in June 2010 and as requested by Santor, Bodanis forwarded the sum of \$75,000 to Santor by way of a bank draft made payable to Prosapia. Santor represented to Bodanis

that these funds were to be used to pay legal expenses to recover funds taken by Olsen and would be repaid to Bodanis by September 2010

18 Gilbert and Bodanis subsequently learned that Tristar's financial failings were due to reckless spending by Tristar's personnel, including extravagant trips to film festivals in Berlin, Germany and Park City, Utah. The \$75,000 raised by Bodanis and provided to Prosapia through Santor was never returned to Gilbert as promised.

19 The Plaintiffs further deny the allegations made at paragraphs 29 to 31 of the Defence concerning contractual agreements of original fees and collections on loans and hold the Defendants to the strict proof thereof.

#### ***Janie Jones Tax Credit***

20 The Plaintiffs specifically deny the allegations at paragraphs 32 to 36 of the Defence, which allege that Gilbert's "acts and omissions" delayed the repayment of loans made in respect of the *I Melt With You* and *Janie Jones* productions.

21 As the Defendants are well aware, the tax credit loan in respect of the *Janie Jones* production took longer than anticipated to collect because of certain changes implemented by the government of the State of Iowa to its film production tax rebate incentive program.

22 In particular, in 2007, the government of the State of Iowa implemented the Iowa Film, Television and Video Production Incentives Program (the "Program") which provided for investment credits, production expense credits and income tax exemptions for qualified projects by resident Iowa workers.

23 In 2009, the Governor for the State of Iowa froze all activity at the State's Film Office due to reported irregularities in the handling of the Program and commenced an investigation into the Program's officials. Because of the freeze, many film productions that had no part in the irregularities, including *Janie Jones*, were not provided with the tax credit incentives in a timely fashion.

24 Contrary to the allegations made at paragraph 33 of the Defence, Santor reviewed and was the individual who executed the loan agreement in respect of the *Janie Jones* production. Santor reviewed the default penalties and the enforcement clauses within the closing documentation and had ample opportunity to negotiate for greater security or enforcement clauses if he saw fit.

25 Contrary to the allegations made at paragraph 34 of the Defence, Media House has diligently pursued repayment in respect of the *Janie Jones* production and continues to do so. In contrast, Santor and Prosapia have failed to engage in the collection tax rebates and certificates.

26 With respect to the loan to the *I Melt With You* production, the Plaintiffs deny that the loan documents failed to include projected timelines. The loan documentation included an appropriately specified term and default penalty for failing to meet that term.

27 Contrary to paragraph 36, production issues beyond the control of the Plaintiffs have delayed the repayment of the tax credits in respect of the *Paradox* production. The Plaintiffs have taken all necessary steps and filings with the appropriate tax authorities. The Plaintiffs deny that there has been any failure in administering the *Paradox* loan and holds the Defendants to the strict proof thereof.

**The *Foreverland* Loan**

28 The Plaintiffs repeat and rely upon the allegations set out at paragraphs 28 to 36 of the Claim. The fact is that Santor repeatedly represented to many individuals that he had the ability to raise \$1,200,000 in respect of the *Foreverland* production, which induced Media House to commit funds to the producers of *Foreverland*.

29 Contrary to paragraph 39 of the Defence, when the *Foreverland* opportunity was first raised, Santor represented to Gilbert that his access to Alan Plaunt's ("Plaunt") funds to finance motion pictures was entirely discretionary and Santor committed to fund the *Foreverland* production.

30 Contrary to paragraph 40 of the Defence, at the time that Santor first suggested that Plaunt might be unwilling to advance further funds until repaid on earlier investments, Santor continued to pledge Plaunt's balance sheet as collateral for a loan from the Royal Bank of Canada and other lenders, to demonstrate Santor's high degree of control over Plaunt's accounts.

31 Contrary to paragraph 41 of the Defence, when Gilbert signed the *Foreverland* loan documentation in January, 2011, he did so on the basis of Santor's continued misrepresentations of control over Plaunt's accounts and ability to fund the loans. Gilbert would not have signed the *Foreverland* loan documentation but for Santor's assurances that financing was in place.

32 Contrary to paragraph 42 of the Defence, Santor did indeed represent that he had discretionary authority to invest client funds of up to \$5,000,000. On several occasions, Santor advised Gilbert that he "had the pen", meaning that he had authority to sign-off on financings. A demonstration of this occurred in early January 2011, when Santor continued to make payments and operate control over Plaunt's accounts in the amount of \$440,000. While this was occurring in

January 2011, Santor continued to represent that he had the discretion to "move" up to another \$4,500,000. It was not until after the *Foreverland* loan documentation was signed that Santor finally admitted to Gilbert that he did not have the funds available.

33 Contrary to paragraph 43 of the Defence, throughout December 2011 and January 2012 Santor continued to represent that he had the authority to fully fund the *Foreverland* loan from Plaintiff's accounts, however, efforts were made to find financing from sources other than Plaintiff's accounts. However, as stated above, it was not until after the *Foreverland* documentation was signed that Santor admitted to Gilbert that he did not have the authority to fully fund the *Foreverland* loan from Plaintiff's accounts as he had previously represented.

34 Contrary to paragraph 44 of the Defence, production on the *Foreverland* motion picture commenced in January 2011, based on a funding timeframe that Santor had been involved in since the autumn of 2010 and which was based largely on Santor's representations. The Plaintiffs specifically deny that Gilbert "convinced" Santor to enter into the *Foreverland* loan, as Gilbert only executed the *Foreverland* loan documents based on Santor's continued representations that he could fully fund the loan.

35 Contrary to paragraph 45 of the Defence, the Plaintiffs state and the fact is that Media House did not refuse financing from Steve Markoff ("Markoff"). In fact, after being introduced to the *Foreverland* production, Markoff chose not to finance the production for reasons known to him.

36 When Santor finally admitted that he was not able to finance the *Foreverland* production from Plaintiff's funds as he had previously represented, Media House was required to obtain bridge financing from another motion picture financier so as not to default on commitments made to the



*Foreverland* production Media House engaged Devon Cranson ("Cranson") to introduce it to potential sources to obtain the bridge financing Cranson directed Media House to 120dB Film Finances LLC ("120dB"), which was a very well-known financier of motion picture productions Contrary to paragraph 46 of the Defence, Media House and Cranson differed on the value of Cranson's services in introducing Media House to an already ubiquitous film production financier, which differences they resolved to their mutual satisfaction

**Collateral for the *Foreverland* Bridge Financing**

37 On being approached by Media House, 120dB requested that additional collateral be provided to secure the *Foreverland* bridge financing Because Santor acknowledged that he had created the problems that necessitated the bridge loan, he agreed to pledge Prosapia assets to satisfy 120dB

38. Contrary to paragraph 48 of the Defence, the Plaintiffs deny that they made "promises" to Prosapia and hold the Defendants to the strict proof thereof In the alternative, if Gilbert or Bodanis made any "promises" to the Defendants, it is denied that any such statements induced Prosapia to pledge assets to securitize the bridge financing

39 Contrary to paragraph 50 of the Defence, the request that Prosapia assign assets to Media House in order to secure the bridge loan from 120dB did not derive from Media House or from Gilbert but originated from 120dB

40. With respect to paragraph 51 of the Defence, to the extent that the Defendants chose not to obtain legal advice in connection with the assignment of Prosapia assets as security for the *Foreverland* bridge financing, the Defendants did so at their own peril

41 Contrary to paragraphs 52 to 54 of the Defence, the Plaintiffs state and the fact is that Santor and Prosapia assigned the *Daydream Nation* loan and the *Paradox* loan to Media House in order to provide further security to obtain the *Foreverland* bridge financing because the bridge loan was required due to Santor's failure to make good on his representations that he had the authority and finances available to fund the *Foreverland* production, which representation was relied upon by Gilbert in signing the *Foreverland* loan documentation. The Plaintiffs deny that there was any further consideration due to the Defendants for the assignment of the *Daydream Nation* and/or *Paradox* loans and hold the Defendants to the strict proof thereof. The Assignment Agreement stipulates that the consideration for the assignment was sufficient and had been acknowledged.

**Media House's Losses in Connection with the *Foreverland* Bridge Loan**

42 Contrary to paragraph 55 of the Defence, the documentation prepared in respect of the *Foreverland* bridge loan was not prepared by Gilbert and, in any event, was not deficient in any way and the Plaintiffs hold the Defendant to the strict proof of the contrary. The complication regarding the *Janie Jones* loan as collateral to secure the *Foreverland* bridge loan had nothing to do with documentation or the collateral itself. Rather the value of the *Janie Jones* loan as security was affected by changes in policy by the State of Iowa regarding the administration of the Iowa Film, Television and Video Production Incentives Program.

43 Contrary to paragraphs 56 and 57 of the Defence, Media House pledged to fund the *Foreverland* production specifically because of the representations Santor made that he had authority and autonomous control over funds that would fully satisfy the production. Ultimately, 120dB loaned \$1,000,000 to the *Foreverland* production to bridge the gap in financing resulting from Santor's misrepresentations, however the *Foreverland* production needed \$1,200,000

Media House losses included the interest incurred on the loan from 120dB, plus direct expenses including legal expenses, plus the finder's fee payable to Cranson and other expenses. These losses were in fact incurred by Media House and were not passed on to the "borrower" as alleged by the Defendants.

44 Contrary to paragraph 57 of the Defence, the Plaintiffs deny that there was alternate financing available to fund the *Foreverland* bridge loan and hold the Defendants to the strict proof thereof. Although it is unclear from the Defence, if the financing being referred to is the suggested loan by Markoff, as stated above such financing was not refused by Gilbert due to some purported personal dislike, rather Markoff decided not to fund the *Foreverland* production for his own reasons.

45. Contrary to paragraph 58 of the Defence, the fact is that the *Foreverland* bridge loan was necessitated by Santor's misrepresentations to Media House and to the producers of the *Foreverland* production. Because the bridge loan was approximately \$200,000 less than the *Foreverland* production required, the producers were "out of pocket" for many personal expenses and did not receive compensation for their efforts on the production. The Plaintiffs state and the fact is that the 120dB loan did not personally benefit the producers of the *Foreverland* production in any way and the producers, including Gilbert continue to suffer for the misrepresentations that Santor made, which ended up requiring the *Foreverland* bridge financing.

46 Contrary to paragraph 59 of the Defence, the Plaintiffs state and the fact is that Santor and Prosapia misunderstand or have mischaracterized the nature of the financial dealings. The fact is that the financing arrangements made in the motion picture industry are not comparable to sales contracts or invoices for payments. The Plaintiffs state that there was not and never has been a

failure by Media House to collect on sums owed. Furthermore, the communication referred to at paragraph 59 of the Defence is not an acknowledgement of failure as is argued by the Defendants, but is a statement about Media House's continuing operations and best business practices that has been taken out of context.

47 With respect to paragraph 60 of the Defence, neither the Plaintiffs nor Santor discussed how they would disassociate from one another during the months that they continued to work together. During that time period, Santor did not ask for any repayment nor did he ever request the return of the collateral that was assigned by Prosapia (i.e., the *Paradox* and/or the *I Melt With You* Loans). Since Media House disassociated from Santor, returns on loans have not been used by any of the Plaintiffs for any improper purpose. Media House continues to track the loans and pressure producers for repayment. Media House has not earned or taken any proceeds or benefitted from any of these loans, but Media House alone has incurred the costs of administering and enforcing the loans.

#### **Roach and Krawtchenko**

48 With respect to paragraphs 61 and 62 of the Defence, the Plaintiffs state and the fact is that Media House ended its relationships with former personnel on amicable terms and Media House denies that any such individuals remain to be paid any compensation owed to them.

#### ***Syrup* Loan**

49 As set out in the Claim, in May 2011, Santor represented to Media House that he had entered into discussions with Crystal Wealth Management System Limited ("Crystal Wealth") to establish a film financing fund that Media House could direct to invest in appropriate productions, including the production of the motion picture *Syrup*.

50. Contrary to paragraphs 66 to 68 of the Defence, in June 2011, Media House entered into an agreement with the producers of the motion picture *Syrup* to fund the production based on Santor's representations that funds would be available through fund arranged with Crystal Wealth

51 Contrary to paragraph 67 of the Defence, the Crystal Wealth fund was not delayed because of concerns by Crystal Wealth's security counsel. The Plaintiffs state and the fact is that Crystal Wealth's security counsel did not become involved until late August 2011. The Plaintiffs further state and the fact is that, contrary to Santor's representations, Crystal Wealth was in no position to fund the *Syrup* production and, in any event, did not trust Santor and had no intention of entering into a business relationship with him as Santor had represented to Gilbert and Bodanis

#### **Santor's Termination from Media House**

52 The Plaintiffs state and the fact is that there was never an agreement in place whereby Santor was entitled to be a one-third (1/3) shareholder in the entity that ultimately became Media House, and holds Santor to the strict proof thereof. No shareholder agreement was prepared or entered into which reflects that Santor was to hold a one-third (1/3) interest and, with respect to paragraph 69 of the Defence, the corporate documents pertaining to Media House were not completed and Media House was not incorporated until after Santor ceased to be affiliated with Media House

53 Santor's termination from Media House was occasioned by the misrepresentations that he made from November 2011 to July 2012 to Gilbert and Bodanis about his access to funds and ability to fund productions, which representations caused Media House to enter into untenable business arrangements

54. With respect to paragraph 72 of the Defence, the Plaintiffs state and the fact is that Media House's ultimate disassociation with Santor had nothing to do with a July 27, 2011 e-mail asking to Gilbert and Bodanis about Media House's business affairs. The fact is that Media House disassociated with Santor over three (3) months later at the end of October 2011.

55. In June 2011, Bodanis asked Santor to confirm the amount of funds loaned by Prosapia to various productions which originated from Plaunt's accounts. Bodanis realized that the amount that Santor had taken from Plaunt's accounts was \$600,000 more than Gilbert had recorded the productions as having received. In Bodanis' mind, this \$600,000 difference seemed to match the amount that Olsen had allegedly taken from Tristar.

56. When Bodanis confronted Santor about the lack of documentation to show how Plaunt's money had been lent, Santor stated that the transactions had not been "papered" and admitted that he (Santor) had been lazy and sloppy.

57. The Plaintiffs specifically deny the allegations set out in paragraph 72 of the Defence and hold Santor to the strict proof thereof. The Plaintiffs were sympathetic to Santor's situation at the time of his mother's illness and provided Santor many accommodations. In addition to his mother's illness, Santor suffered from several other personal and financial issues at the time, and Bodanis and Gilbert supported Santor through these issues. However, Santor's personal issues did not form the basis for his disassociation from Media House. Media House ended its relationship with Santor for the business reasons described above, namely, misrepresentations that he made at the highest levels as to the funds available to him.

58. Contrary to the allegations in paragraphs 76 to 78 of the Defence, the fact is that Media House has incurred actual losses as a result of Santor's conduct, the totality of which is yet unknown but will be provided prior to trial

59 The Plaintiffs specifically deny the allegation at paragraph 84 of the Defence that Santor advanced any personal loan to Bodanis in September 2011 in any amount Santor's allegation in this regard is fictitious

60 The Plaintiffs further deny the allegation at paragraph 86 of the Defence that Santor incurred "extraordinary expenses" and hold Santor to the strict proof thereof

61 The Plaintiffs deny that the Defendants have suffered any losses or damages as alleged or at all, and put the Defendants to the strict proof thereof and, in any event, state that the losses and damages alleged are excessive, indirect, remote and were not caused by the Plaintiffs or any one of them and that the Defendants have failed to mitigate any losses, which are not admitted but expressly denied

62 To the extent that the Plaintiffs may be found liable for any losses or damages claimed by the Defendants, the Plaintiffs plead and rely upon the doctrines of legal and equitable set-off in respect of any such amounts

63 For all of the above reasons, the Plaintiffs ask that the Counterclaim against them be

dismissed, with costs payable on a substantial indemnity basis

September 20, 2013

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Lawyers for the Plaintiffs (Defendants to the  
Counterclaim), Media Canada House (Capital)  
Corp, Aaron Gilbert and David Bodanis

TO **GOODMANS LLP**  
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Mark Dunn (55510L)

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Fax 416-979-1234

Lawyers for the Defendants (Plaintiffs by Counterclaim),  
William Santor and Prosapia Wealth Management Ltd

RCP-E 27C (July 1, 2007)



MEDIA CANADA HOUSE (CAPITAL) CORP , ET AL  
Plaintiffs  
(Defendants to the Counterclaim)

-and- WILLIAM SANTOR, ET AL  
Defendants  
(Plaintiffs by Counterclaim)

Court File No CV-12-459685

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
**PROCEEDING COMMENCED AT**  
**TORONTO**

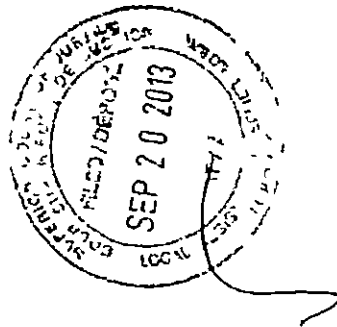
**REPLY AND DEFENCE TO COUNTERCLAIM**

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Lawyers for the Plaintiffs (Defendants to the Counterclaim),  
Media Canada House (Capital) Corp , Aaron Gilbert and  
David Bodanis



Superior Court of Justice  
Civil Practice Court  
FILE/DIRECTION/ORDER

This is Exhibit 4 referred to in the  
affidavit of T. Sanghera MEDIA CANADA HOUSE (CAPITAL) CORP et al  
sworn before me, this 22  
day of Dec 20 23

Applicant(s)

AND

SANTOR et al

Respondents(s)

Case Management ☐ Yes ☐ No by Judge \_\_\_\_\_

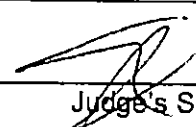
Counsel	Telephone No	Email

- ☐ Order ☐ Direction for Registrar (No formal order need be taken out)
- ☐ Above Action transferred to the \_\_\_\_\_ (No formal order need be taken out)
- ☐ Adjourned to \_\_\_\_\_
- ☐ Time Table approved (as follows)

2 day summary judgment motion in  
Main action and counterclaim fixed for  
December 13 + 14 2017. Time table  
given by me to apply. Chambers  
appointed to be scheduled in a  
effort to narrow the issues and determine  
if this motion can be done in 1 day.

MAY 26/17

Date

  
Firestone J.  
Judge's Signature

For all cases over 2 hours counsel are to email Michelle Chen (Coordinator) at  
LongMotionsStatus Judge@ontario.ca 30 days prior to hearing date regarding the status of their case.

☐ Additional Pages

NO. ON LIST

4

SUPERIOR COURT OF JUSTICE

DATE 26-MAY-17

COURT FILE NO CV-12-459685

SHORT TITLE MEDIA et al v. SANTOR et al

COUNSEL SHEET FOR CIVIL PRACTICE COURT

(PLEASE PRINT CLEARLY)

PLAINTIFF COUNSEL SELF REP

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FAX 416.844.0305  
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NAME  
TELEPHONE  
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NAME  
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DEFENDANT COUNSEL SELF-REP

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FAX 416.979.1236  
EMAIL mdunn@goodman.ca

NAME  
TELEPHONE  
FAX  
EMAIL

NAME  
TELEPHONE  
FAX  
EMAIL

APPEARING FOR

☐ PLAINTIFF/PETITIONER/APPLICANT  
☐ DEFENDANT/RESPONDENT  
☐ OTHER-SPECIFY

APPEARING FOR

☐ PLAINTIFF/PETITIONER/APPLICANT  
☐ DEFENDANT/RESPONDENT  
☐ OTHER-SPECIFY

TYPE OF MOTION YOU ARE SCHEDULING TODAY

☐ CASE MANAGEMENT  
☐ CONTEMPT  
☐ DECLARATION  
☐ DISMISS/ACTION  
☐ INJUNCTION  
☐ A G MATTER  
☐ ORDER TO GO  
☐ STAY PROCEEDINGS  
☐ VEXATIOUS PROCEEDINGS  
☐ EXPEDITE TRIAL  
☐ ATTEND EXAMINATION  
☐ SUMMARY JUDGEMENT  
☐ OTHER

LENGTH OF MOTION/APPLICATION YOU ARE SCHEDULING TODAY

NATURE OF MOTION YOU ARE SCHEDULING TODAY (CHECK ONLY ONE)  
☐ CONTESTED ☐ ON CONSENT ☐ UNOPPOSED ☐ WITHOUT NOTICE

**SUPERIOR COURT OF JUSTICE  
CIVIL SCHEDULING UNIT  
REQUISITION TO ATTEND CIVIL PRACTICE COURT**

393 University Avenue 10<sup>th</sup> Fl  
Toronto ON M5G 1E6  
Telephone (416) 327-5535  
Fax (416) 327 9470  
E-mail civilpracticecourt@ontario.ca

May 26

☒ Requisition to Attend Civil Practice Court before a Judge to Schedule (select one of the following)

☐ Urgent Hearing ☐ Long Motion or Application ☒ Summary Judgment Motion  
☐ Request for Case Management ☐ Constitutional Question

\*\* To book a date through Civil Practice Court, please return this completed form by e-mail to  
[civilpracticecourt@ontario.ca](mailto:civilpracticecourt@ontario.ca)

Court File Number CV-12-459685

Short Title: Media House (Capital) Corp et al v Santor et al

Moving Party Is (Name) ☐ Plaintiff ☒ Defendant (Plaintiffs by Counterclaim, William Santor and  
Prosapia Wealth Management Ltd ) ☐ Other \_\_\_\_\_

1 Estimated time for oral argument by all parties	One day
2 Nature of the action or application (e.g., personal injury, specific tort, contract or other case type identified on Form 14F)	Breach of contract, breach of fiduciary duty, oppression
3 Rule(s) or statutory provisions under which the motion / application is brought	Rule 20
4 May the motion be heard by a master or must it be heard by a judge?	Judge
5 Whether a particular judge or master is seized of all motions in the proceeding or of the particular motion?	No
6 If the proceeding is governed by the Simplified Procedure Rule (Rule 76), does the motion concern undertakings given or refusals made on examination for discovery?	No
7 Is the motion seeking summary judgment?	Yes
8 Is the application or motion urgent?	No
9 Is any party self-represented?	No
10 Is this proceeding under case management?	No
11 Does the motion or application require a bilingual Judge or Master?	No

Name of Party/Lawyer Scheduling the Motion

Mark Dunn, Goodmans LLP

Name and Firm (please type or print clearly)

5/4/17

Date

Tel 416 979 2211, Fax 416 979 1234,

Email [mdunn@goodmans.ca](mailto:mdunn@goodmans.ca)

Telephone Number, Fax Number and Email Address

Name of Party/Lawyer Responding to Motion

James Round, Torkin Manes LLP

Name and Firm (please type or print clearly)

416 777 5368, [jround@torkinmanes.com](mailto:jround@torkinmanes.com)

Telephone Number Fax Number and Email Address

4

CIVIL PRACTICE-COURT  
SCHEDULING DATE REQUEST

COMPLETED BY THE COURT REGISTRAR.

JUSTICE: FIRESTONE

COURTROOM: 802

DATE 26-MAY-2017

COURT FILE NUMBER CV-12-459685

SHORT TITLE: MEDIA 21a1 v SANTOR et al

To Motions Coordinator, courtroom 801

Please provide counsel with a new date. The particulars are as follows

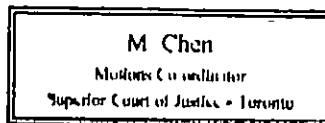
Estimated Duration 2 hours and Less 2 Days

Comments Chambers App 1BS

Per Court Registrar

COMPLETED BY MOTIONS CO-ORD

The following Dates Dec. 13/17 have been approved by the Motions  
Coordinator. Please advise the Judge



Per Motions Coordinator

SUPERIOR COURT OF JUSTICE

CPC #: 4

DATE: May 26, 2017

**CIVIL PRACTICE COURT TIMETABLE**

STYLE OF CAUSE: CV-12-459685

FILE NUMBER:

SUMMARY JUDGEMENT

MOTION

APPLICATION

APPROVED HEARING DATE: December 13/14

MOVING PARTY'S MOTION RECORD OR APPLICANTS RECORD TO BE SERVED  
& FILED BY: ~~FILED~~ Served

RESPONDING RECORD TO BE SERVED & FILED BY: October ~~13~~ 6, 2017

CROSS-EXAMINATIONS TO BE COMPLETED BY: November 3, 2017

MOVING PARTY'S OR APPLICANTS FACTUM TO BE SERVED & FILED BY: November 24, 2017

RESPONDING FACTUM TO BE SERVED & FILED BY: December 4, 2017

WILL VIVA VOCE EVIDENCE TO BE CALLED? YES ☒ NO

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MOVING PARTY COUNSEL

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jround@twinkl.ca

May 26/17

Finestone J.

9 30 AM.

**COUNSEL SLIP**

COURT FILE NO CV-12 - 459685

DATE JULY 26, 2013

NO ON LIST 2

TITLE OF  
PROCEEDING

MEIDIA (ANAL) A HOUSE (CAPITAL) CORP et al  
SANTOR, WILLIAM et al

COUNSEL FOR

PLAINTIFF(S)

APPLICANT(S)

PETITIONER(S)

James A. Round, Torkin Manes LLP

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(F) 416.863.0305

COUNSEL FOR

DEFENDANT(S)

RESPONDENT(S)

Mark S. Dunn, Goodman LLP

PHONE & FAX NOS

(P) 416-849-6895

(F) 416-979-1234

Court File Number CV-12-459685

Superior Court of Justice  
Commercial List

FILE/DIRECTION/ORDER

Media Canada Inc.

Plaintiff(s)

AND

Santa

Defendant(s)

Case Management ☐ Yes ☐ No by Judge: \_\_\_\_\_

Counsel	Telephone No	Facsimile No
<u>J A Round</u>		
<u>M. S. Dunn</u>		

- ☐ Order ☐ Direction for Registrar (No formal order need be taken out)  
☐ Above action transferred to the Commercial List at Toronto (No formal order need be taken out)  
☐ Adjourned to: \_\_\_\_\_  
☐ Time Table approved (as follows): \_\_\_\_\_

<u>Motion to Transfer.</u>
<u>Defendants have raised a number of</u>
<u>reasons why this matter should be</u>
<u>transferred to Commercial (if possible</u>
<u>motion to appoint receiver; element of</u>
<u>oppression). However, it is not</u>
<u>clear as to the precise direction</u>
<u>that proceedings will involve Motion to</u>
<u>remain in civil, without prejudice</u>

July 26, 2013  
Date

[Signature]  
Judge's Signature

☐ Additional Pages \_\_\_\_\_

to the right of either party, to renew  
this request after 60 days.



1. Reply and Defence to Counterclaim  
by August 9, 2013.

2. Santos/Rosa will deliver Reply  
to Defence to Counterclaim by August  
23, 2013.

3. Discovery Plan to be settled  
by September 6, 2013.

4. Affidavits of Documents by  
September 30, 2013.

5. Answers to questions undertaken  
at discovery will be answered  
by January 31, 2014.

6. Discovery motions (if any)  
filed by February 28, 2014.

Commercial List File Number:  
Civil File No. CV-12-459685

Date: July 18, 2013

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE - COMMERCIAL LIST**  
**9:30 A.M. HEARING REQUEST FORM**

- A. PLEASE NOTE: The 9:30 a.m. hearing procedure is only for "ex parte, urgent, scheduling and consent matters which will take no more than 10 minutes" (Practice Direction, (2002), 57 O.R. (3d) 97; paragraph 25 ) This restriction will be enforced. This matter is (tick one or more).

☐ ex parte ☐ urgent ☒ scheduling ☐ consent ☒ other – transfer to the commercial list.

- B Short Title of Proceedings.

MEDIA CANADA HOUSE (CAPITAL) CORP et al v. WILLIAM SANTOR et al  
Superior Court File No CV-12-459685

- C Date(s) Requested

July 25, 2013

July 26, 2013

- D The following is a brief description of the matter to be considered at the 9:30 a.m. appointment:

The Defendants (Plaintiffs by Counterclaim) will seek an Order, on consent, transferring the action and the counterclaim to the Commercial List pursuant to section 1(d) and 1(h) of the Commercial List Practice Direction.

The Defendants (Plaintiffs by Counterclaim) will also ask the Court to set a schedule for the next steps in this action.

- E The following materials will be necessary for the matter to be considered (It is the responsibility of the lawyers to confirm that the proper materials are available for the Court.)

The Statement of Claim and the Statement of Defence and Counterclaim.

- F Is any Judge seized of these matters or any judicial conflicts?

☐ No ☒ Yes

MORAWETZ

July 26/13  
9:30

REGISTRAR

ONTARIO  
SUPERIOR COURT OF JUSTICE

) FRIDAY , THE 6 .  
)  
) DAY OF OCT , 2017

BETWEEN

(Court Seal)

MEDIA CANADA HOUSE (CAPITAL) CORP , AARON GILBERT and DAVID  
BODANIS

Plaintiffs  
(Defendants by Counterclaim)

-and-

WILLIAM SANIOR and PROSAPIA WEALTH MANAGEMENT LTD

Defendants  
(Plaintiffs by Counterclaim)

ORDER

THIS MOTION, made by the Plaintiffs / Defendants by Counterclaim Media Canada House (Capital) Corp (incorrectly identified in the title of proceedings as ' Media Canada House (Capital) Corp ') ("Media House "), Aaron Gilbert and David Bodanis, was read this day at the court house, 393 University Avenue, Toronto, Ontario, M5G 1E6

ON READING the Consent filed,

This is Exhibit .. 5 .. referred to in the  
affidavit of .. T. Langher ..  
sworn before me, this .. 22 ..  
day of .. Dec .. 20 23  
A COMMISSIONER FOR TAKING AFFIDAVITS

1 THIS COURT ORDERS THAT, on the consent of the parties, this action is hereby dismissed in its entirety, including all counterclaims, on a with prejudice, without costs basis

Ajantha Wijayawardena

---

RCP-L 59A (July 1, 2007)

ENTERED AT / INSCRIT A TORONTO  
ON / BOOK NO  
LE / DANS LE REGISTRE NO

OCT 06 2017

PER / PAR:

A handwritten signature, possibly reading 'A. Wijayawardena', is written over the 'PER / PAR:' label.

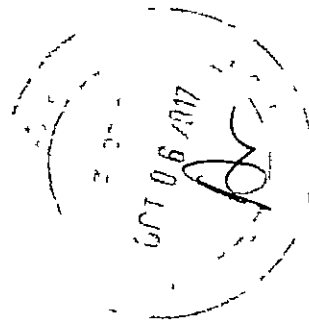
MEDIA CANADA HOUSE (CAPITAL) CORP et al  
Plaintiffs (Defendants by Counterclaim)

-and- WILLIAM SANTOR et al  
Defendants (Plaintiffs by Counterclaim)

Court File No CV-12-459685

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
  
PROCEEDING COMMENCED AT  
TORONTO

**ORDER**



**TORKIN MANES LLP**  
Barristers & Solicitors  
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Toronto ON M5C 2W7

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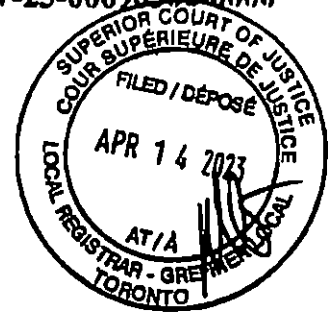
James A Round (48158V)  
jround@torkinmanes.com  
Tel 416-777-5368  
Fax 888-463-8128

Lawyers for the Plaintiffs (Defendants by Counterclaim)  
Media Canada House (Capital) Corp , Aaron Gilbert and  
David Bodanis

(ONTARIO)  
SUPERIOR COURT OF JUSTICE

BETWEEN.

ALAN PLAUNT AND 1401713 ALBERTA LTD.



Plaintiffs

-AND-

WILLIAM GREGORY SANTOR, PROSAPIA WEALTH MANAGEMENT LTD., PROSAPIA CAPITAL MANAGEMENT CORP., PROSAPIA PROPERTY MANAGEMENT INC., PROSAPIA HOLDINGS INC., PROSAPIA CONSULTING INC., PRODUCTIVITY MEDIA INC., PRODUCTIVITY MEDIA CAPITAL INC., PRODUCTIVITY MEDIA MANAGEMENT INC., PRODUCTIVITY MEDIA UK LIMITED, PRODUCTIVITY MEDIA PICTURES INC., PRODUCTIVITY MEDIA (MALTA) LTD., PRODUCTIVITY MEDIA SICAV P.L.C. TRISTAR FILM FINANCE CORP., MEDIA HOUSE CAPITAL (CANADA) CORP. ARRON GILBERT, JOHN DOE CORPORATION, JOHN DOE PARTNERSHIP, AND JOHN DOE

Defendants

STATEMENT OF CLAIM  
(NOTICE OF ACTION ISSUED MARCH 15, 2023)  
This is Exhibit 6 referred to in the affidavit of T Sanghera...  
born before me, this 22 day of Dec., 2023.

1 The Plaintiffs claim.

.....  
A COMMISSIONER FOR TAKING AFFIDAVITS

- a) a declaration that William Gregory Santor was a fiduciary to the Plaintiffs or either of them at all material times,
- b) a declaration that the remaining defendants were, or became at material times, fiduciaries to the Plaintiffs or either of them;
- c) a tracing and accounting of all monies directly or indirectly received and expended by the defendants or either of them directly or indirectly related to the movies colloquially known as 'Daydream Nation', 'Paradox', 'Janie Jones' and 'I Melt With You' (jointly and severally the "Movies"),

- d) without limiting the forgoing, a tracing and accounting of all funds directly or indirectly received by the defendants or either of them which directly or indirectly originated from funds forwarded from the Plaintiffs,
- e) a declaration that the defendants are jointly and severally liable to the plaintiffs or either of them for damages to be particularized before trial;
- f) damages in amounts to be determined at trial for deceit, fraud in its various iterations and formulations, fraudulent and/or negligent misrepresentation, conspiracy, conversion, unjust enrichment, breach of fiduciary duty, breach of contract, negligence, oppression under the Ontario Business Corporations Act, and otherwise.
- g) Interest pursuant to the various arrangements between the Plaintiffs and various defendants from time to time;
- h) alternatively and/or additionally as context warrants pre and post judgement interest in accordance with the Courts of Justice Act, R S O. 1990 c C-43 as amended,
- i) their costs of this action on a complete indemnity scale, and
- j) such further and other relief as may be requested and/or this Honourable Court may deem just given the evidence at trial herein

2 Alan Plaunt is a resident of Ontario and a controlling mind of the 1401713 Alberta Ltd. which is an Alberta based corporation with assets in Ontario They are jointly and severally referred to as "Plaunt" herein unless otherwise indicated directly or by context

3 Tristar Film Finance Corp ("Tristar") is an Alberta company in which William Gregory Santor and Arron Gilbert ("Gilbert") at material times had a financial interest

4 Media House Capital (Canada) Corporation ("**Media House**") is an Alberta company with offices in British Columbia and is under the current control of Gilbert Media House is a successor to Tristar and a company in which William Gregory Santor also had financial and/or other interest and involvement with at material times

5 John Doe Corporation, John Doe Partnership and John Doe (jointly and severally the "**John Doe Defendants**") are placeholder defendants for corporations, persons and other entities the identity of which are presently unknown to the Plaintiff

6 William Gregory Santor is a resident of Ontario. The remaining corporate defendants are corporations that are or at all material times were directly or indirectly controlled by and/or affiliated with William Gregory Santor and/or each other on terms that are presently not fully known to Plaintiff Unless otherwise indicated below, these various defendants are jointly and or severally referred to below as "**Santor**" and/or the "**Santor Group**" as context and/or circumstance requires.

7 At all material times herein, Santor has held himself out and otherwise represented himself to Plaintiff and others as, among other things, a financial planner, a financial advisor, a steward of intergenerational family wealth family and generally a person knowledgeable of and able to lawfully engage in financial and investment and related matters on behalf of and for the benefit of Plaintiff.

8 Beginning in or about 2006, Santor dealt with Plaintiff both directly and through Prosapia Wealth Management Ltd. ("**Prosapia WML**") using a business model ostensibly focused on managing intergenerational wealth for high-net-worth families.

9 Beyond providing specific purely financial advice, Santor provided Plaintiff with guidance about how to arrange Plaintiff's affairs so as to protect, preserve and maximize family wealth and Santor provided referrals to various professionals who might assist Plaintiff in those endeavours. Santor thereby sought to and did cultivate the role of trusted advisor and confidant to Plaintiff.



10 At all material times, all such and related representations and efforts were part of a deliberate effort to solicit trust and money from Plaunt and Santor is put to the strict proof of all allegations to the contrary

11 In furtherance of that effort, at various material times Santor both expressly and implicitly undertook on behalf of himself personally and on behalf of various corporate defendants to act in the best interest of Plaunt and the defendants are put to the strict proof of all allegations to the contrary

12 In time Santor sought to have Plaunt provide him with money which Santor would invest in various movies. Santor made various representations and assurances to Plaunt in order to address Plaunt's known low tolerance for financial risk in order to persuade Plaunt to advance funds so that Santor could invest them in the production of various movies. Full particulars are known to Santor and will be particularized both prior to and at trial

13 Such assurances and representations included but were not limited to advising Plaunt that any such advances would be arranged on a last dollar in, first dollar out basis, that the funds would be collateralized and otherwise secured through various lawful means and that the investments were safe, lawfully secured and otherwise not only fully recoverable but also good financial investments per se. At all material times, Santor knew or reasonably ought to have known that those various representations were false, misleading and disingenuous.

14 For reasons presently unknown to Plaunt, Santor later indicated to Plaunt that he was going to jettison much of his alleged client base and instead focus his attention on a smaller group of clients, such as Plaunt, placing an emphasis on various investment opportunities in or related to the movie production industry

15 Relying on the various representations made by Santor, Plaunt was persuaded to advance funds on terms to Prosapia WML which funds Plaunt was led to believe would be used solely for secured low risk loans for the production of movies entitled '*Paradox*',

*'DayDream Nation', 'I Melt With You', and 'Janie Jones'* Between 2009 and 2010, those advances amounted to CDN\$2,135, 000 and US\$2,125,000, the particulars of which are known to Santor and will in any event be provided prior to trial

16 At all material times, the defendants or either of them had discretion as to, among other things, whether, how, when, and on what terms the funds advanced by Plaunt would flow within and among the various defendants and others

17 Throughout these dealings, Santor repeatedly advised Plaunt that given various peculiarities of the financing of those movies, the funds were being forwarded by way of direct loans from Prosapia WML to Tristar and Media House and Gilbert for direct expenditure on the movie productions but that all such monies were being advanced by Prosapia WML under a structure that ensured that Plaunt's monies were fully secured and would be repaid to Plaunt in priority to all other expenses and indebtedness for each movie together with minimum guaranteed interest thereon

18 Plaunt relied on the said representations and assurances in advancing the subject funds and indeed Santor and the other defendants involved intended that Plaunt would do so At all material times the defendants knew or reasonably ought to have known that those representations and assurances were false, misleading and disingenuous.

19 At one point in 2010, Gilbert also made representations to Plaunt in conjunction with Santor in order to secure desperately needed last minute funding for Janie Jones Those joint representations were mostly similar to those relating to the prior advances but with the additional 'sweetener' or inducement of getting Plaunt Red Carpet access to the release of Janie Jones at TIFF. That singular representation (the Red Carpet access) was honoured.

20 In all the circumstances then and there existing, Santor and those acting under or with him, were fiduciaries to Plaunt and the defendants are put to the strict proof of all allegations to the contrary. To the extent that Santor engaged or collaborated with others

in connection with Plaunt or Plaunt's money, those other individuals and/or entities were fiduciaries as well

21 At no time did the defendants take any or any reasonable steps in the circumstances then and there existing to ensure that the funds advanced by Plaunt were in fact lawfully and fully secured from end to end so as to comply with the substance and spirit of the various assurances given to Plaunt in order to induce him to advance those funds and the defendants are put to the strict proof of all allegations to the contrary.

22 At all material times Santor assured Plaunt that all the funds advanced by Plaunt in connection with the movies would actually be used for the said movies and not diverted, converted or otherwise dissipated. While Plaunt is not presently privy to the particulars, Plaunt notes and relies on the allegations in the Media House Litigation identified below to the effect that only \$3.63 million was advanced by Santor for production of the Movies and further that at least \$600,000 of the funds advanced by Plaunt were never advanced by Santor but instead diverted to other purposes.

23 At no time was Plaunt ever advised that Santor had any direct or indirect financial or other interest in TriStar and/or Media House or indicate that Santor was otherwise subject to any actual or potential conflict of interest either directly or through any company or through any affiliation with Gilbert or others. The full particulars of that involvement over time are presently unknown to Plaunt. At material times Santor was facing a series of personal issues and financial pressures related to the breakup of his marriage and otherwise.

24 Near the end of 2011, Santor indicated that he was having some difficulty realizing repayment of the aforementioned funds advanced by Plaunt and engaged a lawyer he was familiar with in order to facilitate settlement discussions and repayment to Santor and Plaunt.

25 Eventually Santor indicated that the settlement discussions had failed and that he had commenced legal action in order to recover the aforementioned funds advanced by Plaunt. Plaunt was never provided with actual particulars of that litigation nor even a copy of the pleadings. At all material times, Santor indicated that the said litigation was being undertaken by Santor on behalf of Plaunt and the defendants are put to the strict proof of all allegations to the contrary.

26 From time to time, and as recently as December 2022, Santor assured Plaunt that the said litigation was proceeding albeit slowly. During various such communications, Santor was deliberately vague about any specifics but from time to time would assure Plaunt that the matter was under control and that the litigation would ultimately reach a satisfactory conclusion, namely one favourable to Plaunt. In fact Santor had not initiated litigation against Media House as aforesaid nor was it continuing.

27 Plaunt has recently learned that Santor instead had only defended and commenced a counterclaim in an action commenced against himself personally and against Prosapia WML by Media House, Gilbert and another plaintiff in the Ontario Superior Court of Justice bearing court file number CV-12-459685 (the "**Media House Action**")

28 Plaunt has also learned that pleadings were exchanged in the Media House Action in 2012 and 2013, that a summary judgment motion was thereafter timetabled and scheduled but that that summary judgment motion was never argued. Instead, the Media House Action, including the aforementioned counterclaim, were dismissed "*on consent*" in October 2017. The terms of any related settlement are presently unknown to Plaunt.

29 At all material times, Santor and his representatives knew or reasonably ought to have known that in all the circumstances then and there existing, Plaunt was defacto a person under disability affected by the said consent dismissal order when it was being taken out.

30 The pleadings in the Media House Action expressly reference Plaunt and the aforementioned monies he advanced and those monies, as well as their recovery, were in issue in that action. Apparently not all money advanced to Santor by Plaunt was actually used to finance the various movies for reasons not presently known to Plaunt.

31 To the extent that Santor, either alone or in conjunction with others participated in and was able to directly or indirectly control or influence the course of that litigation and its conclusion, Santor and those others had and exercised the power to influence the legal and substantial practical interests of Plaunt. That power was in addition to and not in lieu of all such power extant up to the commencement of the said litigation.

32 Also unbeknown to Plaunt at the material times, Santor has over time created and or become involved in the various corporate defendants comprising the Santor Group and others represented herein as the John Doe Group and has moved money between them. To the extent that any monies originating with, belonging to or that are otherwise juristically linked and/or belonging to Plaunt flowed between any of the defendants, they have been unlawfully converted and otherwise misappropriated from Plaunt and Plaunt seeks and is entitled to a full tracing and accounting regarding same. Plaunt also pleads and relies upon the doctrine of unjust enrichment.

33 In addition, at all material times, Plaunt was a 'claimant' within the meaning of the Ontario Business Corporations Act viz a viz the Santor Group, Tristar and Media Group and the defendants are put to the strict proof of all allegations to the contrary.

34 In the alternative and in any event, at all material times the conduct of the various defendants or either of them in direct and/or indirect connection with the subject funds as described herein and as to be further particularized prior to and at trial, was carried out in a manner that was oppressive, and/or unfairly prejudicial and/or which unfairly disregarded the interests of Plaunt and the defendants are put to the strict proof of all allegations to the contrary.

35 To the extent that Santor, either alone or in conjunction with others, directed, acquiesced to or suffered the said oppressive conduct of the corporate defendants he is personally liable to Plaunt for all damages flowing from the said conduct

36 To the extent that Santor either alone or in conjunction with others directed, acquiesced to or suffered the corporate defendants converting, dissipating, diverting or otherwise relinquishing any funds that were advanced by Plaunt, Santor is personally liable to Plaunt for same and he is put to the strict proof of all allegations to the contrary

37 While detailed particulars, identities and roles are not presently known to Plaunt at this time, at material times throughout Santor has conspired with various co-defendants and others to, among other things, unlawfully and otherwise gain access to money belonging to Plaunt, to use at least some of that money for purposes other than the purposes for which it was advanced by Plaunt, to delay and withhold or otherwise deprive Plaunt of the repayment of the subject funds, to unjustly enrich themselves with such funds and its use or misuse, to prevent Plaunt from discovering their true machinations, to prevent or delay Plaunt from taking independent action to recover same, and to deliberately cover up the true nature, status and settlement of the Media House Action, to compromise the legal position and interests of Plaunt, and otherwise.

38 At all material times, Santor and the various co-defendants and others involved in each such act, knew or reasonably ought to have known and indeed intended that their acts would likely harm Plaunt whose money was at issue

39 In the course of their conduct as aforementioned and to be further particularized prior to and at trial, Santor and his various co-conspirators directly or indirectly perpetrated, among other things, deceit, fraud, constructive fraud, equitable fraud, negligent and/or fraudulent misrepresentation.

40 To date none of the funds advanced by Plaunt have been returned nor has any interest been paid on same.

41      Plaunt pleads and relies on the relevant provisions of the following statutes

- Courts of Justice Act, R.S.O. 1990 s. c-43 as amended,
- Business Corporations Act, R.S.O. 1990 c. B-16 as amended,
- Negligence Act, R.S.O. 1990 c. N-1 as amended;
- Securities Act, R.S.O. 1990 c. S-5 as amended,
- Trustee Act, R.S.O. 1990 c. T-23 as amended

42      Plaunt proposes that this action be tried in Toronto

**CLAUDIO R. AIELLO**

Barrister & Solicitor

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Lawyer for the Plaintiffs

LSO No 26796B

COURT FILE NO CV-23-00696306-0000

ALAN PLAUNT ET AL

Plaintifs

V.

WILLIAM GREGORY SANTOR ET AL

Defendants

(ONTARIO)

SUPERIOR COURT OF JUSTICE

Proceeding commenced at Toronto

**STATEMENT OF CLAIM**

**CLAUDIO R. AIELLO**

Barrister & Solicitor

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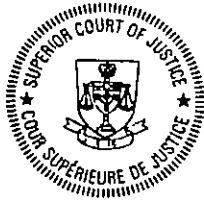
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*claudio@aiellolaw.ca*

Lawyer for the Plaintiffs

LSO No 26796B





COURT FILE NO

(ONTARIO)

SUPERIOR COURT OF JUSTICE

BETWEEN

**ALAN PLAUNT AND 1401713 ALBERTA LTD.**

Plaintiffs

**-AND-**

**WILLIAM GREGORY SANTOR, PROSAPIA WEALTH MANAGEMENT LTD , PROSAPIA  
CAPITAL MANAGEMENT CORP , PROSAPIA PROPERTY MANAGEMENT INC , PROSAPIA  
HOLDINGS INC., PROSAPIA CONSULTING INC., PRODUCTIVITY MEDIA INC.,  
PRODUCTIVITY MEDIA CAPITAL INC., PRODUCTIVITY MEDIA MANAGEMENT INC ,  
PRODUCTIVITY MEDIA UK LIMITED, PRODUCTIVITY MEDIA PICTURES INC.,  
PRODUCTIVITY MEDIA (MALTA) LTD., PRODUCTIVITY MEDIA SICAV P.L C.  
TRISTAR FILM FINANCE CORP. , MEDIA HOUSE CAPITAL (CANADA) CORP. ARRON  
GILBERT, JOHN DOE CORPORATION, JOHN DOE PARTNERSHIP, AND JOHN DOE**

Defendants

### **NOTICE OF ACTION**

TO THE DEFENDANTS

A LEGAL PROCEEDING HAS BEEN COMMENCED AGAINST YOU by the plaintiffs The claim made against you is set out in the statement of claim served with this notice of action

If YOU WISH TO DEFEND THIS PROCEEDING, you or an Ontario lawyer acting for you must prepare a statement of defence in Form 18A prescribed by the Rules of Civil Procedure, serve it on the plaintiff's lawyer or, where the plaintiff does not have a lawyer, serve it on the plaintiff, and file it, with proof of service, in this court office, **WITHIN TWENTY DAYS** after this notice of action is served on you, if you are served in Ontario

If you are served in another province or territory of Canada or in the United States of America, the period for serving and filing your statement of defence is forty days If you are served outside Canada and the United States of America, the period is sixty days

Instead of serving and filing a statement of defence, you may serve and file a notice of intent to defend in Form 18B prescribed by the Rules of Civil Procedure This will entitle you to ten more days within which to serve and file your statement of defence

IF YOU FAIL TO DEFEND THIS PROCEEDING, JUDGMENT MAY BE GIVEN AGAINST YOU IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU IF YOU WISH TO DEFEND THIS

PROCEEDING BUT ARE UNABLE TO PAY LEGAL FEES, LEGAL AID MAY BE AVAILABLE TO YOU BY CONTACTING A LOCAL LEGAL AID OFFICE

TAKE NOTICE THIS ACTION WILL AUTOMATICALLY BE DISMISSED if it has not been set down for trial or terminated by any means within five years after the action was commenced unless otherwise ordered by the court

March 15, 2023

Issued by

Local Registrar

Court Office Address 330 University Avenue, Toronto

To

**William Gregory Santor**

249 Lakeside Avenue, Burlington ON L7N 1Y4

**Prosapia Wealth Management Ltd**

**Prosapia Capital Management Corp**

**Prosapia Holdings Inc**

**Productivity Media Inc**

**Productivity Media Management Inc.**

**Productivity Media UK Limited**

**Productivity Media Pictures Inc.**

2521 Wyecroft Road, Oakville ON L6L 6P8

**Prosapia Property Management Inc**

300-1100 Burloak Drive, Burlington ON L7L 6B2

**Productivity Media Capital Inc.**

85016 - 561 Brant Street, Burlington ON L7R 2G6

**Prosapia Consulting Inc.**

3185 Dickinson Crescent, Vancouver BC V7V 2L4

**Productivity Media (Malta) Ltd**

No 53A Triq Dun Pawl, LUQA LQA 1600 MALTA

**Productivity Media SICAV P.L.C.**

Cornerstone Complex, Suite A, Level 1, 16th September Square, Mosta MST1180 Malta

**Tristar Film Finance Corp**

34 4816-35B Street SE, Calgary AB T2B 3N1

**Aaron Gilbert**

**Media House Capital (Canada) Corp**

2800, 715 – 5 Avenue SW, Calgary AB T2P 2X6

## CLAIM

### 1 The Plaintiffs claim

- a) a declaration that William Gregory Santor was a fiduciary to the Plaintiffs or either of them at all material times,
- b) a declaration that the remaining defendants were, or became at material times, fiduciaries to the Plaintiffs or either of them,
- c) a tracing and accounting of all monies directly or indirectly received and expended by the defendants or either of them directly or indirectly related to the movies colloquially known as Daydream Nation, Paradox, Janie Jones and I Melt With You (collectively the “Movies”),
- d) without limiting the forgoing, a tracing and accounting of all funds directly or indirectly received by the defendants or either of them which directly or indirectly originated from funds forwarded from the Plaintiffs,
- e) a declaration that the defendants are jointly and severally liable to the plaintiffs or either of them for damages to be particularized before trial,
- f) damages in amounts to be determined at trial for deceit, fraud in its various iterations and formulations, fraudulent and/or negligent misrepresentation, conspiracy, conversion, unjust enrichment, breach of fiduciary duty, breach of contract, negligence, oppression under the Ontario Business Corporations Act, and otherwise
- g) Interest pursuant to the various arrangements between the Plaintiffs and various defendants from time to time,

- h) alternatively and/or additionally as context warrants pre and post judgement interest in accordance with the Courts of Justice Act, R S O 1990 c C-43 as amended,
- i) their costs of this action on a complete indemnity scale, and
- j) such further and other relief as may be requested and/or this Honourable Court may deem just given the evidence at trial herein

2 Alan Plaunt is a resident of Ontario and a controlling mind of the 1401713 Alberta Ltd which is an Alberta based corporation with assets in Ontario. They are jointly and severally referred to as **"Plaunt"** herein unless otherwise indicated directly or by context

3 Tristar Film Finance Corp (**"Tristar"**) is an Alberta company in which William Gregory Santor and Arron Gilbert (**"Gilbert"**) at material times had a financial interest

4 Media House Capital (Canada) Corporation (**"Media House"**) is an Alberta company with offices in British Columbia and is under the current control of Gilbert. Media House is a successor to Tristar and a company in which William Gregory Santor also had financial and/or other interest and involvement with at material times

5 John Doe Corporation, John Doe Partnership and John Doe (jointly and severally the **"John Doe Defendants"**) are placeholder defendants for corporations, persons and other entities the identity of which are presently unknown to the Plaunt

6 William Gregory Santor is a resident of Ontario. The remaining corporate defendants are corporations that are or at all material times were directly or indirectly controlled by and/or affiliated with William Gregory Santor and/or each other on terms that are presently not fully known to Plaunt. Unless otherwise indicated below, these various defendants are jointly and or severally referred to below as **"Santor"** and/or the **"Santor Group"** as context and/or circumstance requires

7 At all material times herein, Santor has held himself out and otherwise represented himself to the Plaintiffs and others as, among other things, a financial planner, a financial advisor, a steward of intergenerational family wealth family wealth and generally a person knowledgeable of and able to lawfully engage in financial and investment and related matters on behalf of and for the benefit of Plaunt At all material times, all such and related representations were, among other things, part of deliberate efforts to solicit trust and money from Plaunt

8 Initially Santor dealt with Plaunt both directly and through Prosapia Wealth Management Ltd (“**Prosapia WML**”) using a business model ostensibly focused on managing intergenerational wealth for high-net-worth families

9 In time Santor sought to have Plaunt provide him with money which Santor would invest in various movies Santor made various representations and assurances to Plaunt in order to address Plaunt’s known low tolerance for financial risk in order to persuade Plaunt to advance funds so that Santor could invest them in the production of various movies Such assurances and representations included but were not limited to advising Plaunt that any such advances would be arranged on a last dollar in, first dollar out basis, that the funds would be collateralized and otherwise secured through various means

10 For reasons presently unknown to Plaunt, Santor later indicated to Plaunt that he was going to jettison much of his alleged client base and instead focus his attention on a smaller group of clients, such as Plaunt, placing an emphasis on various investment opportunities in or related to the movie production industry

11 Relying on the various representations made by Santor, Plaunt was persuaded to advance funds on terms to Prosapia WML which funds Plaunt was led to believe would be used solely for secured low risk loans for the production of movies entitled ‘*Paradox*’, ‘*DayDream Nation*’, ‘*I Melt With You*’, and ‘*Janie Jones*’ Between 2009 and 2010, those advances amounted to CDN\$2,135, 000 and US\$2,125,000 At one point in 2010, Gilbert also made representations to Plaunt in order to secure funding for Janie Jones

12 Santor repeatedly advised Plaunt that given various peculiarities of the financing of those movies, the funds were being forwarded by way of direct loans from Prosapia WML to Tristar and Media House and Gilbert for direct expenditure on the movie productions but that all such monies were being advanced by Prosapia WML under a structure that ensured that Plaunt's monies were fully secured and would be repaid to Plaunt in priority to all other expenses and indebtedness for each movie together with minimum guaranteed interest thereon. Plaunt relied on Santor's said representations and assurances in advancing the said funds and indeed Santor intended that Plaunt would do so.

13 Plaunt has never been provided with full particulars of all the flow of the said money after it was paid to Santor nor with particulars of all the terms negotiated by Santor nor with any of the security Santor had assured Plaunt he had put in place.

14 At all material times, Santor was a fiduciary in relation to Plaunt and Plaunt's money. To the extent that Santor engaged or collaborated with others in connection with Plaunt or Plaunt's money, those other individuals and/or entities were fiduciaries as well.

15 Near the end of 2011, Santor indicated that he was having some difficulty realizing repayment of the aforementioned funds advanced by Plaunt and engaged a lawyer he was familiar with in order to facilitate settlement discussions and repayment to Santor and Plaunt.

16 Eventually Santor indicated that the settlement discussions had failed and that he had commenced legal action in order to recover the aforementioned funds advanced by Plaunt. From time to time, and as recently as December 2022, Santor assured Plaunt that the said litigation was proceeding albeit slowly. During various such communications, Santor was deliberately vague about any specifics but from time to time would assure Plaunt that the matter was under control and that the litigation would ultimately reach a satisfactory conclusion.

17 Unbeknown to Plaunt at the time, Santor had not initiated litigation against Media House as aforesaid. Plaunt has since learned that Santor instead defended and commenced a counterclaim in an action as against himself personally and against Prosapia WML by Media House, Gilbert and another plaintiff in the Ontario Superior Court of Justice bearing court file number CV-12-459685 (the “**Media House Action**”)

18 Pleadings were exchanged in the Media House Action in 2012 and 2013. Thereafter a summary judgment motion was timetabled and scheduled but that motion was never argued. Instead, the Media House Action, including the aforementioned counterclaim, were dismissed on consent in October 2017. The terms of any related settlement are presently unknown to Plaunt.

19 The pleadings in the Media House Action expressly reference Plaunt and the aforementioned monies he advanced and those monies, or at least a portion of them, were in issue in those pleadings. Apparently not all money advanced to Santor by Plaunt was actually used to finance the various movies for reasons not presently known to Plaunt.

20 At no material time did Santor indicate to Plaunt that he had any direct or indirect financial or other interest in TriStar Film Finance Ltd. and/or Media House or indicate that he was otherwise subject to any actual or potential conflict of interest either directly or through any company or through any affiliation with Gilbert or others.

21 Unbeknown to Plaunt at the material times, Santor was directly and/or indirectly financially involved with Tristar and later with Media House together with Gilbert. The full particulars of that involvement over time are presently unknown to Plaunt. At material times Santor was facing a series of personal issues and financial pressures related to the break up of his marriage and otherwise.

22 Unbeknown to Plaunt at the material times, Santor has over time created and or become involved in the various corporate defendants comprising the Santor Group and others represented herein as the John Doe Group and has moved money between them. To

the extent that any monies originating with, belonging to or that are otherwise juristically linked and/or belonging to Plaunt flowed between any of the defendants, they have been unlawfully converted and otherwise misappropriated from Plaunt

23 While particulars are not presently known to Plaunt at this time, at material times throughout Santor has conspired with various co-defendants to unlawfully gain access to money belonging to Plaunt, to use at least some of that money for purposes other than the purposes for which it was advanced, to delay, withhold or otherwise deprive Plaunt of repayment of the subject funds, to unjustly enrich themselves with such funds and its use or misuse, to prevent Plaunt from taking action to recover same by deliberately covering up the true nature, status and settlement of the Media House Action, and otherwise

24 Plaunt pleads and relies on the relevant provisions of the following statutes

- Courts of Justice Act, R S O 1990 s c-43 as amended,
- Business Corporations Act , R S O 1990 c B-16 as amended,
- Negligence Act, R S ) 1990 c N-1 as amended,
- Securities Act, R S O 1990 c S-5 as amended,
- Trustee Act, R S O 1990 c T-23 as amended

25 Plaunt proposes that this action be tried in Toronto

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(416) 969-9900 *claudio@aiellolaw.ca*

Lawyer for the Plaintiffs

LSO No 26796B



COURT FILE NUMBER

**ALAN PLAUNT ET AL**

Plaintifs

**V.**

**WILLIAM GREGORY SANTOR ET AL**

Defendants

(ONTARIO)  
SUPERIOR COURT OF JUSTICE

Proceeding commenced at Toronto

**NOTICE OF ACTION**

**CLAUDIO R AIELLO**  
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Lawyer for the Plaintiffs

LSO No 26796B

This is Exhibit 7 -- referred to in the affidavit of T. Sanghera sworn before me, the day of Dec 22, 2023

Court File No CV-23-00696306-0000

ONTARIO  
A COURT OF SESSION FOR TAKING AFFIDAVITS  
SUPERIOR COURT OF JUSTICE

BETWEEN

ALAN PLAUNT and 1401713 ALBERTA LTD

Plaintiffs

— and —

WILLIAM GREGORY SANTOR, PROSAPIA WEALTH MANAGEMENT LTD ,  
PROSAPIA CAPITAL MANAGEMENT CORP , PROSAPIA PROPERTY  
MANAGEMENT INC , PROSAPIA HOLDINGS INC , PROSAPIA CONSULTING INC ,  
PRODUCTIVITY MEDIA INC , PRODUCTIVITY MEDIA CAPITAL INC ,  
PRODUCTIVITY MEDIA MANAGEMENT INC , PRODUCTIVITY MEDIA UK  
LIMITED, PRODUCTIVITY MEDIA PICTURES INC , PRODUCTIVITY MEDIA  
(MALTA) LTD , PRODUCTIVITY MEDIA SICAV P L C , TRISTAR FILM FINANCE  
CORP , MEDIA HOUSE CAPITAL (CANADA) CORP , AARON GILBERT,  
JOHN DOE CORPORATION, JOHN DOE PARTNERSHIP and JOHN DOE

Defendants

**STATEMENT OF DEFENCE AND CROSSCLAIM OF THE  
DEFENDANTS, WILLIAM GREGORY SANTOR, PROSAPIA WEALTH  
MANAGEMENT LTD., PROSAPIA CAPITAL MANAGEMENT CORP.,  
PROSAPIA PROPERTY MANAGEMENT INC., PROSAPIA HOLDINGS  
INC., PRODUCTIVITY MEDIA INC., PRODUCTIVITY MEDIA CAPITAL  
INC., PRODUCTIVITY MEDIA MANAGEMENT INC., PRODUCTIVITY  
MEDIA UK LIMITED, PRODUCTIVITY MEDIA PICTURES INC.,  
PRODUCTIVITY MEDIA (MALTA) LTD. and PRODUCTIVITY MEDIA  
SICAV P.L.C.**

1 The defendants, William Gregory Santor, Prosapia Wealth Management Ltd , Prosapia  
Capital Management Corp , Prosapia Property Management Inc , Prosapia Holdings Inc ,  
Productivity Media Inc , Productivity Media Capital Inc , Productivity Media Management Inc ,  
Productivity Media UK Limited, Productivity Media Pictures Inc , Productivity Media (Malta)

Ltd , and Productivity Media SICAV P L C (collectively, the **Relevant Defendants**), deny all of the allegations in the statement of claim, unless otherwise expressly admitted below

2 The Relevant Defendants specifically deny that the plaintiffs are entitled to the relief sought in paragraph 1 of the statement of claim, or any relief at all

**A The Relevant Defendants**

3 The defendant, William Gregory Santor (**Santor**) was the President and Chief Executive Officer of Prosapia Wealth Management Ltd (**PWM**) during the relevant period, and continues to hold those positions today Separately, Santor is a founder and the Chief Executive Officer of Productivity Media Inc (**PMI**)

4 During the relevant period, the defendant PWM, which is an Ontario corporation, carried on business in wealth management and financial strategy The plaintiffs Alan Plaunt and his holding company 1401713 Alberta Ltd were clients of PWM

5 The defendants Prosapia Capital Management Corp , Prosapia Property Management Inc and Prosapia Holdings Inc are Ontario corporations that were incorporated in respect of prospective business ventures that did not materialize There is not nor has there ever been a business relationship or dealings of any kind between the plaintiffs and Prosapia Capital Management Corp , Prosapia Property Management Inc or Prosapia Holdings Inc

6 The defendant PMI is an Ontario corporation carrying on business as a producer and financier that provides senior secured debt in film and television production There is not, nor has there ever been a business relationship or dealings of any kind between the PMI and the

plaintiffs PMI's incorporation post-dates the investments made by the plaintiffs at issue in this proceeding

7 The defendants, Productivity Media Capital Inc , Productivity Media Management Inc , and Productivity Media Pictures Inc. are Ontario corporations There is not, nor has there ever been a business relationship or dealings of any kind between the plaintiffs and Productivity Media Capital Inc , Productivity Media Management Inc , or Productivity Media Pictures Inc The incorporation of each of these entities post-dates the investments made by the plaintiffs at issue in this proceeding

8 Productivity Media (Malta) Ltd was incorporated in Malta and struck off the registry in December 4, 2022 There is not, nor has there ever been a business relationship or dealings of any kind between the plaintiffs and Productivity Media (Malta) Ltd The incorporation of Productivity Media (Malta) Ltd post-dates the investments made by the plaintiffs at issue in this proceeding

9 Productivity Media SICAV P L C is an entity incorporated in Malta There is not, nor has there ever been a business relationship or dealings of any kind between the plaintiffs and Productivity Media SICAV P L C The incorporation of Productivity Media SICAV P L C post-dates the investments made by the plaintiffs at issue in this proceeding

10 The defendant, Productivity Media UK Limited is incorporated pursuant to the laws of England and Wales There is not, nor has there ever been a business relationship or dealings of any kind between the plaintiffs and Productivity Media UK Limited The incorporation of Productivity Media UK Limited post-dates the investments made by the plaintiffs at issue in this proceeding

**B. Other Parties**

11 Prosapia Consulting Inc is named as a defendant. The Relevant Defendants have no knowledge of or association with Prosapia Consulting Inc.

12 Media House Capital (Canada) Corp (**Media House**) is a federally incorporated company that carried on business in Canada as a lender in the motion picture industry during the relevant period.

13 Tristar Film Finance Corp (**Tristar**) was a venture set up by Michael Olsen in November 2009 to invest in motion pictures. The Relevant Defendants have no knowledge of Tristar's current status as an active business.

14 Aaron Gilbert (**Gilbert**) is a film producer who was also involved in Tristar and Media House during the relevant period.

**C Factual Background**

15 In November 2009, Santor was approached by Tristar in connection with originating investments for film productions. After certain business dealings with Tristar, Santor grew concerned about Tristar's management, and ceased any further involvement with Tristar's operations in or about May 2010.

16 Following Santor's decision to have no further involvement with Tristar's operations, in May 2010, Media House was incorporated as an investment vehicle to finance film productions.

17 During this period, Plaunt directed PWM to invest on his behalf in the production of four films Paradox, DayDream Nation, I Melt With You and Janie Jones (the Films) Plaunt provided funds to PWM to facilitate the investments

18 Plaunt, who at the time was an experienced investor, directed PWM to invest in the Films of his own accord with an understanding of the risks inherent in investing in the film industry, including that returns are not guaranteed, and that funds invested may be partially or fully lost

19 At all material times, Plaunt had the final say regarding whether PWM would make an investment on his behalf PWM could not make investments on Plaunt's behalf without Plaunt's express approval

20 Plaunt was aware that the funds would be advanced to various production companies set up for the purpose of receiving funds to finance the Films

21 Plaunt was also aware that the funds would be advanced by way of loans from PWM to Tristar and Media House, before ultimately being provided to the production companies

22 Contrary to the allegations in the statement of claim, there was nothing improper about this arrangement It comports with common industry practice and streamlined interactions with the banks that received investor funds (i e rather than having numerous points of contact with individual investors)

23 PWM advanced the funds to Tristar and Media House, which in turn advanced the funds to the production companies, as agreed

24 In mid-2011, Santor was forced out of Media House, and it came to light that Gilbert had surreptitiously issued to himself all of the shares of Media House, in breach of a prior agreement that Santor was, or would be, the beneficial owner of at least one-third of Media House's shares

25 Due to the negligent and improper conduct of Media House and Gilbert, the loans were not repaid in a timely manner. When pressed regarding the status of the loans, Gilbert admitted that he had failed to act diligently and with sufficient attention to detail in respect of the loans

26 PWM was ultimately forced to pursue litigation against, among others, Media House and Gilbert in connection with the funds that PWM had advanced. That litigation was resolved in 2017, as Plaunt was aware or should have been aware

27 The Relevant Defendants plead and rely on the *Limitations Act, 2002*, SO 2002, c. 24

**D. No Involvement by the Productivity Defendants**

28 PMI, Productivity Media Capital Inc, Productivity Media Management Inc, Productivity Media Pictures Inc, Productivity Media (Malta) Ltd, Productivity Media SICAV P L C and Productivity Media UK Limited (the **Productivity Defendants**) specifically deny any and all allegations against them in the statement of claim

29 The Productivity Defendants have had no dealings with the plaintiffs, and have been improperly added as parties based on an association (or perceived association) with certain of the other Relevant Defendants, specifically Santor

30 The Productivity Defendants are not affiliates or subsidiaries of PWM or any of the other named Prosapia entities

31 The plaintiffs' claim should be dismissed with costs on a substantial indemnity basis, or other appropriate scale

### CROSSCLAIM

- 32 The Relevant Defendants claim against the defendants, Media House and Aaron Gilbert
- (a) indemnity, contribution or payment in respect of any judgment that the plaintiffs may obtain against the Relevant Defendants,
  - (b) indemnity, contribution or payment in respect of all costs incurred by the Relevant Defendants in defending this action, plus applicable taxes,
  - (c) pre-judgment and post-judgment interest pursuant to the *Courts of Justice Act*, R S O 1990, c C 43, and
  - (d) the costs of this crossclaim
- 33 The Relevant Defendants repeat and rely on the allegations contained in their statement of defence



September 29, 2023

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Prosapia Capital Management Corp , Prosapia  
Property Management Inc , Prosapia Holdings  
Inc , Productivity Media Inc , Productivity Media  
Capital Inc , Productivity Media Management Inc ,  
Productivity Media UK Limited, Productivity  
Media Pictures Inc , Productivity Media (Malta)  
Ltd., and Productivity Media SICAV P.L.C.

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Defendant

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Calgary AB T2P 2X6

Defendant

AND TO **AARON GILBERT**  
Media House Capital (Canada) Corp  
2800, 715 – 5 Avenue SW  
Calgary AB T2P 2X6

Defendant

AND TO **TRISTAR FILM FINANCE CORP**  
34, 4816-35B Street SE  
Calgary AB T2B 3N1

Defendant

ALAN PLAUNT et al  
Plaintiffs

-and-

WILLIAM GREGORY SANTOR et al  
Defendants  
Court File No CV-23-00696306-0000

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
Proceeding Commenced at Toronto

**STATEMENT OF DEFENCE AND CROSSCLAIM**

**BENNETT JONES LLP**

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Management Corp , Prosapia Property Management Inc ,  
Prosapia Holdings Inc , Productivity Media Inc , Productivity  
Media Capital Inc , Productivity Media Management Inc ,  
Productivity Media UK Limited, Productivity Media Pictures  
Inc , Productivity Media (Malta) Ltd , and Productivity Media  
SICAV P L C

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

B E T W E E N

ALAN PLAUNT and 1401713 ALBERTA LTD

Plaintiffs

- and -

WILLIAM GREGORY SANTOR, PROSAPIA WEALTH MANAGEMENT LTD ,  
PROSAPIA CAPITAL MANAGEMENT CORP , PROSAPIA PROPERTY  
MANAGEMENT INC , PROSAPIA HOLDINGS INC , PROSAPIA CONSULTING  
INC , PRODUCTIVITY MEDIA INC , PRODUCTIVITY MEDIA CAPITAL INC ,  
PRODUCTIVITY MEDIA MANAGEMENT INC , PRODUCTIVITY MEDIA UK  
LIMITED, PRODUCTIVITY MEDIA PICTURES INC , PRODUCTIVITY MEDIA  
(MALTA) LTD , PRODUCTIVITY MEDIA SICAV P L C , TRISTAR FILM FINANCE  
CORP , MEDIA HOUSE CAPITAL (CANADA) CORP , AARON GILBERT,  
JOHN DOE CORPORATION, JOHN DOE PARTNERSHIP and JOHN DOE

Defendants

**NOTICE OF INTENT TO DEFEND**

The defendants, William Gregory Santor, Prosapia Wealth Management Ltd , Prosapia  
Capital Management Corp , Prosapia Property Management Inc , Prosapia Holdings Inc ,  
Productivity Media Inc , Productivity Media Capital Inc , Productivity Media Management Inc ,  
Productivity Media UK Limited, Productivity Media Pictures Inc , Productivity Media (Malta)  
Ltd , Productivity Media SICAV P L C and Tristar Film Finance Corp , intend to defend this  
action

August 15, 2023

**BENNETT JONES LLP**

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Calgary AB T2P 2X6

Defendant

AND TO **AARON GILBERT**  
Media House Capital (Canada) Corp  
2800, 715 – 5 Avenue SW  
Calgary AB T2P 2X6

Defendant

ALAN PLAUNT et al  
Plaintiffs

-and-

WILLIAM GREGORY SANTOR et al  
Defendants

Court File No CV-23-00696306-0000

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**

Proceeding Commenced at Toronto

**NOTICE OF INTENT TO DEFEND**

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Prosapia Property Management Inc , Prosapia Holdings Inc ,  
Productivity Media Inc , Productivity Media Capital Inc ,  
Productivity Media Management Inc , Productivity Media UK  
Limited, Productivity Media Pictures Inc , Productivity Media  
(Malta) Ltd , Productivity Media SICAV P L C and Tristar Film  
Finance Corp

Court File No CV-23-00696306-0000

ONTARIO  
SUPERIOR COURT OF JUSTICE

BETWEEN

ALAN PLAUNT and 1401713 ALBERTA LTD.

Plaintiffs

- and -

WILLIAM GREGORY SANTOR, PROSAPIA WEALTH MANAGEMENT LTD ,  
PROSAPIA CAPITAL MANAGEMENT CORP., PROSAPIA PROPERTY  
MANAGEMENT INC., PROSAPIA HOLDINGS INC., PROSAPIA CONSULTING INC.,  
PRODUCTIVITY MEDIA INC., PRODUCTIVITY MEDIA CAPITAL INC.,  
PRODUCTIVITY MEDIA MANAGEMENT INC., PRODUCTIVITY MEDIA UK  
LIMITED, PRODUCTIVITY MEDIA PICTURES INC., PRODUCTIVITY MEDIA  
(MALTA) LTD , PRODUCTIVITY MEDIA SICAV P.L.C., TRISTAR FILM FINANCE  
CORP , MEDIA HOUSE CAPITAL (CANADA) CORP., ARRON GILBERT, JOHN DOE  
CORPORATION, JOHN DOE PARTNERSHIP, AND JOHN DOE

Defendants

STATEMENT OF DEFENCE AND CROSSCLAIM

I Unless expressly admitted herein, the defendants Media House Capital (Canada)  
Corp (“Media House”) and Aaron Gilbert (incorrectly named in the Statement of Claim as “Arron  
Gilbert”) deny or have no knowledge of the allegations contained in the Statement of Claim

This is Exhibit .. 8 .. referred to in the  
affidavit of T. Sanghera  
sworn before me, this 22nd  
day of Dec 2023  
A COMMISSIONER FOR TAKING AFFIDAVITS



## **Background**

2           In or around 2009, the defendant William Gregory Santor approached the defendant Aaron Gilbert to enter into a business venture in which pooled investments would be used to invest in independent film projects. In 2011, this business venture was eventually incorporated as the defendant Media House. Media House carried on business as a debt lender in the independent motion picture industry. At the material time, Gilbert was the president and director of Media House.

3           Santor is no longer affiliated or associated with Media House, nor was he at any time that is relevant to the plaintiffs' claims against Media House and Gilbert (collectively, the **"Media House Parties"**)

4           Santor represented to Gilbert that he exercised sole direction and control over \$5,000,000 in assets invested through the defendant, Prosapia Wealth Management Ltd (**"Prosapia Wealth"**) (together with Santor, the **"Santor Parties"**). Santor further assured Gilbert that he had the authority and discretion to invest these funds in projects on all his clients' behalf. Gilbert had no reason to doubt that this was not the case at any relevant time. Neither Media House nor Gilbert took on any financial or other obligations to the Santor Parties' clients, including, in particular, the plaintiffs.

5           None of the other defendants named in this proceeding has any relationship whatsoever with the Media House Parties.

6.           As further detailed below, any claim that the plaintiffs may have had against the Media House Parties, the merits of which are denied, were settled without any admission of

liability as part of the resolution of a prior action styled *Media House (Capital) Corp et al v William Santor and Prosapia Wealth Management Ltd* (Court File No CV-12-459685) between the Media House Parties and the Santor Parties (the “**Prior Action**”)

7           This proceeding is therefore barred by the terms of the settlement of the Prior Action. The plaintiffs’ action is also time barred, as the events giving rise to this action occurred over a decade ago. In any case, the Media House Parties owed no contractual, fiduciary or other duties to the plaintiffs.

#### **The Terms of the Settlement of the Prior Action**

8           The settlement documents resolving the Prior Action include a release encompassing each of the causes of action asserted in the present action. The relevant provisions are as follows:

**THEREFORE** in consideration of the payment or promise of payment as set out in the Settlement Agreement dated September 5, 2017, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Media House Capital (Canada) Corp, Aaron Gilbert, David Bodanis, William Santor and Prosapia Wealth Management Ltd on behalf of themselves, their heirs, administrators, executors, assigns, successors and on behalf of any party or parties who claim a right or interest through them hereby release, acquit and forever discharge without qualification or limitation each other and their partners, agents, employees, associates, servants, heirs, successors, assigns and insurers, (hereinafter collectively the "Parties") from all manner of actions, causes of action, suits, debts, dues, accounts, bonds, covenants, contracts, complaints, claims and demands for damages, monies, losses, indemnity, costs, interest and loss or injuries whatsoever which they ever had, or now have by reason of any cause, matter or thing whatsoever including but without limiting the generality of the foregoing, all causes, matter or things relating to the following

- (a) The business of Media House Capital (Canada) Corp ,
- (b) Any right, title and/or interest that Media House Capital (Canada) Corp has or had related to or in connection with the motion pictures *Daydream Nation*, *Janie Jones*, *I Melt with You* and/or *Paradox*;
- (c) Any personal loans between the Parties or any one or more of them,
- (d) The Parties' respective rights, title and/or interests in Media House Capital (Canada) Corp ,
- (e) Any relief claimed in the Action with respect to "oppression",
- (f) Any act or omission in relation to the above,

and from any and all actions, causes of action, claims and demands or losses of whatsoever nature, whether in contract or in tort or arising as a result of a fiduciary duty, claim for equity, or by virtue of any statute or upon or by reason of any damage, loss or injury arising out of the matters set forth above including but without limiting the generality of the foregoing, from any and all matters that were pleaded in, or could have been pleaded in the Action

9                   The following provision also makes it clear that the settlement documents executed by the Santor Parties are binding on the plaintiffs

**IN THE CASE OF PROSAPIA WEALTH MANAGEMENT LTD** this Party acknowledge that this Release enures to the benefit and binds itself, its parent, subsidiaries, affiliates and related companies and each of the respective directors, officers, shareholders, employees, servants, agents and administrators, both present and former, and all of their administrators, successors and assigns and any party or parties who claim a right or interest through them

10           As admitted at paragraph 30 of the Statement of Claim, the “pleadings in the Media House Action [the Prior Action] expressly reference Plaunt and the aforementioned monies he advanced and those monies, as well as their recovery, were in issue in that action ”

11           Moreover, the parties to the settlement in the Prior Action at all times believed and intended that it would be binding upon the plaintiffs in this action. In fact, the plaintiffs to this action were at all times aware of, and consented to, the negotiation and execution of the settlement documents in the Prior Action. The Santor Parties made a representation to this effect, directly or indirectly, to the Media House Parties. In executing the settlement documents, the Santor Parties also represented, explicitly or implicitly, that they had actual or ostensible authority to bind the plaintiffs.

12           To the extent that the aforementioned representations were negligently and/or deliberately made, the Santor Parties are liable in contract and tort to the Media House Parties. The Media House Parties would never have executed the settlement documents, had they known that the plaintiffs did not consent to them or to be bound by their terms. Of course, the Media House Parties had no knowledge or expectation that the Santor Parties would misappropriate all or a portion of the settlement proceeds, if this is in fact what occurred.

13           The Media House Parties assert that this action constitutes a breach of the settlement agreement in the Prior Action. This action should therefore be dismissed with costs payable to the Media House Parties on a full indemnity basis.

### **The Plaintiffs' Claim is Statute Barred**

14 Even if the plaintiffs' claim is not barred by the settlement agreement, it is barred by operation of section 4 of the *Limitation Act*, 2002, S O 2002, c 24, Sched B or, alternatively, the equitable doctrine of laches. In this regard, the plaintiffs discovered (within the meaning of the *Limitation Act*) the claims asserted in this action more than two years prior to the commencement of the action.

### **No Contractual or Other Obligations**

15 The Media House Parties deny that they owed any fiduciary or other duties to the plaintiffs, whether at common law or pursuant to statute. Contrary to paragraph 16 of the Statement of Claim, the Media House Parties had no control over the investment of the plaintiffs' funds. As far as the Media House Parties were concerned, the Santor Parties exercised full discretionary control over the plaintiffs' assets. As such, the Media House Parties cannot be held liable for the tort of conversion.

16 To the extent that the Santor Parties did not have the requisite authority to invest the plaintiffs' funds in the film projects, the Media House Parties had no knowledge of that, and nor could they have. The plaintiffs exclusively dealt with the Santor Parties, *not* the Media House Parties. Further, and contrary to paragraph 19 of the Statement of Claim, the Media House Parties never made any representations whatsoever to the plaintiffs.

17 Media House is not incorporated under the *Business Corporations Act*, R S O 1990, c B 16 (the "OBICA") and therefore cannot be subject to an oppression claim asserted under

that statute. In any event, the Media House Parties deny that they ever acted oppressively towards the plaintiffs' interests, whether within the meaning of the OBCA or otherwise.

18           The Media House Parties also deny that they were unjustly enriched at the plaintiffs' expense. Any amounts that the plaintiffs had loaned for the production of any film projects were fully settled upon the completion of the settlement of the Prior Action. The Media House Parties assert that it was entirely the Santor Parties' responsibility to ensure that the plaintiffs were repaid the funds that they were entitled to (if any) from the settlement proceeds. To the extent that the plaintiffs were not reimbursed, this was entirely caused by the Santor Parties' negligence and wrongful conduct.

19           For greater certainty, the Media House Parties deny that they committed any tortious conduct, including deceit, conspiracy, or fraud.

### **No Damages**

20           The Media House Parties deny that the plaintiffs have suffered any losses or damages as alleged, or at all, and put the plaintiffs to the strict proof thereof. To the extent that the plaintiffs have suffered any damages, the Media House Parties state that these losses and damages are excessive, indirect, remote and were not caused by the Media House Parties. Furthermore, the plaintiffs have failed to mitigate their damages.

21           The Media House Parties ask that this action be dismissed with costs on a full indemnity basis.

## CROSSCLAIM

22           The Media House Parties claim against the William Gregory Santor and Prosapia Wealth Management Ltd

- (a)     \$5,000,000 in damages for breach of the settlement documents in the Prior Action, breach of warranty of authority, negligent misrepresentation and/or deceit,
- (b)     contribution and indemnity including under sections 2 and 3 of the *Negligence Act*, R S O 1990, c N 1, as amended, for any amounts which the Media House Parties may be found to be responsible to the plaintiffs,
- (c)     full indemnity of the Media House Parties' costs of the main action and this cross claim, including all applicable taxes, and
- (d)     such further and other relief as to this Honourable Court may seem just

23           The Media House Parties repeat and rely upon the allegations contained in the Statement of Defence in support of the Crossclaim. For the reasons set out above, the Santor Parties breached the express or implied terms of the settlement of the Prior Action, if they failed to remit any proceeds owing to third parties, including the plaintiffs. The Media House Parties are therefore entitled to the damages claimed and their costs of defending the main action on a full indemnity basis.

24           The Media House Parties propose the trial of the crossclaim take place at the same time as the trial of the main action.

September 29, 2023

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AND TO **PROSAPIA WEALTH MANAGEMENT LTD**  
**PROSAPIA CAPITAL MANAGEMENT CORP**  
**PROSAPIA HOLDINGS INC**  
**PRODUCTIVITY MEDIA INC.**  
**PRODUCTIVITY MEDIA MANAGEMENT INC**  
**PRODUCTIVITY MEDIA UK LIMITED**  
**PRODUCTIVITY MEDIA PICTURES INC.**  
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**PROSAPIA PROPERTY MANAGEMENT INC.**  
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Burlington, ON L7L 6B2

**PRODUCTIVITY MEDIA CAPITAL INC**  
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Burlington, ON L7R 2G6

**PROSAPIA CONSULTING INC.**  
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**TRISTAR FILM FINANCE CORP.**  
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Calgary, AB T2B 3N1

ALAN PLAUNT et al

Plaintiffs

-and-

WILLIAM GREGORY SANTOR et al

Defendants

Court File No CV-23-00696306-0000

**E-Service Detail**

Claudio R Aiello, *Claudio R Aiello* (claudio@aiellofaiello.ca)

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

**Proceeding commenced at  
Toronto**

**STATEMENT OF DEFENCE & CROSSCLAIM**

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Lawyers for the Defendants, Media House Capital (Canada) Corp  
and Aaron Gilbert

**Claudio R. Aiello**

---

**From** Claudio R Aiello  
**Sent** October 11, 2023 1 00 PM  
**To** Jonathan Wansbrough  
**Subject** FW: Plaunt et al v Santor et al - CV-23-00696306-0000

Counsel,

I have not received a response to my email below within the five days specified in Rule 30.04

If I am not in receipt of a copy of the requested documents by the end of today, I will tomorrow be scheduling a motion to compel production of those documents and other relief

I would hope that will not be necessary but will proceed as required

*Claudio R Aiello*  
*Barrister & Solicitor*  
*100-133 Milam Blvd Vaughan ON L4H 4M4*  
*Telephone 416-969-9900*

*Please Note: My University Avenue office has been closed. Please ensure all mail and deliveries are directed to my Vaughan office*

This email is confidential and may contain information that is privileged. If you have received it in error, please immediately notify us and delete all copies permanently.

**From:** Claudio R Aiello  
**Sent:** Monday, October 2, 2023 1 10 PM  
**To:** Jonathan Wansbrough <jwansbrough@fasken.com>  
**Subject:** Plaunt et al v Santor et al - CV-23-00696306-0000

Counsel,

I have your Statement of Defence and Crossclaim and thank you for same

Paragraph 8 of that pleading expressly references "the settlement documents resolving the Prior Action" and then goes on to quote from one of those documents. That quote in turn expressly references a "Settlement Agreement dated September 5, 2017."

Would you please send me by return email a copy of ALL "the settlement documents resolving the Prior Action" including, without limitation, the "Settlement Agreement dated September 5, 2017"?

Please consider this a formal Request to Inspect pursuant to Rule 30.04(2)

Thank you

*Claudio R Aiello*  
*Barrister & Solicitor*  
*100-133 Milam Blvd Vaughan ON L4H 4M4*

This is Exhibit 9 referred to in the  
affidavit of T. Sanghera  
sworn before me, this ... 22  
day of ... Dec 23

*Telephone 416-969-9900*

*Please Note My University Avenue office has been closed Please ensure all mail and deliveries are directed to my Vaughan office*

This email is confidential and may contain information that is privileged. If you have received it in error, please immediately notify us and delete all copies permanently.

This is Exhibit 10 referred to in the  
affidavit of T. Sanghera .....  
sworn before me, this 22 .....  
day of Dec ..... 2023

Court File No CV-12-459685

  
ONTARIO  
SUPERIOR COURT OF JUSTICE  
A COMMISSIONER TAKING AFFIDAVIT

BETWEEN

MEDIA CANADA HOUSE (CAPITAL) CORP , AARON GILBERT and  
DAVID BODANIS

Plaintiffs  
(Defendants to the Counterclaim)

-and-

WILLIAM SANTOR and PROSAPIA WEALTH MANAGEMENT LTD

Defendants  
(Plaintiffs by Counterclaim)

## SETTLEMENT AGREEMENT

(September 5, 2017)

The Plaintiffs (Defendants to the Counterclaim), Media House Capital (Canada) Corp (incorrectly identified in the title of proceedings as "Media Canada House (Capital) Corp "), Aaron Gilbert and David Bodanis, and the Defendants (Plaintiffs by Counterclaim), William Santor and Prosapia Wealth Management Ltd , hereby agree to settle the within action on the following terms

1 Media House Capital (Canada) Corp shall make payment to Prosapia Wealth Management Ltd in the amount of \$2,850,000 00 (TWO MILLION-EIGHT HUNDRED-FIFTY THOUSAND DOLLARS) of lawful money of Canada, on or before October 5, 2017

2 Media House shall assign to Prosapia all of its right, title and interest in and to the loan documents for the following motion pictures *Daydream Nation, Jamie Jones, I Melt with You*

-2-

and *Paradox* on or before October 5, 2017. The assignment shall be in a form that is acceptable to the parties, acting reasonably.

3 The parties shall execute a Full & Final Mutual Release in LawPRO's standard format.

4 The parties shall Consent to an Order dismissing this action in its entirety, on a without prejudice, without costs basis.

5 All documents relating to this settlement shall be held in escrow until the payment referenced in paragraph 1 above is made.

**MEDIA HOUSE CAPITAL (CANADA)  
CORP**

Per \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_

I/We have the authority to bind the corporation.

\_\_\_\_\_  
**AARON GILBERT**

\_\_\_\_\_  
**DAVID BODANIS**

\_\_\_\_\_  
**WILLIAM SANTOR**

and *Paradox* on or before October 5, 2017 The assignment shall be in a form that is acceptable to the parties, acting reasonably

3 The parties shall execute a Full & Final Mutual Release in LawPRO's standard format

4 The parties shall Consent to an Order dismissing this action in its entirety, on a with prejudice, without costs basis

5. All documents relating to this settlement shall be held in escrow until the payment referenced in paragraph 1 above is made

**MEDIA HOUSE CAPITAL (CANADA)  
CORP**

Per. \_\_\_\_\_

Name

Title.

I/We have the authority to bind the corporation

\_\_\_\_\_  
**AARON GILBERT**

\_\_\_\_\_  
**DAVID BODANIS**

  
\_\_\_\_\_  
**WILLIAM SANTOR**

**PROSAPIA WEALTH MANAGEMENT  
LTD.**

Per

Name:

Title:

I/We have the authority to bind the corporation

September 5, 2017

**TORKIN MANES LLP**

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Aaron Gilbert and David Bodanis

TO

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Lawyers for the Defendants (Plaintiffs by Counterclaim),

William Santor and Prosapia Wealth Management Ltd



MEDIA CANADA HOUSE (CAPITAL) CORP et al  
Plaintiffs  
(Defendants to the Counterclaim)

-and- WILLIAM SANTOR et al  
Defendants  
(Plaintiffs by Counterclaim)

Court File No CV-12-459685

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
PROCEEDING COMMENCED AT  
TORONTO

**SETTLEMENT AGREEMENT**

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Lawyers for the Plaintiffs,  
Media Canada House (Capital) Corp.,  
Aaron Gilbert and David Bodanis

RCP-E 4C (July 1, 2007)

This is Exhibit 11, referred to in the  
affidavit of T. Senghera  
sworn before me, this 22  
day of Dec 2023

ACCOMMISSIONER FOR TAKING AFFIDAVITS

## FULL AND FINAL MUTUAL RELEASE

WHEREAS the parties in the action before the Superior Court of Justice for Ontario bearing Toronto Court File No CV-12-459685 (the "Action") have concluded a settlement of all claims, counterclaims and crossclaims that were made or could have been made in the Action, or claims, counterclaims, crossclaims, which could be or could have been asserted for indemnity, one against the other

AND WHEREAS the parties in the Action have agreed to enter into a settlement which concludes not only these claims, but will preclude any further litigation between the parties of any known nature in respect of any cause of action, whether known or unknown, existing up to the date hereon

THEREFORE in consideration of the payment or promise of payment as set out in the Settlement Agreement dated September 5, 2017, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Media House Capital (Canada) Corp, Aaron Gilbert, David Bodanis, William Santor and Prosapia Wealth Management Ltd on behalf of themselves, their heirs, administrators, executors, assigns, successors and on behalf of any party or parties who claim a right or interest through them hereby release, acquit and forever discharge without qualification or limitation each other and their partners, agents, employees, associates, servants, heirs, successors, assigns and insurers, (hereinafter collectively the "Parties") from all manner of actions, causes of action, suits, debts, dues, accounts, bonds, covenants, contracts, complaints, claims and demands for damages, monies, losses, indemnity, costs, interest and loss or injuries whatsoever which they ever had, or now have by reason of any cause, matter or thing whatsoever including but without limiting the generality of the foregoing, all causes, matter or things relating to the following

- (a) The business of Media House Capital (Canada) Corp,
- (b) Any right, title and/or interest that Media House Capital (Canada) Corp has or had related to or in connection with the motion pictures *Daydream Nation*, *Jamie Jones*, *I Melt with You* and/or *Paradox*,
- (c) Any personal loans between the Parties or any one or more of them,
- (d) The Parties' respective rights, title and/or interests in Media House Capital (Canada) Corp,
- (e) Any relief claimed in the Action with respect to "oppression",
- (f) Any act or omission in relation to the above,

and from any and all actions, causes of action, claims and demands or losses of whatsoever nature, whether in contract or in tort or arising as a result of a fiduciary duty, claim for equity, or by virtue of any statute or upon or by reason of any damage, loss or injury arising out of the matters set forth above including but without limiting the generality of the foregoing, from any and all matters that were pleaded in, or could have been pleaded in the Action

**WITHOUT LIMITING THE GENERALITY OF THE FOREGOING**, the Parties declare that the intent of this Mutual Release is to conclude all issues arising from the matters set forth above and from the Action and it is understood and agreed that this Mutual Release is intended to cover, and does cover, not only all known injuries, losses and damages, but also injuries, losses and damages not now known or anticipated but which may later develop or be discovered, including all the effects and consequences thereof

**IN THE CASE OF PROSAPIA WEALTH MANAGEMENT LTD.** this Party acknowledge that this Release enures to the benefit and binds itself, its parent, subsidiaries, affiliates and related companies and each of the respective directors, officers, shareholders, employees, servants, agents and administrators, both present and former, and all of their administrators, successors and assigns and any party or parties who claim a right or interest through them.

**AND FOR THE SAID CONSIDERATION** it is agreed and understood that the Parties will not make any claim or take or continue any proceedings against any other person or corporation, who might claim, in any manner or forum, contribution or indemnity in common law or in equity, or under the provisions of any statute or regulation, including the *Negligence Act* and the amendments thereto and/or under any successor legislation thereto, and/or under the *Rules of Civil Procedure*, from the Parties discharged by this Mutual Release ("**Discharged Parties**"), in connection with the matters outlined above and in the Action

**IT IS AGREED AND UNDERSTOOD** that if any of the Parties commence such an action or take or continue any such proceedings ("**Suing Parties**"), and the Discharged Parties are added to such proceeding in any manner whatsoever, whether justified in law or not the Suing Party will immediately discontinue the proceedings and/or claims and will be jointly and severally liable for the legal costs incurred in any such proceeding on a solicitor and his own client scale. This Mutual Release shall operate conclusively as an estoppel in the event of any claim, action, complaint or proceeding which might be brought in the future by the Suing Parties with respect to the matters covered by this Mutual Release. This Mutual Release may be pleaded in the event any such claim, action, complaint or proceeding is brought, as a complete defence and reply, and may be relied upon in any proceeding to dismiss the claim, action, complaint or proceeding on a summary basis and no objection will be raised by the Suing Parties in any subsequent action that the other parties in the subsequent action were not privy to its formation of this Mutual Release

**AND THE PARTIES HEREBY CONFIRM** that they have authorized and instructed their solicitors to settle the Action in the terms outlined herein, and to consent to the dismissal of the Action, with prejudice and without costs;

**AND FOR THE SAID CONSIDERATION** the Parties hereby represent and warrant that they have not assigned to any person, firm, or corporation any of the actions, causes of action, claims, debts, suits or demands of any nature or kind which they have released by this Full and Final Mutual Release, nor are they aware of any such claims.

- 3 -

**IT IS FURTHER AGREED AND UNDERSTOOD** that the settlement of the above-noted proceeding shall not be deemed to be an admission of liability or obligation of any kind whatsoever to the Parties and such liability or obligation is specifically denied

**AND IT IS HEREBY DECLARED** that the terms of this settlement are fully understood that the consideration stated herein is the sole consideration for this Mutual Release and that the said payment or promise of payment is accepted voluntarily for the purpose of making full and final compromise in settlement of all claims and proceedings against the Parties now or hereafter brought, for damages, loss or injury resulting from the matters set forth above and from the Action

**AND IT IS FURTHER UNDERSTOOD AND AGREED** that the fact and terms of this Mutual Release and the settlement underlying it will be held in confidence, strictly confidential and will receive no publication either oral or in writing directly or indirectly by the Parties unless deemed essential on auditors' or accountants' written advice for financial statement or income tax purposes, or for the purpose of any judicial proceeding, in which event the fact that the settlement agreement is made without any admission of liability will receive the same publication contemporaneously

**THE PLAINTIFFS** in the Action hereby direct that the settlement funds owing, pursuant to the Settlement Agreement dated September 5, 2017 be paid as follows to Goodmans LLP, in trust

**THE PARTIES AGREE** that this Mutual Release may be executed in several counterparts, each of which so executed shall be deemed to be an original and such counterparts together shall constitute one and the same instrument and notwithstanding their date of execution, shall be deemed to bear the date as at September 5, 2017

**THE PARTIES HEREBY DIRECT** their respective counsel to consent to the Orders dismissing the Action in its entirety, with prejudice and without costs

**MEDIA HOUSE CAPITAL (CANADA)  
CORP**

Per

Name

Title

I/We have the authority to bind the corporation

[AND/OR]

- 4 -

**SIGNED, SEALED AND  
DELIVERED**

in the presence of

Witness

Witness

Aaron Gilbert

David Bodanis

[AND/OR]

**SIGNED, SEALED AND  
DELIVERED**

in the presence of

Witness

William Santor

[AND/OR]

**PROSAPIA WEALTH MANAGEMENT  
LTD.**

Per

Name

Title

I/We have the authority to bind the corporation

**SIGNED, SEALED AND  
DELIVERED**  
in the presence of

\_\_\_\_\_  
Witness

\_\_\_\_\_  
**Aaron Gilbert**

\_\_\_\_\_  
Witness

\_\_\_\_\_  
**David Bodanis**

[AND/OR]

**SIGNED, SEALED AND  
DELIVERED**  
in the presence of

\_\_\_\_\_  
Witness

\_\_\_\_\_  
**William Santor**

[AND/OR]

**PROSAPIA WEALTH MANAGEMENT  
LTD**

Per. \_\_\_\_\_

Name


Title

I/We have the authority to bind the corporation

- 5 -

**CERTIFICATE OF SOLICITOR**

I, James A Round, Barrister and Solicitor of the City of Toronto, acknowledge that I explained the significance of this Full and Final Release dated September 5, 2017, to David Bodanis and Aaron Gilbert, an individual whom I certify to be an Authorized Signing Officer of Media House Capital (Canada) Corp and, in my judgment, I do verily believe that they understood the significance of the Full and Final Release and were under no incapacity of any nature when it was executed and explained to them

  
James A Round**CERTIFICATE OF SOLICITOR**

I, Mark Dunn, Barrister and Solicitor of the City of Toronto, acknowledge that I explained the significance of this Full and Final Release dated September 5, 2017, to William Santor, an individual whom I certify to be an Authorized Signing Officer of Prosapia Wealth Management Ltd and, in my judgment, I do verily believe that he understood the significance of the Full and Final Release and was under no incapacity of any nature when it was executed and explained to him

---

Mark Dunn

### **CERTIFICATE OF SOLICITOR**

I, James A Round, Barrister and Solicitor of the City of Toronto, acknowledge that I explained the significance of this Full and Final Release dated September 5, 2017, to David Bodanis and Aaron Gilbert, an individual whom I certify to be an Authorized Signing Officer of Media House Capital (Canada) Corp and, in my judgment, I do verily believe that they understood the significance of the Full and Final Release and were under no incapacity of any nature when it was executed and explained to them

\_\_\_\_\_  
James A Round

### **CERTIFICATE OF SOLICITOR**

I, Mark Dunn, Barrister and Solicitor of the City of Toronto, acknowledge that I explained the significance of this Full and Final Release dated September 5, 2017, to William Santor, an individual whom I certify to be an Authorized Signing Officer of Prosapia Wealth Management Ltd and, in my judgment, I do verily believe that he understood the significance of the Full and Final Release and was under no incapacity of any nature when it was executed and explained to him

  
\_\_\_\_\_  
Mark Dunn



## ASSIGNMENT OF SECURITY AGREEMENT

This Agreement made as of the \_\_\_\_ day of October, 2017 (this "Agreement")

### AMONG:

**MEDIA HOUSE CAPITAL (CANADA) CORP.**, having  
its principal place of business at 5542 Short Street, Burnaby,  
British Columbia V5J 1L9,

(the "Assignor")

- and -

**PROSAPIA WEALTH MANAGEMENT, LTD.**, having  
its principal place of business at 300 – 1100 Burloak,  
Burlington, Ontario L7L 6B2,

(the "Assignee")

This is Exhibit -- 12 -- referred to in the  
affidavit of T. Sanghera  
sworn before me, this 22,  
day of Dec 20 23

ACOMMISSIONER FOR TAKING AFFIDAVITS

### RECITALS:

- 1 Pursuant to certain loan agreements entered into by the Assignor and/or Tristar Film Finance Corp (each a "Lender") and each borrower as specified on Schedule A, as originally executed and as each has been or may be amended, modified, supplemented or restated from time to time (each a "Loan Agreement" and collectively the "Loan Agreements"), each Lender established certain production facilities in favour of the borrower specified on Schedule A (each a "Borrower" and collectively the "Borrowers") in respect of the respective productions specified on Schedule A
- 2 As security for the obligations of each Borrower to the respective Lender pursuant to its respective Loan Agreement, each Borrower delivered to such Lender certain security agreements including, without limitation, those set out on Schedule A (the "Production Security")
- 3 Pursuant to the terms of a confidential settlement agreement among the Assignor, the Assignee and others dated September 5, 2017, the Assignor has agreed to assign to the Assignee all of the obligations of each Borrower to the relevant Lender pursuant to its respective Loan Agreement, together with all Production Security and the benefit of all other loan documents delivered pursuant to the terms thereof (collectively the "Security Documents") and the Assignor has agreed to assume the obligations of each Lender to each Borrower pursuant to each of the Loan Agreements and enjoy the rights of each Lender as a secured party pursuant to the Security Documents

**NOW THEREFORE** for valuable consideration, the receipt and sufficiency of which is acknowledged by the parties hereto, the parties hereto agree as follows

- 1     **Assignment** The Assignor hereby irrevocably assigns and transfers to the Assignee all of its right, title and interest in and to and under the following (i) the loans made pursuant to the Loan Agreements (the “Loans”), (ii) the Loan Agreements, (iii) the Security Documents, and (iv) any and all agreements, consents, directions, instruments and documents executed and delivered in connection therewith (collectively the “Loan Documents”)
- 2     **Assumption** In consideration of the foregoing assignment and transfer, the Assignee hereby agrees to assume, comply with and perform all of the duties, obligations, and responsibilities of each Lender under or in connection with the Loan Documents
- 3     **Assignor’s Representations and Warranties.** The Assignor hereby represents, warrants and covenants as follows
  - (i)     the indebtedness outstanding under each Loan Agreement (a) remains outstanding as of the date hereof, (b) has not been assigned by any Lender to any third party and/or compromised and/or forgiven by the respective Lender, and (c) is undisputed by the relevant Borrower, and
  - (ii)    the Assignor has not heretofore assigned, encumbered or otherwise transferred the Security Documents granted to it pursuant to any of the Loan Documents of any of its respective right, title or interest in, to and under any of the Loan Documents to any third party
- 4     **Assigned Receipts.** From and after the date hereof, neither the Assignor nor any Lender shall be entitled to receive any payments and/or proceeds derived from the collateral referenced in any of the Loan Documents (collectively the “Collateral Proceeds”) In the event the Assignor or any Lender receives any Collateral Proceeds, it shall receive such Collateral Proceeds in trust for and on behalf of the Assignor and shall forthwith remit such Collateral Proceeds to the Assignor
- 5     **Loan Documents.** The Assignor undertakes and agrees to deliver to the Assignee copies of all Loan Documents in its possession
- 6     **Authorization to File Financing Change Statements.** The Assignor hereby irrevocably authorizes the Assignee, or its counsel, to prepare and register financing statements and/or financing change statements together with such other documents or instruments as may be necessary, in all appropriate jurisdictions, to evidence the assignments provided herein to the Assignee, including, without limitation, such financing statements and/or financing change statements under the (i) *Personal Property Security Act* in each appropriate provincial jurisdiction of Canada, (ii) Uniform Commercial Code in each appropriate state jurisdiction of the United States of America, (iii) registrations and/or filings in the Canadian Intellectual Property Office, and /or (iv) registrations and/or filings in the United States Copyright Office
- 7     **CAMA Notification.** Concurrent with the execution of this Agreement, the Assignor covenants and agrees to execute a notice of assignment re Collection Account

Management Agreement for each of the productions listed on Schedule A, in the form of the respective notices attached hereto as Schedule B

**8 General.**

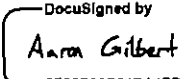
- (a) This Agreement shall be governed by and interpreted in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein
- (b) This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns
- (c) This Agreement may be executed in one or more counterparts, each of which counterparts so executed shall constitute and be deemed to be an original and all of which together shall constitute one and the same agreement. Delivery of an executed counterpart of this Agreement by facsimile or transmitted electronically in either a Tagged Image Format File ("**TIFF**") or Portable Document Format ("**PDF**") shall be equally effective as delivery of a manually executed counterpart of this Agreement. Any party delivering an executed counterpart of this Agreement by facsimile, TIFF or PDF shall also deliver a manually executed counterpart of this Agreement, but failure to do so shall not affect the validity, enforceability or binding effect of this Agreement.

**[signatures on following page]**

- 4 -

IN WITNESS WHEREOF the parties have executed this Agreement

MEDIA HOUSE CAPITAL (CANADA) CORP

Per  5E05B98C84DA4EB  
Authorized Signing Officer

PROSAPIA WEALTH MANAGEMENT, LTD

Per \_\_\_\_\_  
Authorized Signing Officer

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## **SCHEDULE A**

### **Loan Documents**

#### **Daydream Nation Agreements**

- a General Security Agreement of December 18, 2009 by DDN Productions, Inc. and Daydream Films, Inc. in favor of Tristar Film Finance Corp
- b Interparty Agreement dated as of January 8, 2010 by and between National Bank of Canada, Tristar Film Finance Corp, 0870708 B.C. Ltd., DDN Productions, Inc., Daydream Films Inc., and Joker Films Inc.
- c Loan Agreement of December 4, 2009 by and between Tristar Film Finance Corp., DDN Productions, Inc. and Daydream Films, Inc.
- d Collection Account Management Agreement dated as of January 8, 2010 with Fintage Collection Account Management B.V.
- e Assignment Agreement dated as of February 16, 2011, between Prosapia Wealth Management, Ltd., as assignor, and Media House Capital (Canada) Corp., as assignee, with respect to the assignment of contracts in connection with the feature film "Daydream Nation"

#### **Paradox Agreements**

- a Copyright Mortgage dated as of January 12, 2010 from GBP Paradox Films Inc. in favor of Tristar Film Finance Corp
- b General Security Agreement dated as of December 22, 2009 by GBP Paradox Films, Inc. in favor of Tristar Film Finance Corp
- c Subordination Agreement dated as of January 9, 2010 by Gilbert Bonavia Productions, Ltd. and GBP Paradox Films, Inc. in favor of Tristar Film Finance Corp
- d Undertaking dated as of February 19, 2010 in favor of Tristar Film Finance Corp regarding the Canadian Film or Video Production Tax Credit and Film Incentive British Columbia Tax Credit
- e Credit Facility Agreement dated as of December 18, 2009 by and between GBP Paradox Films, Inc. and Tristar Film Finance Corp
- f UBCP Subordination Agreement dated as of January 12, 2010 in favor of Tristar Film Finance Corp
- g Assignment Agreement dated as of February 16, 2011, between Prosapia Wealth Management, Ltd., as assignor, and Media House Capital (Canada) Corp., as assignee, with respect to the assignment of contracts in connection with the feature film "Paradox"

#### **Janie Jones Agreements**

- a General Security Agreement dated as of August 30, 2010 by Janie Jones Investments, LLC in favor of Media House Capital (Canada) Corp

- 2 -

b Grid Promissory Note of August 30, 2010 by Janie Jones Investments, LLC in favor of Media House Capital (Canada) Corp

c Loan Term Sheet Agreement dated August 9, 2010 by and between Janie Jones LLC and Media House Capital (Canada) Corp

d Collection Account Management Agreement of November 10, 2010 with Freeway CAM B V

#### **I Melt With You Agreements**

a Loan Term sheet dated July 28, 2010, between I Melt With You LLC and Media House Capital (Canada) Ltd

b Copyright Mortgage dated as of March 22, 2011 in favor of by I Melt with You Productions, LLC in favor of Media House Capital (Canada) Corp

c General Security Agreement of February 24, 2011 by I Melt With You Productions, LLC in favor of Media House Capital (Canada) Corp

d Interparty Agreement of March 17, 2011 I Melt With You Productions, LLC, Stealth Media Group UK Ltd and Media House Capital (Canada) Corp

e Grid Promissory Note of October 17, 2010 by I Melt With You Productions, LLC in favor of Media House Capital (Canada) Corp

f Collection Account Management Agreement of August, 2011 with Freeway CAM B V

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**SCHEDULE B**

**Notices of Assignment**

**Re: Collection Account Management Agreement**

**See Attached**

**NOTICE OF ASSIGNMENT OF COLLECTION ACCOUNT MANAGEMENT  
AGREEMENT**

Dated as of October \_\_\_\_, 2017

**From:**

**Prosapia Wealth Management, Ltd**, 300-1100 Burloak Drive, Burlington, Ontario L7L 6B2 (“Prosapia”) and **Media House Capital (Canada) Corp.**, 5542 Short Street, Burnaby, British Columbia V5J 1L9, Canada (“MHC”)

**To:**

**Freeway CAM B V**, a company registered under the laws of The Netherlands at Herikerbergweg 238, Luna Arena, 1101CM, Amsterdam Zuidoost, Netherlands) c/o Andrassy út 12, 1061 Budapest, Hungary (“FCAM”)

Reference is made to the collection account management agreement for the production “Janie Jones” (the “CAMA”), dated November 10, 2010, among FCAM, Stitching Freeway Custody, Unified Films LLC, Industrial Entertainment Releasing LLC and Janie Jones LLC All capitalized terms used herein shall have the meanings assigned in the CAMA unless otherwise defined below

Please be advised that pursuant to an Assignment Agreement between Media House Capital (Canada) Corp (“MHC”) and Prosapia Wealth Management Ltd (“Prosapia”) dated as of September 5, 2017, MHC has assigned to Prosapia MHC’s Entitlements as well as its right to receive Statements or notifications pursuant to the CAMA and MHC irrevocably authorizes and directs CAM to pay such Entitlements and to remit such Statements and notifications to Prosapia

The address of Prosapia is as follows

[COMPANY NAME]  
[ADDRESS]  
[CITY/PROVINCE/POSTAL CODE]  
Canada  
Attention William Santor  
Email

The particulars of Prosapia’s bank account into which the aforementioned Entitlements are to be transferred by CAM are as set forth in Schedule A attached hereto

CAM acknowledges and hereby consents to the foregoing assignment and confirms to Prosapia that CAM shall pay to Prosapia the Entitlements otherwise payable to MHC in accordance with the CAMA and that Prosapia shall have MHC’s rights and obligations pursuant to the CAMA

This notice (the “Notice”) may be executed in two or more counterparts by the parties hereto and each counterpart shall, when executed and delivered, be deemed an original document, but all counterparts together shall constitute one and the same instrument Delivery of an executed



counterpart by this Notice electronically in a Portable Document Format (“PDF”) shall be equally effective as delivery of a manually executed counterpart of this Notice

All defined terms used in this Notice shall have the meaning ascribed to them in the CAMA unless otherwise defined herein

Except as provided above, all terms and conditions of the CAMA, including the applicable law and jurisdiction, shall remain in force and effect

[Signature page to follow]

[Signature page to Janie Jones MHC-Prosapia CAMA Assignment]

**PROSAPIA WEALTH MANAGEMENT LTD**

By \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_

**MEDIA HOUSE CAPITAL (CANADA) CORP.**

By DocuSigned by  
\_\_\_\_\_  
*Aaron Gilbert*

5E05B98C84DA15B  
Name Aaron Gilbert

Title MD

**AGREED AND ACKNOWLEDGED BY**

**FREEWAY CAM B V.**

By \_\_\_\_\_

An Authorized Signatory

Name \_\_\_\_\_

Title \_\_\_\_\_

## **SCHEDULE A**

Bank  
SWIFT Code  
Account Name  
Account Number  
Reference

**NOTICE OF ASSIGNMENT OF COLLECTION ACCOUNT MANAGEMENT  
AGREEMENT**

Dated as of October \_\_\_\_, 2017

**From:**

**Prosapia Wealth Management, Ltd**, 300-1100 Burloak Drive, Burlington, Ontario L7L 6B2 ("Prosapia") and **Media House Capital (Canada) Corp**, 5542 Short Street, Burnaby, British Columbia V5J 1L9, Canada ("MHC")

**To:**

**Freeway CAM B.V**, a company registered under the laws of The Netherlands at Herikerbergweg 238, Luna Arena, 1101CM, Amsterdam Zuidoost, Netherlands) c/o Andrassy út 12, 1061 Budapest, Hungary ("FCAM")

Reference is made to the collection account management agreement for the production "I Melt With You" (the "CAMA"), dated August, 2011, among FCAM, Stitching Freeway Custody, I Melt With You Productions, LLC, Media House Capital (Canada) Corporation, Stealth Media Group Ltd, Magnolia Pictures, LLC, Directors Guild of America, Inc, Screen Actors Guild, Inc, and Writers Guild of America, Inc. All capitalized terms used herein shall have the meanings assigned in the CAMA unless otherwise defined below.

Please be advised that pursuant to an Assignment Agreement between Media House Capital (Canada) Corp ("MHC") and Prosapia Wealth Management Ltd ("Prosapia") dated as of September 5, 2017, MHC has assigned to Prosapia MHC's Entitlements as well as its right to receive Statements or notifications pursuant to the CAMA and MHC irrevocably authorizes and directs CAM to pay such Entitlements and to remit such Statements and notifications to Prosapia.

The address of Prosapia is as follows:

[COMPANY NAME]  
[ADDRESS]  
[CITY/PROVINCE/POSTAL CODE]  
Canada  
Attention: William Santor  
Email:

The particulars of Prosapia's bank account into which the aforementioned Entitlements are to be transferred by CAM are as set forth in Schedule A attached hereto.

CAM acknowledges and hereby consents to the foregoing assignment and confirms to Prosapia that CAM shall pay to Prosapia the Entitlements otherwise payable to MHC in accordance with the CAMA and that Prosapia shall have MHC's rights and obligations pursuant to the CAMA.

This notice (the "Notice") may be executed in two or more counterparts by the parties hereto and each counterpart shall, when executed and delivered, be deemed an original document, but all counterparts together shall constitute one and the same instrument. Delivery of an executed counterpart by this Notice electronically in a Portable Document Format ("PDF") shall be equally effective as delivery of a manually executed counterpart of this Notice.

All defined terms used in this Notice shall have the meaning ascribed to them in the CAMA unless otherwise defined herein.

Except as provided above, all terms and conditions of the CAMA, including the applicable law and jurisdiction, shall remain in force and effect.

[Signature page to follow]

[Signature page to I Melt With You MHC-Prosapia CAMA Assignment]

**PROSAPIA WEALTH MANAGEMENT LTD**

By \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_

**MEDIA HOUSE CAPITAL (CANADA) CORP.**

By DocuSigned by  
Aaron Gilbert  
5E05B88C84DA4EB

Name \_\_\_\_\_

Title MD

**AGREED AND ACKNOWLEDGED BY**

**FREEWAY CAM B.V.**

By \_\_\_\_\_

An Authorized Signatory

Name \_\_\_\_\_

Title \_\_\_\_\_

## **SCHEDULE A**

Bank  
SWIFT Code  
Account Name  
Account Number  
Reference

## NOTICE OF ASSIGNMENT OF COLLECTION ACCOUNT MANAGEMENT AGREEMENT

Dated as of October \_\_\_\_, 2017

**From:**

**Prosapia Wealth Management, Ltd**, 300-1100 Burloak Drive, Burlington, Ontario L7L 6B2 ("Prosapia") and **Media House Capital (Canada) Corp.**, 5542 Short Street, Burnaby, British Columbia V5J 1L9, Canada ("MHC")

**To:**

**Fintage Collection Account Management B.V.**, Stationsweg 32, 2312 AV Leiden, The Netherlands ("CAM")

Reference is made to the collection account management agreement for the production "Daydream Nation" (the "CAMA"), dated January 8, 2010, among Fintage Collection Account Management B V, DDN Productions Inc, Daydream Films, Inc, Joker Films Inc, National Bank of Canada, Telefilm Canada, Tristar Film Finance Corp and 0870708 B C Ltd. All capitalized terms used herein shall have the meanings assigned in the CAMA unless otherwise defined below.

Please be advised that pursuant to an Assignment Agreement between Media House Capital (Canada) Corp ("MHC") and Prosapia Wealth Management Ltd ("Prosapia") dated as of September 5, 2017, MHC has assigned to Prosapia MHC's Entitlements as well as its right to receive Statements and Payment Notifications pursuant to the CAMA and MHC irrevocably authorizes and directs CAM to pay such Entitlements and to remit such Statements and Payment Notifications to Prosapia.

The address of Prosapia is as follows:

[COMPANY NAME]  
[ADDRESS]  
[CITY/PROVINCE/POSTAL CODE]  
Canada  
Attention: William Santor  
Email:

The particulars of Prosapia's bank account into which the aforementioned Entitlements are to be transferred by CAM are as set forth in Schedule A attached hereto.

CAM acknowledges and hereby consents to the foregoing assignment and confirms to Prosapia that CAM shall pay to Prosapia the Entitlements otherwise payable to MHC in accordance with the CAMA and that Prosapia shall have MHC's rights and obligations pursuant to the CAMA.

This notice (the "Notice") may be executed in two or more counterparts by the parties hereto and each counterpart shall, when executed and delivered, be deemed an original document, but all



counterparts together shall constitute one and the same instrument. Delivery of an executed counterpart by this Notice electronically in a Portable Document Format ("PDF") shall be equally effective as delivery of a manually executed counterpart of this Notice.

All defined terms used in this Notice shall have the meaning ascribed to them in the CAMA unless otherwise defined herein.

Except as provided above, all terms and conditions of the CAMA, including the applicable law and jurisdiction, shall remain in force and effect.

[Signature page to follow]

[Signature page to Daydream Nation MHC-Prosapia CAMA Assignment]

**PROSAPIA WEALTH MANAGEMENT LTD**

By \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_

**MEDIA HOUSE CAPITAL (CANADA) CORP.**

By DocuSigned by  
*Aaron Gilbert* \_\_\_\_\_

SE05BB8C84DA4EB  
Name Aaron Gilbert \_\_\_\_\_

Title MD \_\_\_\_\_

**AGREED AND ACKNOWLEDGED BY  
FINTAGE COLLECTION ACCOUNT MANAGEMENT B.V.**

By \_\_\_\_\_

An Authorized Signatory

Name \_\_\_\_\_

Title \_\_\_\_\_


## **SCHEDULE A**

Bank  
SWIFT Code  
Account Name  
Account Number  
Reference

6741863 1

**Claudio R. Aiello**

**From:** Claudio R Aiello  
**Sent:** October 23, 2023 5:33 PM  
**To:** Alan Gardner  
**Subject:** Plaunt et al v Santor et al  
**Attachments:** Media House - Santor Settlement - Loan Documents pdf

*This is Exhibit 13 referred to in the affidavit of T. Sanghera sworn before me, this 22<sup>nd</sup> day of Dec 2023*  
  
A COMMISSIONED NOTARY PUBLIC

Counsel,

I now have a copy of the September 5, 2017 Settlement Agreement your clients entered into in the Media House litigation. Among other things, it provides for the payment to your clients of \$2,850,000. I have asked you for return of those funds to my client and that request has been ignored. I repeat that request now.

I now also have a copy of the October 2017 Assignment of Security agreement your clients entered into which on its face entitled your clients to secure further recovery of funds and to receive a revenue stream in the interim. Schedule A to the Assignment Agreement, copy attached, references a number of Loan Documents which were assigned to your clients.

Far from being 'a little dated', the phrase "catch me if you can" seems to be the vibrant motto your client continues to live by.

Please forward to me a copy of all the Loan Documents referenced in the attached Schedule A. If any of those agreements have been assigned, modified or terminated, please forward a copy of those agreements as well.

Please also forward to me a detailed accounting of all funds directly or indirectly obtained or secured as a result of any and all of the Loan Agreements together with those funds themselves.

If your client refuses to forward the request funds, please provide the requested accounting anyway and confirm that all the related funds will be promptly placed into a segregated trust account maintained by your firm.

In the meantime, please be advised on a without prejudice basis that:

- We view all the funds referenced above to be impressed with a trust in favour of the plaintiffs.
- We view all the Loan Documents referenced in the attached Schedule A to be similarly impressed with a trust in favour of the plaintiffs.
- All the aforementioned funds and documents are specific property that, at a minimum, needs to be demonstrably and independently preserved pending trial.

I look forward to your prompt and substantive response.

*Claudio R. Aiello  
Barrister & Solicitor  
100-133 Milani Blvd. Vaughan ON L4H 4M4  
Telephone 416-969-9900*

*Please Note: My University Avenue office has been closed. Please ensure all mail and deliveries are directed to my Vaughan office.*

This email is confidential and may contain information that is privileged. If you have received it in error, please immediately notify us and delete all copies permanently.

-- --

## **SCHEDULE A**

### **Loan Documents**

#### **Daydream Nation Agreements**

- a General Security Agreement of December 18, 2009 by DDN Productions, Inc and Daydream Films, Inc in favor of Tristar Film Finance Corp
- b Interparty Agreement dated as of January 8, 2010 by and between National Bank of Canada, Tristar Film Finance Corp., 0870708 B C Ltd , DDN Productions, Inc , Daydream Films Inc , and Joker Films Inc
- c Loan Agreement of December 4, 2009 by and between Tristar Film Finance Corp , DDN Productions, Inc and Daydream Films, Inc
- d Collection Account Management Agreement dated as of January 8, 2010 with Fintage Collection Account Management B V
- e Assignment Agreement dated as of February 16, 2011, between Prosapia Wealth Management, Ltd , as assignor, and Media House Capital (Canada) Corp., as assignee, with respect to the assignment of contracts in connection with the feature film "Daydream Nation"

#### **Paradox Agreements**

- a Copyright Mortgage dated as of January 12, 2010 from GBP Paradox Films Inc in favor of Tristar Film Finance Corp
- b General Security Agreement dated as of December 22, 2009 by GBP Paradox Films, Inc in favor of Tristar Film Finance Corp
- c Subordination Agreement dated as of January 9, 2010 by Gilbert Bonavia Productions, Ltd. and GBP Paradox Films, Inc in favor of Tristar Film Finance Corp
- d Undertaking dated as of February 19, 2010 in favor of Tristar Film Finance Corp regarding the Canadian Film or Video Production Tax Credit and Film Incentive British Columbia Tax Credit
- e Credit Facility Agreement dated as of December 18, 2009 by and between GBP Paradox Films, Inc and Tristar Film Finance Corp
- f UBCP Subordination Agreement dated as of January 12, 2010 in favor of Tristar Film Finance Corp
- g. Assignment Agreement dated as of February 16, 2011, between Prosapia Wealth Management, Ltd , as assignor, and Media House Capital (Canada) Corp , as assignee, with respect to the assignment of contracts in connection with the feature film "Paradox"

#### **Janie Jones Agreements**

- a General Security Agreement dated as of August 30, 2010 by Janie Jones Investments, LLC in favor of Media House Capital (Canada) Corp

b Grid Promissory Note of August 30, 2010 by Janie Jones Investments, LLC in favor of Media House Capital (Canada) Corp.

c Loan Term Sheet Agreement dated August 9, 2010 by and between Janie Jones LLC and Media House Capital (Canada) Corp

d Collection Account Management Agreement of November 10, 2010 with Freeway CAM B V

#### **I Melt With You Agreements**

a Loan Term sheet dated July 28, 2010, between I Melt With You LLC and Media House Capital (Canada) Ltd

b Copyright Mortgage dated as of March 22, 2011 in favor of by I Melt with You Productions, LLC in favor of Media House Capital (Canada) Corp

c General Security Agreement of February 24, 2011 by I Melt With You Productions, LLC in favor of Media House Capital (Canada) Corp

d Interparty Agreement of March 17, 2011 I Melt With You Productions, LLC, Stealth Media Group UK Ltd and Media House Capital (Canada) Corp

e Grid Promissory Note of October 17, 2010 by I Melt With You Productions, LLC in favor of Media House Capital (Canada) Corp

f Collection Account Management Agreement of August, 2011 with Freeway CAM B V

This is Exhibit . 14 . referred to in the  
affidavit of T. Sanghera .  
sworn before me, this 22, ...  
day of Dec 20 23

COURT FILE NO CV-23-00696306-0000  
(ONTARIO)  
SUPERIOR COURT OF JUSTICE

BETWEEN

ALAN PLAUNT AND 1401713 ALBERTA LTD.

Plaintiffs

-AND-

WILLIAM GREGORY SANTOR, PROSAPIA WEALTH MANAGEMENT LTD., PROSAPIA  
CAPITAL MANAGEMENT CORP., PROSAPIA PROPERTY MANAGEMENT INC., PROSAPIA  
HOLDINGS INC., PROSAPIA CONSULTING INC., PRODUCTIVITY MEDIA INC.,  
PRODUCTIVITY MEDIA CAPITAL INC., PRODUCTIVITY MEDIA MANAGEMENT INC.,  
PRODUCTIVITY MEDIA UK LIMITED, PRODUCTIVITY MEDIA PICTURES INC.,  
PRODUCTIVITY MEDIA (MALTA) LTD., PRODUCTIVITY MEDIA SICAV P.L.C.  
TRISTAR FILM FINANCE CORP. , MEDIA HOUSE CAPITAL (CANADA) CORP. ARRON AARON  
GILBERT, DDN PRODUCTIONS INC., NATIONAL BANK OF CANADA, 0870708 B.C. LTD.,  
DAYDREAM FILMS INC., JOKER FILMS INC., FINTAGE COLLECTION ACCOUNT  
MANAGEMENT B.V., GBP PARADOX FILMS INC., GBP PARADOX FILMS, INC., GILBERT  
BONAVIA PRODUCTIONS, INC., JANIE JONES INVESTMENTS, LLC, JANIE JONES LLC,  
FREEWAY CAM B.V , I MELT WITH YOU LLC, I MELT WITH YOU PRODUCTIONS, LLC  
STEALTH MEDIA GROUP UK LTD, JOHN DOE CORPORATION, JOHN DOE PARTNERSHIP,  
AND JOHN DOE

Defendants

### **Amended STATEMENT OF CLAIM**

*(Notice Of Action Issued March 15, 2023)*

- 1 The Plaintiffs claim
  - a) a declaration that William Gregory Santor was a fiduciary to the Plaintiffs or either of them at all material times,
  - b) a declaration that the remaining defendants were, or became at material times, fiduciaries to the Plaintiffs or either of them,
  - c) a tracing and accounting of all monies directly or indirectly received and expended by the defendants or either of them directly or indirectly related to the movies colloquially known as 'Daydream Nation', 'Paradox', 'Janie Jones' and 'I Melt With You' (jointly and severally the "Movies"),



d) without limiting the forgoing, a tracing and accounting of all funds directly or indirectly received by the defendants or either of them which directly or indirectly originated from funds forwarded from the Plaintiffs,

e) to the fullest extent applicable, an order vesting in the Plaintiffs any and all entitlement, regardless of format, that any of the defendants may have in any of the aforementioned funds and/or Movies subject to such limits, if any, that may be deemed by the Court to be appropriate,

f) a declaration that the defendants are jointly and severally liable to the plaintiffs or either of them for damages to be particularized before trial,

g) damages in amounts to be determined at trial for deceit, fraud in its various iterations and formulations, fraudulent and/or negligent misrepresentation, conspiracy, conversion, unjust enrichment, breach of fiduciary duty, breach of contract, negligence, oppression under the Ontario Business Corporations Act, and otherwise

h) Interest pursuant to the various arrangements between the Plaintiffs and various defendants from time to time,

i) alternatively and/or additionally as context warrants pre and post judgement interest in accordance with the Courts of Justice Act, R S O 1990 c C-43 as amended,

j) their costs of this action on a complete indemnity scale, and

k) such further and other relief as may be requested and/or this Honourable Court may deem just given the evidence at trial herein

2 Alan Plaunt is a resident of Ontario and a controlling mind of the 1401713 Alberta Ltd which is an Alberta based corporation with assets in Ontario They are jointly and severally referred to as "**Plaunt**" herein unless otherwise indicated directly or by context

3 Tristar Film Finance Corp ("**Tristar**") is an Alberta company in which William Gregory Santor and ~~Arron~~ Aaron Gilbert ("**Gilbert**") at material times had a financial interest

4 Media House Capital (Canada) Corporation ("**Media House**") is an Alberta company with offices in British Columbia and is under the current control of Gilbert Media House is a

successor to Tristar and a company in which William Gregory Santor also had financial and/or other interest and involvement with at material times

5 John Doe Corporation, John Doe Partnership and John Doe (jointly and severally the “**John Doe Defendants**”) are placeholder defendants for corporations, persons and other entities the identity of which are presently unknown to the Plaintiff

6 William Gregory Santor is a resident of Ontario. The remaining corporate defendants other than those identified below as ‘Collateral Payors’, are corporations that are or at all material times were directly or indirectly controlled by and/or affiliated with William Gregory Santor and/or each other on terms that are presently not fully known to Plaintiff. Unless otherwise indicated below, these various defendants are jointly and or severally referred to below as “**Santor**” and/or the “**Santor Group**” as context and/or circumstance requires.

7 DDN Productions Inc., National Bank of Canada, 0870708 B.C. Ltd., Daydream Films Inc., Joker Films Inc., Fintage Collection Account Management B.V., GBP Paradox Films Inc., GBP Paradox Films, Inc., Gilbert Bonavia Productions, Inc., Janie Jones Investments, LLC, Janie Jones LLC, Freeway CAM B.V., I Melt With you LLC, I Melt With You Productions, LLC, Stealth Media Group UK Ltd (the “**Collateral Payors**”) are companies who were and remain liable to directly or indirectly pay monies to Santor pursuant to a settlement agreement described below. Those monies were and are impressed with a trust in favour of Plaintiff and the defendants are put to the strict proof of all allegations to the contrary.

7 8 At all material times herein, Santor has held himself out and otherwise represented himself to Plaintiff and others as, among other things, a financial planner, a financial advisor, a steward of intergenerational family wealth family and generally a person knowledgeable of and able to lawfully engage in financial and investment and related matters on behalf of and for the benefit of Plaintiff.

~~8~~9 Beginning in or about 2006, Santor dealt with Plaunt both directly and through Prosapia Wealth Management Ltd (“**Prosapia WML**”) using a business model ostensibly focused on managing intergenerational wealth for high-net-worth families

~~9~~10 Beyond providing specific purely financial advice, Santor provided Plaunt with guidance about how to arrange Plaunt’s affairs so as to protect, preserve and maximize family wealth and Santor provided referrals to various professionals who might assist Plaunt in those endeavours. Santor thereby sought to and did cultivate the role of trusted advisor and confidant to Plaunt

~~10~~11 At all material times, all such and related representations and efforts were part of a deliberate effort to solicit trust and money from Plaunt and Santor is put to the strict proof of all allegations to the contrary

~~11~~12 In furtherance of that effort, at various material times Santor both expressly and implicitly undertook on behalf of himself personally and on behalf of various corporate defendants to act in the best interest of Plaunt and the defendants are put to the strict proof of all allegations to the contrary

~~12~~13 In time Santor sought to have Plaunt provide him with money which Santor would invest in various movies. Santor made various representations and assurances to Plaunt in order to address Plaunt’s known low tolerance for financial risk in order to persuade Plaunt to advance funds so that Santor could invest them in the production of various movies. Full particulars are known to Santor and will be particularized both prior to and at trial

~~13~~14 Such assurances and representations included but were not limited to advising Plaunt that any such advances would be arranged on a last dollar in, first dollar out basis, that the funds would be collateralized and otherwise secured through various lawful means and that the investments were safe, lawfully secured and otherwise not only fully recoverable but also good financial investments per se. At all material times, Santor knew or reasonably ought to have known that those various representations were false, misleading and disingenuous

14 15 For reasons presently unknown to Plaunt, Santor later indicated to Plaunt that he was going to jettison much of his alleged client base and instead focus his attention on a smaller group of clients, such as Plaunt, placing an emphasis on various investment opportunities in or related to the movie production industry

15 16 Relying on the various representations made by Santor, Plaunt was persuaded to advance funds on terms to Prosapia WML which funds Plaunt was led to believe would be used solely for secured low risk loans for the production of movies entitled '*Paradox*', '*DayDream Nation*', '*I Melt With You*', and '*Janie Jones*'. Between 2009 and 2010, those advances amounted to CDN\$2,135, 000 and US\$2,125,000, the particulars of which are known to Santor and will in any event be provided prior to trial

16 17 At all material times, the defendants or either of them had discretion as to, among other things, whether, how, when, and on what terms the funds advanced by Plaunt would flow within and among the various defendants and others

17 18 Throughout these dealings, Santor repeatedly advised Plaunt that given various peculiarities of the financing of those movies, the funds were being forwarded by way of direct loans from Prosapia WML to Tristar and Media House and Gilbert for direct expenditure on the movie productions but that all such monies were being advanced by Prosapia WML under a structure that ensured that Plaunt's monies were fully secured and would be repaid to Plaunt in priority to all other expenses and indebtedness for each movie together with minimum guaranteed interest thereon

18 19 Plaunt relied on the said representations and assurances in advancing the subject funds and indeed Santor and the other defendants involved intended that Plaunt would do so. At all material times the defendants knew or reasonably ought to have known that those representations and assurances were false, misleading and disingenuous

~~19~~ 20 At one point in 2010, Gilbert also made representations to Plaunt in conjunction with Santor in order to secure desperately needed last minute funding for Janie Jones. Those joint representations were mostly similar to those relating to the prior advances but with the additional 'sweetener' or inducement of getting Plaunt Red Carpet access to the release of Janie Jones at TIFF. That singular representation (the Red Carpet access) was honoured.

~~20~~ 21 In all the circumstances then and there existing, Santor and those acting under or with him, were fiduciaries to Plaunt and the defendants are put to the strict proof of all allegations to the contrary. To the extent that Santor engaged or collaborated with others in connection with Plaunt or Plaunt's money, those other individuals and/or entities were fiduciaries as well.

~~21~~ 22 At no time did the defendants take any or any reasonable steps in the circumstances then and there existing to ensure that the funds advanced by Plaunt were in fact lawfully and fully secured from end to end so as to comply with the substance and spirit of the various assurances given to Plaunt in order to induce him to advance those funds and the defendants are put to the strict proof of all allegations to the contrary.

~~22~~ 23 At all material times Santor assured Plaunt that all the funds advanced by Plaunt in connection with the movies would actually be used for the said movies and not diverted, converted or otherwise dissipated. While Plaunt is not presently privy to the particulars, Plaunt notes and relies on the allegations in the Media House Litigation identified below to the effect that only \$3.63 million was advanced by Santor for production of the Movies and further that at least \$600,000 of the funds advanced by Plaunt were never advanced by Santor but instead diverted to other purposes.

~~23~~ 24 At no time was Plaunt ever advised that Santor had any direct or indirect financial or other interest in TriStar and/or Media House or indicate that Santor was otherwise subject to any actual or potential conflict of interest either directly or through any company or through any affiliation with Gilbert or others. The full particulars of that involvement over time are presently

unknown to Plaunt. At material times Santor was facing a series of personal issues and financial pressures related to the breakup of his marriage and otherwise.

~~24~~ 25 Near the end of 2011, Santor indicated that he was having some difficulty realizing repayment of the aforementioned funds advanced by Plaunt and engaged a lawyer he was familiar with in order to facilitate settlement discussions and repayment to Santor and Plaunt.

~~25~~ 26 Eventually Santor indicated that the settlement discussions had failed and that he had commenced legal action in order to recover the aforementioned funds advanced by Plaunt. Plaunt was never provided with actual particulars of that litigation nor even a copy of the pleadings. At all material times, Santor indicated that the said litigation was being undertaken by Santor on behalf of Plaunt and the defendants are put to the strict proof of all allegations to the contrary.

~~26~~ 27 From time to time, and as recently as December 2022, Santor assured Plaunt that the said litigation was proceeding albeit slowly. During various such communications, Santor was deliberately vague about any specifics but from time to time would assure Plaunt that the matter was under control and that the litigation would ultimately reach a satisfactory conclusion, namely one favourable to Plaunt. In fact Santor had not initiated litigation against Media House as aforesaid nor was it continuing.

~~27~~ 28 Plaunt has recently learned that Santor instead had only defended and commenced a counterclaim in an action commenced against himself personally and against Prosapia WML by Media House, Gilbert and another plaintiff in the Ontario Superior Court of Justice bearing court file number CV-12-459685 (the “**Media House Action**”).

~~28~~ 29 Plaunt has also learned that pleadings were exchanged in the Media House Action in 2012 and 2013, that a summary judgment motion was thereafter timetabled and scheduled but that that summary judgment motion was never argued. Instead, the Media House Action, including the aforementioned counterclaim, were dismissed “*on consent*” in October 2017. The full particulars ~~terms~~ of any related settlement are presently unknown to Plaunt.

- - - - -

30 In October 2023, Plaunt received from Gilbert a copy of a September 5, 2017 Settlement Agreement and Release as between Santor and Gilbert in the Media House Action together with a related October 2017 Assignment of Security Agreement. The said Settlement Agreement purported to settle the Media House Action on the following terms

"1 Media House Capital (Canada) Corp shall make payment to Prosapia Wealth Management Ltd in the amount of \$2,850,000 00 (TWO MILLION-EIGHT HUNDRED-FIFTY THOUSAND DOLLARS) of lawful money of Canada, on or before October 5, 2017

2 Media House shall assign to Prosapia all of its right, title and interest in and to the loan documents for the following motion pictures Daydream Nation, Janie Jones, I Melt with You and Paradox on or before October 5, 2017. The assignment shall be in a form that is acceptable to the parties, acting reasonably

3 The parties shall execute a Full & Final Mutual Release in LawPRO's standard format

4 The parties shall Consent to an Order dismissing this action in its entirety, on a with prejudice, without costs basis

5 All documents relating to this settlement shall be held in escrow until the payment referenced in paragraph 1 above is made "

31 At no time prior to commencement of the within litigation did Santor advise Plaunt that he had only pursued a fraction of the funds advanced by Plaunt or that Santor had settled the Media House Action or that he had received the aforementioned \$2,850,000 and assignments and Santor is put to the strict proof of all allegations to the contrary. To date Santor has neither paid any of those settlement proceeds to Plaunt nor accounted for same

32 The aforementioned Release purported to release all claims between the parties to the Media House Litigation and purported to bind " any party or parties who claim a right of interest through them "

33 At no time was Santor entitled or otherwise authorized, at law or in equity or otherwise either expressly or implicitly, to frame the Media House Action and thereafter agree to any specific settlement of the Media House Action on any terms involving less than full recovery of all funds owed to Plaintiff by Gilbert and the defendants are put to the strict proof of all allegations to the contrary

34 At all material times, Santor and Gilbert knew or reasonably ought to have known that the aforesaid settlement was not and/or could not be binding on Plaintiff and they are put to the strict proof of all allegations to the contrary

35 Separate from any issue of what particular benefit Santor directly or indirectly became entitled to and/or received as a result of the aforesaid purported settlement of the Media House Action, the said settlement was and remains void ab initio or, alternatively, voidable and the defendants are put to the strict proof of all allegations to the contrary

36 Among other things, the said Assignment of Security Agreement provided for the assignment by Media House of " all its right, title and interest in and to and under the following (i) the loans made pursuant to the Loan Agreements (the "Loans"), (ii) the Loan Agreements, (iii) the Security Documents, and (iv) any and all agreements, consents, directions, instruments and documents executed and delivered in connection therewith (collectively the "Loan Documents")" to Prosapia WML and appended an itemizing Schedule entitled "Loan Documents" A copy of the Loan Documents Schedule is appended hereto for convenience of particularization

37 By virtue of the said Assignment of Security Agreement, Santor was to receive any and all payments and/or proceeds derived from the collateral referenced in all of the Loan Documents (collectively the "**Collateral Proceeds**") Those proceeds were to and did include

38 In the said Assignment of Security Agreement, Media House warranted that " (i) the indebtedness outstanding under each Loan Agreement (a) remains outstanding as of the date



hereof, (b) has not been assigned by any Lender to any third party and/or compromised and/or forgiven by the respective Lender, and (c) is undisputed by the relevant Borrower”

39 Despite being requested to do so, Santor has refused to provide Plaunt with any of the Loan Documents or any particulars regarding same or regarding the related Collateral Proceeds

29 40 At all material times, Santor and his representatives knew or reasonably ought to have known that in all the circumstances then and there existing, Plaunt was defacto a person under disability affected by the said consent dismissal order when it was being taken out

30 41 The pleadings in the Media House Action expressly reference Plaunt and the aforementioned monies he advanced and those monies, as well as their recovery, were in issue in that action. Apparently not all money advanced to Santor by Plaunt was actually used to finance the various movies for reasons not presently know to Plaunt

31 42 To the extent that Santor, either alone or in conjunction with others participated in and was able to directly or indirectly control or influence the course of that litigation and its conclusion, Santor and those others had and exercised the power to influence the legal and substantial practical interests of Plaunt. That power was in addition to and not in lieu of all such power extant up to the commencement of the said litigation

32 43 Also unbeknown to Plaunt at the material times, Santor has over time created and or become involved in the various corporate defendants comprising the Santor Group and others represented herein as the John Doe Group and has moved money between them. To the extent that any monies originating with, belonging to or that are otherwise juristically linked and/or belonging to Plaunt flowed between any of the defendants, they have been unlawfully converted and otherwise misappropriated from Plaunt and Plaunt seeks and is entitled to a full tracing and accounting regarding same. Plaunt also pleads and relies upon the doctrine of unjust enrichment

~~33~~ 44 In addition, at all material times, Plaunt was a 'claimant' within the meaning of the Ontario Business Corporations Act viz a viz the Santor Group, Tristar and Media Group and the defendants are put to the strict proof of all allegations to the contrary

~~34~~ 45 In the alternative and in any event, at all material times the conduct of the various defendants or either of them in direct and/or indirect connection with the subject funds as described herein and as to be further particularized prior to and at trial, was carried out in a manner that was oppressive, and/or unfairly prejudicial and/or which unfairly disregarded the interests of Plaunt and the defendants are put to the strict proof of all allegations to the contrary

~~35~~ 46 To the extent that Santor, either alone or in conjunction with others, directed, acquiesced to or suffered the said oppressive conduct of the corporate defendants he is personally liable to Plaunt for all damages flowing from the said conduct

~~36~~ 47 To the extent that Santor either alone or in conjunction with others directed, acquiesced to or suffered the corporate defendants converting, dissipating, diverting or otherwise relinquishing any funds that were advanced by Plaunt, Santor is personally liable to Plaunt for same and he is put to the strict proof of all allegations to the contrary

~~37~~ 48 While detailed particulars, identities and roles are not presently known to Plaunt at this time, at material times throughout Santor has conspired with various co-defendants and others to, among other things, unlawfully and otherwise gain access to money belonging to Plaunt, to use at least some of that money for purposes other than the purposes for which it was advanced by Plaunt, to delay and withhold or otherwise deprive Plaunt of the repayment of the subject funds, to unjustly enrich themselves with such funds and its use or misuse, to prevent Plaunt from discovering their true machinations, to prevent or delay Plaunt from taking independent action to recover same, and to deliberately cover up the true nature, status and settlement of the Media House Action, to compromise the legal position and interests of Plaunt, and otherwise

38 49 At all material times, Santor and the various co-defendants and others involved in each such act, knew or reasonably ought to have known and indeed intended that their acts would likely harm Plaunt whose money was at issue

39 50 In the course of their conduct as aforementioned and to be further particularized prior to and at trial, Santor and his various co-conspirators directly or indirectly perpetrated, among other things, deceit, fraud, constructive fraud, equitable fraud, negligent and/or fraudulent misrepresentation

40 51 To date none of the funds advanced by Plaunt have been returned nor has any interest been paid on same

41 52 Plaunt pleads and relies on the relevant provisions of the following statutes

- Courts of Justice Act, R S O 1990 s c-43 as amended,
- Business Corporations Act , R S O 1990 c B-16 as amended,
- Negligence Act, R S ) 1990 c N-1 as amended,
- Securities Act, R S O 1990 c S-5 as amended,
- Trustee Act, R S O 1990 c T-23 as amended
- 

42 53 Plaunt proposes that this action be tried in Toronto

**CLAUDIO R. AIELLO**  
Barrister & Solicitor  
~~500-439 University Ave Toronto ON M5G 1Y8~~  
100-133 Milani Blvd Vaughan ON L4H 4M4  
(416) 969-9900 [claudio@aiellolaw.ca](mailto:claudio@aiellolaw.ca)  
Lawyer for the Plaintiffs  
LSO No 26796B

## **SCHEDULE A**

### **Loan Documents**

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f Collection Account Management Agreement of August, 2011 with Freeway CAM B V

**ALAN PLAUNT ET AL**

**v. WILLIAM GREGORY SANTOR ET AL**

Plaintiffs

Defendants

(ONTARIO)  
SUPERIOR COURT OF JUSTICE

Proceeding commenced at Toronto

**AMENDED STATEMENT OF CLAIM**

**CLAUDIO R. AIELLO**  
Barrister & Solicitor  
~~500-439 University Ave Toronto ON M5G 1Y8~~  
100-133 Milan Blvd Vaughan ON L4H 4M4

(416) 969-9900     *claudio@aiellolaw.ca*

Lawyer for the Plaintiffs

LSO No 26796B

**ALAN PLAUNT ET AL**

Plaintifs

**V.**

**WILLIAM GREGORY SANTOR ET AL**

Defendants

(ONTARIO)  
SUPERIOR COURT OF JUSTICE

Proceeding commenced at Toronto

**AFFIDAVIT**

**CLAUDIO R. AIELLO**

Barrister & Solicitor

100-133 Milan Blvd Vaughan ON L4H 4M4

(416) 969-9900

*claudio@aiellolaw.ca*

Lawyer for the Plaintiffs

LSO No 26796B

**ALAN PLAUNT ET AL**

Plaintifs

**V. WILLIAM GREGORY SANTOR ET AL**

Defendants

(ONTARIO)  
SUPERIOR COURT OF JUSTICE

Proceeding commenced at Toronto

**MOTION RECORD**

**CLAUDIO R. AIELLO**

Barrister & Solicitor

100-133 Milani Blvd. Vaughan ON L4H 4M4

(416) 969-9900      *claudio@aiellolaw.ca*

Lawyer for the Plaintiffs

LSO No: 26796B



## **APPENDIX “N”**

## Hession, Sophie

---

**From:** Claudio R. Aiello <claudio@aiellolaw.ca>  
**Sent:** Saturday, May 17, 2025 10:33 AM  
**To:** Marshall Torgov; Deering, Jordan  
**Cc:** Jonathan Wansbrough  
**Subject:** [EXTERNAL] Plaunt et al v Dantor et al - CV-23-00696306-0000

**DLA Piper (Canada) LLP ALERT:** This is an external email. Do not click links or open attachments unless you recognize the sender's email address and know the content is safe.

Counsel,

When Mr. Santor settled the Media House litigation, he received \$2.85 million in cash plus an assignment of all right title and interest in and to the loan documents for the four motion pictures at issue (Daydream Nation, Janie Jones, I Melt With You and paradox) (jointly and severally the "Movie Loans & Royalties"). That included certain loans and also ongoing entitlement to royalties from the movies. I have seen nothing that indicates that any of the Movie Loans & Royalties were disposed of or otherwise alienated by any of your clients after they were transferred as part of the Media House litigation but please let me know (with full particulars and documentation) if there was any such subsequent alienation.

It has now come to light that literally within weeks of receiving the settlement funds in the Media House litigation, Mr. Santor agreed to purchase and then paid all cash for a condominium in California which he and his wife apparently only sold a few weeks or days before his death. That purchase seems to predate all his activities that are the substantive subject of the Receivership and related proceedings.

I have also become aware that long after the condominium was purchased outright, Mr. Santor and his wife extracted much of the equity in that property by way of a mortgage that was apparently only repaid on the sale of the property. Those mortgage funds, and the persons involved in securing them and spending them, are of course caught by the existing litigation of my clients and the preservation motion that was in play at the time. So too are the net sale proceeds, intervening spending orders notwithstanding. In that regard, the question of what information was or was not given to Justice Black and by whom when he made the recent intervening spending order will also need to be canvassed.

**REDACTED**

# REDACTED

I will very shortly write to the court to ensure that the stay order obtained in the other litigation did not fall through the cracks at motions court.

I am leaving the province for a few days but will return towards at the end of the week. Hopefully by then you can at least confirm the current status and whereabouts of the Movie Loans & Royalties and we can proceed from there.

*Claudio R. Aiello*

*Barrister & Solicitor*

*100-133 Milani Blvd. Vaughan ON L4H 4M4*

*Telephone: 416-969-9900*

***Please Note: My University Avenue office has been closed. Please ensure all mail and deliveries are directed to my Vaughan office.***

This email is confidential and may contain information that is privileged. If you have received it in error, please immediately notify us and delete all copies permanently.

## **APPENDIX “O”**

## Hession, Sophie

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**From:** Alan Plaunt <[alplaunt@gmail.com](mailto:alplaunt@gmail.com)>  
**Sent:** Sunday, November 11, 2018 8:18 PM  
**To:** William Santor  
**Subject:** Re: Legal action

Thanks Will  
Ap

Sent from my iPhone. Correct spelling of wrong words is very possible.

On Nov 11, 2018, at 7:28 PM, William Santor <[William.Santor@productivymedia.com](mailto:William.Santor@productivymedia.com)> wrote:

Waiting for court date right now. We didn't get the summary proceedings as we had hoped so in cue.

When I get home early next week I am told docs are already for me and we should be able to do the buy-back. Just need outstanding amount and breakage for the existing mortgage you have.

W

Get [Outlook for iOS](#)

---

**From:** Alan Plaunt <[alplaunt@gmail.com](mailto:alplaunt@gmail.com)>  
**Sent:** Sunday, November 11, 2018 3:59:29 PM  
**To:** William Santor  
**Subject:** Legal action  
Will

How is the legal action going?

Alan  
P.S. Time for a rent cheque!

## Hession, Sophie

---

**From:** Alan Plaunt <alplaunt@gmail.com>  
**Sent:** Tuesday, May 28, 2019 8:47 AM  
**To:** 'Rev. Dr. K. Bill Dost'  
**Cc:** 'William G. Santor'  
**Subject:** Re: Following up

Bill

Thanks for the additional info. I do like this structure.

I went over my portfolio, structure and tax implications. Between you and Will, I've loaned >\$8M for a VERY long time on "safe and fast-ish" ventures of which I've seen \$0 return. There is a risk that CRA will question these long term, no return funds! This money represent a significant portion of my portfolio. I can not take the risk to loan you, or anyone else for that matter, until I see a significant return on these deployments.

Will

I trust your traveling was enjoyable.

We need to talk about getting my money, which you got tied up in your legal battle, away from the mess and deployed somewhere else where there is some light at the end of the tunnel. I'm sure you have plenty of options available..... Bill offers a promising offer.

Let's meet to talk. I'll make an appointment..?

Cheers  
Alan

On May 28, 2019, at 4:10 AM, Rev. Dr. K. Bill Dost <[kbd@danddleasing.com](mailto:kbd@danddleasing.com)> wrote:

Hi Alan,

Just wanted to bring this back around. What i do have is the f/s for the canadian business (the one you aren't involved in, but where we can place funds into at your direction) these statements are reviewed.

I enclose a link here as well, so that you can see from trade press from last year one of our funding platforms the quantum's we are funding with one of our banks in the UK.

<http://dndf.business/portfolio/wesleyan-bank-and-dd-leasing-sign-20m-facility/>

Best regards,

Rev. Dr. K. Bill Dost  
DND Finance  
416-464-9115  
07540 222258

On May 22, 2019, at 22:57, Alan Plaunt <[alplaunt@gmail.com](mailto:alplaunt@gmail.com)> wrote:

Bill

I got hold of my accountant. He wants to see some audited financial statements. What's common? The last three years?

He also wants to know how the repayment of the investment is effected ie who buys the shares and how are they valued.

Looking over my investments, I am a bit heavy on the risky side and I have a couple investments stuck in limbo. Will Santor can shed light on that! The accountant is going to take a look at the big picture.

Cheers  
Alan

Sent from my iPhone. Correct spelling of wrong words is very possible.

On May 20, 2019, at 6:12 AM, Rev. Dr. K. Bill Dost  
<[kbd@danddleasing.com](mailto:kbd@danddleasing.com)> wrote:

Hi Alan,

Just the usual follow up, hopefully you can track your accountant down.

All the best,

Rev. Dr. K. Bill Dost  
DND Finance  
416-464-9115  
07540 222258

--

This e-mail and any attached files are confidential and may be legally privileged. If you are not the addressee, any disclosure, reproduction, copying, distribution, or other dissemination or use of this communication is strictly prohibited. If you have received this transmission in error please notify the sender immediately and then delete this mail.

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If this e-mail or attached files contain information which do not relate to our professional activity we do not accept liability for such information.



## Hession, Sophie

---

**From:** Alan Plaunt <alplaunt@gmail.com>  
**Sent:** Thursday, January 23, 2020 2:27 PM  
**To:** 'William Santor'  
**Subject:** Happy new year

Will

How are things? I trust your family is doing good and work is flourishing?

Our six grandkids are growing fast!

A couple notes...

We are moving to Aurora. Our place in Dundas is for sale.

I've assigned the administrator of our life insurance policies to a new guy.

It's time for another rent flow.

How is the legal action going?

When am I going to see any \$ from Prosapia, etc?

Alan

Sent from my iPhone. Correct spelling of wrong words is very possible.

## Hession, Sophie

---

**From:** Alan Plaunt <alplaunt@gmail.com>  
**Sent:** Tuesday, April 14, 2020 8:11 AM  
**To:** 'William G. Santor'; 'William G. Santor'  
**Subject:** Re: Rent arrears

Will

Wow does time fly! I trust you and your family are staying COVID free...? All good on my end, however, one of the kids may loose both household jobs. It would be a bit of a challenge for a young family to start up again, from scratch!

Time to get updated with various things. Let's get the rent up to date. Last years payment of \$99982.50 didn't cover the rent up to it's date. Now the arrears is \$128017.50. This would bring us up to April 1 of 2020. I'll get in touch with a lawyer to start the house buy back.

How is the legal action with Media House going?

Stay well  
Alan

> On May 21, 2019, at 9:12 PM, Alan Plaunt <alplaunt@gmail.com> wrote:  
>  
> Will  
>  
> I need a rent cheque from you. It's a full year from Nov. 2017 to Nov. 2018 at a rate of \$7000/month.  
>  
> After Nov. 2018, I have to increase the rent to \$8000/month due to higher interest rates.  
>  
> Please prepare a cheque for \$132,000.00 to get us current to the end of May. I'll swing by to pick it up.  
>  
> Also, I'm going to increase the cost of financing the non-mortgage amount by 1% per month until the house is sold.  
>  
> What's the current status of the legal action?  
>  
> Cheers  
> Alan

## Hession, Sophie

---

**From:** Alan Plaunt <alplaunt@gmail.com>  
**Sent:** Thursday, October 01, 2020 12:22 PM  
**To:** 'William G. Santor'  
**Cc:** 'Marcia Champagnie'  
**Subject:** Lakeside Ave

Will

I'm jealous that you are spending the Wuhan WTF virus break in the Caribbean, particularly now that fall has arrived.

It's time to get caught up on the Lakeside accommodations rent. I'm somewhat flexible and was hoping we could talk rather than email, but here we are. I'm at a point that I can figure out a purchase price and get a lawyer to push through the paperwork. Failing the ability to make the purchase, you can transfer some large sums to get up to date and provide me with a years worth of post dated cheques. If you have another idea, let me know.

Good news, I noticed that the mortgage rate has ben reduced. I will have to go back and see when it changed and update the amounts owing.

My emails to you have seemed to go into a black void. I've CC'd Marcia to make sure you get this email. Please respond to make sure you are getting this.

Thanks  
Alan

Begin forwarded message:

**From:** Alan Plaunt <[alplaunt@gmail.com](mailto:alplaunt@gmail.com)>  
**Subject:** Re: Rent arrears  
**Date:** April 14, 2020 at 10:11:23 AM EDT  
**To:** "William G. Santor" <[william.santor@productivymedia.com](mailto:william.santor@productivymedia.com)>, "William G. Santor" <[william.santor@prosapia.ca](mailto:william.santor@prosapia.ca)>

Will

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What's the current status of the legal action?

Cheers  
Alan

## Hession, Sophie

---

**From:** Alan Plaunt <alplaunt@gmail.com>  
**Sent:** Saturday, December 12, 2020 1:58 PM  
**To:** 'William G. Santor'  
**Subject:** Promissory Note loan  
**Attachments:** ProsapiaPromissoryNote.pdf; attachment.txt

Will

I have to simplify things in my estate to ease transition to the kids. Here is another loan that we need to close off...

Beside your house, I will need to address the Media House legal action. Looks like this will need some legal action on my part to help the process along....?

It's been some time (more than a year?) since you have responded to any of my correspondance. Please respond as soon as possible.

Thanks

Alan

## PROMISSORY NOTE

Amount: \$75,000

Date: Jan. 24, 2007

FOR VALUE RECEIVED, Prosapia Wealth Management Ltd., a Corporation incorporated under the laws of Ontario (the Payor) having its principal office at 200 James St. S., Suite 303. Hamilton, ON., L8P 3A9 and William G. Santor (the Payor) residing at 2301 Cavendish Dr., Burlington, ON, L7P 3M3, jointly and severally hereby promises to pay to the order of Alan Plaunt (the Payee) the principal sum of Seventy Five Thousand Dollars (\$75,000) in Canadian Funds together with interest at the rate of 12% after tax per annum on such principal amount outstanding from time to time as follows:

1. The principal shall be callable, due and payable, after giving 30 days written notice, no sooner than 3 years plus 1 day after the signing of this agreement and/or the advance of funds, whichever is later.
2. The principal shall be repaid no later than 5 years after the signing of this agreement and/or the advance of funds, whichever is later.
3. Interest only payments will be made on the first (1<sup>st</sup>) day of each month, and continuing on the first day until the principal is demanded or repaid, at the rate of 12% after tax per annum, calculated monthly not in advance.
4. Any and all payments of interest and principal (if demanded or repaid) shall be made to the order of the Payee on or before the date specified for any and all such payments.
5. Provided that during the term of this Promissory Note and the undersigned not being in default, the undersigned may pay from time to time the whole or any part of the principal sum then outstanding without notice or bonus.
6. In addition to interest payments as stipulate above, the Payor agrees to provide 3 years of "Family Office Services" as outlined in the attached agreement for a fee no greater than \$0.

This Promissory note is incomplete and void without the attached "Engagement & Disclosure & Wealth Management Retainer Agreement"

Presentment, protest, notice of protest and notice of dishonour hereof are hereby waived.

It shall be a condition of this Promissory Note that it may not be assigned to any other person, other than immediate family, whatsoever.

DATED at the City of Burlington this 26 day of Jan, 2007.

Prosapia Wealth Management Ltd

Per:



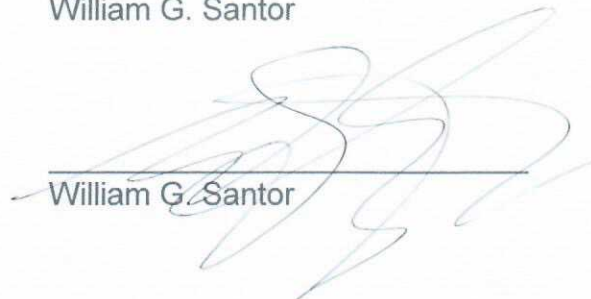
William G. Santor - President

I have authority to bind the Corporation

AND

William G. Santor

Per:



William G. Santor

ADDENDUM:

→ NO PAYMENTS REQUIRED UNTIL EITHER:

- A) APRIL 1, 2007, OR.
- B) A MUTUALLY AGREEABLE SHARE PARTNERSHIP CAN BE ARRANGED



JAN 26/07.