

**ONTARIO
SUPERIOR COURT OF JUSTICE**

COMMERCIAL LIST

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

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF CINRAM INTERNATIONAL INC., CINRAM
INTERNATIONAL INCOME FUND, CII TRUST AND THE
COMPANIES LISTED IN SCHEDULE "A"**

Applicants

**MOTION RECORD
(Appointment Order
Returnable October 19, 2012)**

GOODMANS LLP

Barristers & Solicitors

Bay Adelaide Centre

333 Bay Street, Suite 3400

Toronto, Canada M5H 2S7

Robert J. Chadwick LSUC#: 35165K

Melaney J. Wagner LSUC#: 44063B

Caroline Descours LSUC#: 58251A

Tel: 416.979.2211

Fax: 416.979.1234

Lawyers for the Applicants

INDEX

**ONTARIO
SUPERIOR COURT OF JUSTICE**

COMMERCIAL LIST

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

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF CINRAM INTERNATIONAL INC., CINRAM
INTERNATIONAL INCOME FUND, CII TRUST AND THE
COMPANIES LISTED IN SCHEDULE "A"**

Applicants

INDEX

Tab	Document
1	Notice of Motion dated October 12, 2012
2	Affidavit of Neill May sworn October 12, 2012
3	Consent of FTI Consulting Canada Inc. to act as receiver dated October 12, 2012
4	Draft Appointment Order

SCHEDULE "A"

Additional Applicants

C International General Partner Inc., formerly Cinram International General Partner Inc.

CRW International ULC, formerly Cinram International ULC

1362806 Ontario Limited

CUSH Inc., formerly Cinram (U.S.) Holding's Inc.

CIHV Inc., formerly Cinram, Inc.

IHC Corporation

CMFG LLC, formerly Cinram Manufacturing LLC

CDIST LLC, formerly Cinram Distribution LLC

Cinram Wireless LLC

CRSMI LLC, formerly Cinram Retail Services, LLC

One K Studios, LLC

TAB 1

ONTARIO
SUPERIOR COURT OF JUSTICE

COMMERCIAL LIST

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF CINRAM INTERNATIONAL INC., CINRAM
INTERNATIONAL INCOME FUND, CII TRUST AND THE COMPANIES
LISTED IN SCHEDULE "A"

Applicants

NOTICE OF MOTION
(Appointment Order
Returnable October 19, 2012)

The Applicants will bring a motion before a Judge of the Commercial List on October 19, 2012, at 10:00 a.m. or as soon after that time as the matter may be heard at 330 University Avenue, Toronto, Ontario.

PROPOSED METHOD OF HEARING: The motion is to be heard orally.

1. **THE APPLICANTS MAKE A MOTION FOR AN ORDER** substantially in the form attached at Tab 4 of the Motion Record, *inter alia*:

- (a) abridging the time for and validating the service of this Notice of Motion, the Fourth Report (the "**Monitor's Fourth Report**") of FTI Consulting Canada Inc. in its capacity as Court-appointed Monitor (the "**Monitor**") and the Motion Record and dispensing with further service thereof;
- (b) dismissing with prejudice the motion brought by the Ad Hoc Committee for Former Canadian Cinram Employees dated September 11, 2012 (the "**Ad Hoc Committee's Motion**");
- (c) lifting the stay of proceedings granted by this Court under the Initial Order in these proceedings dated June 25, 2012 (the "**Initial Order**"), solely with respect

- 2 -

to C International Inc., formerly Cinram International Inc. (“**CII**”) and the Limited Receivership Property (as defined below) and solely to allow: (a) the appointment of FTI Consulting Canada Inc. as receiver (in such capacity, the “**Receiver**”) over the Limited Receivership Property; and (b) the Receiver to act in respect of the Limited Receivership Property in accordance with the provisions of this Order;

- (d) appointing the Receiver, without security, of the Limited Receivership Property (defined below) pursuant to the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the “**CJA**”) on the terms set out in the draft Order attached at Tab 4 of the within Motion Record;
- (e) relieving the Receiver from compliance with the provisions of Sections 245(1), 245(2) and 246 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the “**BIA**”); and
- (f) such further and other relief as counsel may request and this Honourable Court deems just.

2. THE GROUNDS FOR THE MOTION ARE:

- (a) On June 25, 2012, this Honourable Court granted the Initial Order, *inter alia*: (i) granting a stay of proceedings under the CCAA against the Applicants and Cinram International Limited Partnership (together with the Applicants, the “**CCAA Parties**”) and the subsidiaries of the CCAA Parties that are also party to agreements to which the CCAA Parties are parties; (ii) appointing FTI Consulting Canada Inc. as the Monitor of the CCAA Parties in these CCAA Proceedings; and (iii) appointing CRW International ULC, formerly Cinram International ULC (“**CRW**”) as the foreign representative of the CCAA Parties;
- (b) The stay of proceedings pursuant to the Initial Order was granted to July 25, 2012, was subsequently extended by this Honourable Court on July 12, 2012 to September 14, 2012, and was further extended by this Honourable Court on September 13, 2012 to October 26, 2012;

- (c) On July 12, 2012, this Honourable Court made an order (the “**Approval and Vesting Order**”), *inter alia*: (i) approving the sale of substantially all of the property and assets used in connection with the business carried on by C International Income Fund, formerly Cinram International Income Fund (the “**Fund**”) and its direct and indirect subsidiaries (collectively, the “**Company**”) in North America contemplated by the Asset Purchase Agreement; (ii) approving the sale of the shares of Cooperatie Cinram Netherlands UA pursuant to the binding purchase offer dated June 22, 2012 (the “**Purchase Offer**”) provided by the Purchaser to CII and 1362806 Ontario Limited (together with CII, the “**Share Sellers**”); (iii) authorizing CII to enter into the Asset Purchase Agreement and the Share Sellers to enter into the Purchase Offer; (iv) authorizing CII, CIHV Inc., formerly Cinram Inc., CRSMI LLC, formerly Cinram Retail Services LLC, One K Studios, LLC, CDIST LLC, formerly Cinram Distribution LLC and CMFG LLC, formerly Cinram Manufacturing LLC (collectively, the “**Asset Sellers**”) to complete the transactions contemplated by the Asset Purchase Agreement (the “**Asset Sale Transaction**”); and (v) authorizing the Share Sellers to complete the transactions contemplated by the Purchase Offer (the “**Share Sale Transaction**”, together with the Asset Sale Transaction, the “**Sale Transaction**”);
- (d) On July 25, 2012, CRW, in its capacity as the foreign representative for CII and each of the Applicants that are U.S. entities (collectively, the “**U.S. Debtors**”), obtained an order under chapter 15 of title 11 of the United States Code, as amended from time to time (the “**Bankruptcy Code**”), from the United States Bankruptcy Court for the District of Delaware (the “**U.S. Court**”), *inter alia*, recognizing on a final basis these CCAA Proceedings as the “foreign main proceedings” of the CCAA Parties and recognizing on a final basis the Initial Order;
- (e) On July 25, 2012, CRW, in its capacity as foreign representative for the U.S. Debtors, obtained an order under chapter 15 of the Bankruptcy Code from the U.S. Court, *inter alia*, recognizing the Approval and Vesting Order, authorizing

the assumption and assignment of certain executory contracts and unexpired leases, and granting certain related relief;

- (f) The Asset Sale Transaction closed on August 31, 2012;
- (g) Pursuant to the Asset Sale Transaction, most of the CCAA Parties' employees engaged in the North American business were transferred to the Purchaser or its nominees;
- (h) The *Wage Earner Protection Program Act*, S.C. 2005, c. 47, s. 1 (“**WEPPA**”) entitles eligible individuals to receive certain payments from the government in respect of wages and severance pay and termination pay in certain circumstances where the individual's former employer is subject to a bankruptcy or receivership;
- (i) The employees of the CCAA Parties have been paid their wages, including vacation pay;
- (j) The Former Canadian Cinram Employees are currently not eligible to receive payments under WEPPA because CII is not subject to bankruptcy or receivership proceedings;
- (k) The GBP bank account of CII at HSBC Bank Canada (the “**Limited Receivership Property**”) is all of the bank accounts of CII remaining following the completion of the Asset Sale Transaction and contains *de minimis* amounts;
- (l) The appointment of the Receiver over the Limited Receivership Property would not result in any disruption to the remaining business operations of the CCAA Parties or these CCAA Proceedings, or cause any material prejudice to other stakeholders of the CCAA Parties;

- 5 -

- (m) It is just and convenient in the circumstances that the Receiver be appointed over the Limited Receivership Property pursuant to section 101 of the CJA on the terms set out in the draft Order attached at Tab 4 of the within Motion Record;
- (n) Given that FTI Consulting Canada Inc. has been appointed the Monitor of the CCAA Parties and is subject to reporting obligations under the CCAA and Initial Order, no party will be prejudiced by an order relieving the Receiver from compliance with Sections 245(1), 245(2) and 246 of the BIA;
- (o) The Applicants' motion is supported by the Pre-Petition First Lien Agent;
- (p) The Applicants consulted extensively with the Monitor with respect to the relief sought on this motion and the Monitor will be filing a report in connection with this motion;
- (q) The provisions of the CCAA and this Honourable Court's equitable and statutory jurisdiction thereunder;
- (r) Section 101 of the CJA;
- (s) The provisions of WEPPA;
- (t) Section 243(2) of the BIA;
- (u) Rules 2.03, 3.02, 16 and 37 of the Ontario *Rules of Civil Procedure*, R.R.O. 1990, Rec. 194, as amended; and
- (v) Such further and other grounds as counsel may advise and this Honourable Court permit.

3. THE FOLLOWING DOCUMENTARY EVIDENCE WILL BE USED AT THE HEARING OF THE MOTION:

- (a) the affidavit of Neill May sworn October 12, 2012;
- (b) the Monitor's Fourth Report and any exhibits attached thereto;
- (c) the consent of FTI Consulting Canada Inc. to act as receiver over the Limited Receivership Assets in the within proceedings dated October 12, 2012; and
- (d) such further and other material as counsel may advise and this Honourable Court may permit.

Date: October 12, 2012

GOODMANS LLP
Barristers & Solicitors
Bay Adelaide Centre
333 Bay Street, Suite 3400
Toronto, Canada M5H 2S7

Robert J. Chadwick LSUC#: 35165K
Melaney J. Wagner LSUC#: 44063B
Caroline Descours LSUC#: 58251A

Tel: (416) 979-2211
Fax: (416) 979-1234

Lawyers for the Applicants

TO: THE ATTACHED SERVICE LIST

SCHEDULE "A"**Additional Applicants**

C International General Partner Inc., formerly Cinram International General Partner Inc.

CRW International ULC, formerly Cinram International ULC

1362806 Ontario Limited

CUSH Inc., formerly Cinram (U.S.) Holding's Inc.

CIHV Inc., formerly Cinram, Inc.

IHC Corporation

CMFG LLC, formerly Cinram Manufacturing LLC

CDIST LLC, formerly Cinram Distribution LLC

Cinram Wireless LLC

CRSMI LLC, formerly Cinram Retail Services, LLC

One K Studios, LLC

SCHEDULE "B"

Service List

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

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

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF CINRAM INTERNATIONAL INC., CINRAM
INTERNATIONAL INCOME FUND, CII TRUST AND THE COMPANIES
LISTED IN SCHEDULE "A"**

Applicants

Service List

	Firm:	Attention:
TO:	<p>GOODMANS LLP Bay Adelaide Centre 333 Bay Street, Suite 3400 Toronto, ON M5H 2S7</p> <p>Fax: (416) 979-1234</p> <p>SHEARMAN & STERLING LLP 599 Lexington Avenue New York, NY 10022</p> <p>Fax: 1 (212) 848-7179</p> <p>Lawyers for the Applicants</p>	<p>Robert J. Chadwick Tel: (416) 597-4285 E-mail: rchadwick@goodmans.ca</p> <p>Melaney Wagner Tel: (416) 597-4258 E-mail: mwagner@goodmans.ca</p> <p>Caroline Descours Tel: (416) 597-6275 E-mail: cdescours@goodmans.ca</p> <p>Douglas P. Bartner Tel: 1 (212) 848-8190 E-mail: dbartner@shearman.com</p> <p>Jill Frizzley Tel: 1 (212) 848-8174 E-mail: jfrizzley@shearman.com</p>

AND TO:	<p>FTI CONSULTING CANADA INC. TD Waterhouse Tower 79 Wellington Street West Suite 2010 P.O. Box 104 Toronto, ON M5K 1G8</p> <p>Fax: (416) 649-8101</p> <p>Court-appointed Monitor</p>	<p>Paul Bishop Tel: (416) 649-8100 E-mail: paul.bishop@fticonsulting.com</p> <p>Steven Bissell Tel: (416) 649-8054 steven.bissell@fticonsulting.com</p> <p>Pamela Luthra Tel: (416) 649-8063 pamela.luthra@fticonsulting.com</p>
AND TO:	<p>STIKEMAN ELLIOT LLP 199 Bay Street 5300 Commerce Court West Toronto, ON M5L 1B9</p> <p>Fax: (416) 947-0866</p> <p>Lawyers for the Court-appointed Monitor</p>	<p>David Byers Tel: (416) 869-5697 E-mail: dbyers@stikeman.com</p> <p>Maria Konyukhova Tel: (416) 869-5230 E-mail: mkonyukhova@stikeman.com</p>
AND TO:	<p>BLAKE, CASSELS & GRAYDON LLP 199 Bay Street Suite 4000, Commerce Court West Toronto, ON M5L 1A9</p> <p>Fax: (416) 863-2653</p> <p>WACHTELL, LIPTON, ROSEN & KATZ 51 West 52nd Street New York, NY 10019</p> <p>Fax: 1 (212) 403-2109</p> <p>Lawyers for JPMorgan Chase N.A., as Administrative Agent</p>	<p>Milly Chow Tel: (416) 863-2594 E-mail: milly.chow@blakes.com</p> <p>Steven J. Weisz Tel: (416) 863-2616 E-mail: steven.weisz@blakes.com</p> <p>Joshua Andrew Feltman Tel: 1 (212) 403-1102 E-mail: jafeltman@wlrk.com</p>

AND TO:	<p>DAVIES WARD PHILLIPS & VINEBERG LLP 1 First Canadian Place Suite 4400 P.O. Box 63 Toronto, ON M5X 1B1</p> <p>Fax: (416) 863-0871</p> <p>BALLARD SPAHR LLP 1 East Washington Street Suite 2300 Phoenix, AZ 85004-2555</p> <p>Fax: 1 (602) 798-5595</p> <p>Lawyers for Najafi Companies</p>	<p>Jay A. Swartz Tel: (416) 863-5520 E-mail: jswartz@dwpv.com</p> <p>Karen C. McConnell Tel: 1 (602) 798-5403 E-mail: mcconnellk@ballardspahr.com</p>
AND TO:	<p>OSLER, HOSKIN & HARCOURT LLP 100 King Street West 1 First Canadian Place, Suite 6100 P.O. Box 50 Toronto Ontario M5X 1B8</p> <p>Fax: (416) 862-6666</p> <p>KIRKLAND & ELLIS LLP 300 North LaSalle Chicago, Illinois 60654</p> <p>Lawyers for Twentieth Century Fox Home Entertainment</p>	<p>Tracy Sandler Tel: (416) 862-5890 E-mail: tsandler@osler.com</p> <p>Jeremy Dacks Tel: (416) 862-4923 E-mail: jdacks@osler.com</p> <p>Adam Paul Tel: 1 (312) 862-3120 E-mail: adam.paul@kirkland.com</p>

AND TO:	<p>OSLER, HOSKIN & HARCOURT LLP 100 King Street West 1 First Canadian Place, Suite 6100, P.O. Box 50 Toronto Ontario M5X 1B8</p> <p>Fax: (416) 862-6666</p> <p>Lawyers for Warner-Elektra-Atlantic Corporation</p>	<p>Steven Golick Tel: (416) 862-6704 E-mail: sgolick@osler.com</p> <p>Marc Wasserman Tel: (416) 862-4908 E-Mail: mwasserman@osler.com</p>
AND TO:	<p>FOGLER, RUBINOFF LLP 95 Wellington Street West, Suite 1200 Toronto-Dominion Centre Toronto, ON M5J 2Z9</p> <p>Fax: (416) 941-8852</p> <p>Lawyers for Chubb Insurance</p>	<p>Alan J. Frank Tel: (416) 941-8831 E-mail: afrank@foglers.com</p> <p>Martin R. Kaplan Tel: (416) 941-8822 E-mail: mkaplan@foglers.com</p>
AND TO:	<p>HEENAN BLAIKIE LLP Bay Adelaide Centre 333 Bay Street, Suite 2900 P.O. Box 2900 Toronto, ON M5H 2T4</p> <p>Fax: (416) 360-8425</p> <p>Lawyers for ATS Retail Solutions</p>	<p>Kenneth D. Kraft Tel: (416) 643-6822 E-mail: kkraft@heenan.ca</p>
AND TO:	<p>BORDEN LADNER GERVAIS LLP Scotia Plaza 40 King Street West Toronto, ON M5H 3Y4</p> <p>Fax: (416) 361-7067</p> <p>Lawyers for Toronto Hydro Corporation</p>	<p>Roger Jaipargas Tel: (416) 367-6266 E-mail: rjaipargas@blg.com</p>

AND TO:	<p>TORKIN MANES LLP 151 Yonge Street, Suite 1500 Toronto, ON M5C 2W7</p> <p>Fax: 1 (888) 812-2564</p> <p>Lawyers for Rodenbury Investments Inc.</p>	<p>Barry A. Cohen, QC Tel: (416) 777-5434 E-mail: bcohen@torkinmanes.com</p>
AND TO:	<p>GOWLING LAFLEUR HENDERSON LLP 1 First Canadian Place 100 King Street West, Suite 1600 Toronto, ON M5X 1G5</p> <p>Fax: (416) 862-7661</p> <p>Lawyers for US Industrial REIT II</p>	<p>David Cohen Tel: (416) 369-6667 E-mail: david.cohen@gowlings.com</p>
AND TO:	<p>DEPARTMENT OF JUSTICE 130 King Street West, Suite 3400 Toronto, ON M5X 1K6</p> <p>Fax: (416) 973-0810</p>	<p>Diane Winters Tel: (416) 973-3172 E-mail: diane.winters@justice.gc.ca</p>
AND TO:	<p>PALIARE ROLAND ROSENBERG ROTHSTEIN LLP 155 Wellington St. West, 35th Floor Toronto, ON M5V 3H1</p> <p>Fax: (416) 646-4301</p> <p>Lawyers for the Ad Hoc Committee of Former Canadian Cinram Employees (Walter Canlubo, Yvonne Lewis and Li Chin Liu)</p>	<p>Massimo Starnino Tel: (416) 646-4300 max.starnino@paliareroland.com</p> <p>Tina H. Lie tina.lie@parliareroland.com</p>

AND TO:	MINISTRY OF LABOUR Legal Services 400 University Avenue, 11 th Floor Toronto, ON M7A 1T7	Neville Austin Tel: (416) 326-7673 neville.austin@ontario.ca
AND TO:	OFFICE OF THE SUPERINTENDENT OF BANKRUPTCY 25 St. Clair Avenue East, 6 th Floor Toronto, Ontario M4T 1M2	
AND TO:	G.N. JOHNSTON EQUIPMENT CO. LTD 5990 Avebury Road Mississauga, ON L5R 3R2	
AND TO:	CIT FINANCIAL LTD. 5035 South Service Road, Burlington, ON L7R 4C8	
AND TO:	BANK OF THE WEST, TRINITY DIVISION 475 Sansome St 19th Fl San Francisco, CA 94111-123	
AND TO:	BMT LEASING INC PO Box 692 Bryn Mawr, PA 19010-0692	
AND TO:	BMT LEASING, INC. dba BRYN MAWR FUNDING 6 South Bryn Mawr Ave Bryn Mawr, PA 19010	
AND TO:	COACTIVE CAPITAL PARTNERS LLC 655 Business Center Dr Suite 250 Horsham, PA 19044	
AND TO:	COMMERCE COMMERCIAL LEASING, LLC 2059 Springdale Road Cherry Hill, NJ 08003	

AND TO:	COMMONWEALTH OF KENTUCKY Office of Employment and Training Division of Employment Insurance P.O. Box 948 Frankfurt, KY 40602-0948	
AND TO:	COMMUNITY BANK 2800 North Hollywood Way Burbank, CA 91505	
AND TO:	CROWN CREDIT COMPANY 40 S Washington St New Bremen, OH 45869	
AND TO:	CRYOVAC, INC. P.O. Box 464 Duncan, SC 29334	
AND TO:	DE LAGE LANDEN FINANCIAL SERVICES, INC. 1111 Old Eagle School Road Wayne, PA 19087	
AND TO:	DIMENSION FUNDING LLC 17748 Skypark Circle Ste 100 Irvine, CA 92614	
AND TO:	DIMENSION FUNDING LLC 6 Hughes, Suite 220 Irvine, CA 92618	
AND TO:	EMC CORPORATION 176 South Street Hopkinton, MA 01748	
AND TO:	ERVIN LEASING COMPANY 3893 Research Park Drive Ann Arbor, MI 48106	
AND TO:	FIJIFILM SERICOL USA INC. 1101 West Cambridge Drive Kansas City, KS 66103	

AND TO:	FIRST UNION COMMERCIAL CORPORATION One Wachovia Center Mail Code NC0738 Charlotte, NC 28288	
AND TO:	GENERAL ELECTRIC CAPITAL CORPORATION 44 Old Ridgebury Road Danbury, CT 06810	
AND TO:	GREATER BAY BANK N.A. 300 Trie-State International Ste. 400 Lincolnshire, IL 60069	
AND TO:	KEY EQUIPMENT FINANCE INC. 1000 South Mccaslin Blvd Superior, CO 80027	
AND TO:	LAKELAND BANK EQUIPMENT LEASING DIVISION 166 Changebridge Rd PO Box 425 Montville, NJ 07045	
AND TO:	LEASENET GROUP, LLC 2361 Morse Road (NC1N07) Columbus, OH 43229	
AND TO:	MARLIN BUSINESS BANK 2795 E Cottonwood Pkwy Salt Lake City, UT 84121	
AND TO:	NATIONAL CITY COMMERCIAL CAPITAL COMPANY LLC 995 Dalton Ave Cincinnati, OH 45203	

AND TO:	NEW LINE HOME ENTERTAINMENT, INC. Attn Beth Baier/WHV 4000 Warner Blvd Burbank, CA 91522	
AND TO:	NEW LINE HOME ENTERTAINMENT, INC. Attn Amy Goodman SVP c o New Line Cinema 888 7th Avenue New York, NY 10106	
AND TO:	NMHG FINANCIAL SERVICES INC. P.O. Box 35701 Billings, MT 59107-5701	
AND TO:	ORION ASSET MANAGEMENT, LLC 2210 Woodland Dr Manitowoc, WI 54220	
AND TO:	PARTNERS EQUITY CAPITAL COMPANY LLC 650 Business Center Dr Suite 250 Horsham, PA 19044	
AND TO:	PURE HEALTH SOLUTIONS, INC (PHSI) 120 E Lake St Ste 401 Sanpoint, ID 83864	
AND TO:	RAYMOND LEASING CORPORATION Corporate Headquarters P.O. Box 130 Greene, NY 13778	
AND TO:	RAYMOND LEASING CORPORATION 20 South Canal Street Greene, NY 13778	

AND TO:	SANTA BARBARA BANK & TRUST LEASING DIVISION 1505 Chapala St PO Box 1196 Santa Barbara, CA 93101	
AND TO:	SINGULUS TECHNOLOGIES AG Hanauer Landstrasse 103 Kahl Am Main 63796 Germany	
AND TO:	THOMPSON TRACTOR CO., INC. P.O. Box 10367 Birmingham, AL 35202	
AND TO:	U.S. BANCORP 1310 Madrid Street Marshall, MN 56258	
AND TO:	UBISOFT, INC. 625 Third Street, 3rd Floor San Francisco, CA 94107	
AND TO:	UNAXIS USA, INC. 18881 Von Karman Avenue #200 Olyphant, PA 18448	
AND TO:	WACHOVIA FINANCIAL SERVICES, INC. One Wachovia Center Mail Code NC0738 Charlotte, NC 28288-0738	

AND TO:	<p>WARNER BROS. ENTERTAINMENT CANADA INC., WARNER HOME BROS ENTERTAINMENT CANADA INC., WARNER HOME VIDEO BENELUX, a Division of Warner Bros. Entertainment Nederland B.V., WARNER HOME VIDEO BENELUX, a Division of Warner Bros. Entertainment Neederkan R.V., WARNER HOME VIDEO FRANCE, a Division of Warner Bros. Entertainment France S.A.S., WARNER HOME VIDEO GERMANY, a Division of Warner Bros Entertainment GMBH, WARNER HOME VIDEO INC., a Division of Warner Bros. Home Entertainment Inc., WARNER HOME VIDEO MEXICO S.A. DE C.V., WARNER HOME VIDEO SPAIN, a Division of Warner Bros. Entertainment Espana, SL, WARNER HOME VIDEO UK, a Division of Warner Bros Entertainment UK Limited, WARNER HOME VIDEO, a Division of Warner Bros Home Entertainment Inc.</p> <p>Attn Beth Baier SVP & General Counsel 4000 Warner Blvd Burbank, CA 91522</p>	
AND TO:	<p>WELLS FARGO EQUIPMENT FINANCE INC 733 Marquette Ave Ste 300 Minneapolis, MN 55402</p>	

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

Court File No: CV12-9767-00CL

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
CINRAM INTERNATIONAL INC., CINRAM INTERNATIONAL INCOME FUND, CII
TRUST AND THE COMPANIES LISTED IN SCHEDULE "A"

Applicants

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

Proceeding commenced at Toronto

NOTICE OF MOTION

GOODMANS LLP
Barristers & Solicitors
333 Bay Street, Suite 3400
Toronto, Canada M5H 2S7

Robert J. Chadwick LSUC#: 35165K
Melaney J. Wagner LSUC#: 44063B
Caroline Descours LSUC#: 58251A

Tel: (416) 979-2211
Fax: (416) 979-1234

Lawyers for the Applicants

TAB 2

ONTARIO
SUPERIOR COURT OF JUSTICE

COMMERCIAL LIST

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF CINRAM INTERNATIONAL INC., CINRAM
INTERNATIONAL INCOME FUND, CII TRUST AND THE COMPANIES
LISTED IN SCHEDULE "A"

Applicants

AFFIDAVIT OF NEILL MAY
(sworn October 12, 2012)

I, Neill May, of the City of Toronto, in the Province of Ontario, **MAKE OATH AND SAY:**

I. INTRODUCTION

1. I am a partner at Goodmans LLP, counsel to C International Income Fund, formerly known as Cinram International Income Fund (the "**Fund**") and its direct and indirect subsidiaries (together with the Fund, the "**Company**"). As such, I have personal knowledge of the matters to which I depose in this Affidavit. Where I do not possess personal knowledge, I have stated the source of my information and in all such cases believe it to be true.

2. This Affidavit is sworn in support of a motion made by the Fund, C International Inc., formerly Cinram International Inc. ("**CII**"), CII Trust and the companies listed in Schedule "A" (collectively, the "**Applicants**") for:

- (a) an Order (the “**Distribution/Transition Order**”), *inter alia*:
- (i) establishing an administrative reserve (the “**Administrative Reserve**”) to be administered by FTI Consulting Canada Inc. in its capacity as the Court-appointed monitor (the “**Monitor**”) of the CCAA Parties (as defined below) and to be used to pay the professional costs and expenses associated with the completion of the administration of the estates of the CCAA Parties in these proceedings (the “**CCAA Proceedings**”) under the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”), the proceedings under chapter 15 of the Bankruptcy Code (as defined below) (the “**Chapter 15 Proceedings**”) and any other proceedings commenced in respect of the CCAA Parties or any of them (the “**Administrative Reserve Costs**”);
 - (ii) establishing a transitional costs reserve (the “**Transitional Costs Reserve**”) to be administered by the Monitor and to be used to pay the costs and expenses relating to the Excluded Assets (as defined below) and costs incurred for transitional services relating to the Share Sale Transaction (as defined below), the Excluded Assets and administration of these proceedings (the “**Transitional Costs**”);
 - (iii) authorizing (A) a distribution to JPMorgan Chase Bank N.A., as administrative agent (the “**Pre-Petition First Lien Agent**”) under the Amended and Restated Credit Agreement dated April 11, 2011, as

amended (the “**Pre-Petition First Lien Credit Agreement**”) on behalf of the lenders under the Pre-Petition First Lien Credit Agreement (the “**Pre-Petition First Lien Lenders**”) of a portion of the August Asset Sale Proceeds (as defined below) arising from the Asset Sale Transaction (as defined below) pursuant to the Asset Purchase Agreement (as defined below), and (B) further distributions to the Pre-Petition First Lien Agent at the Monitor’s discretion without further order of the Court; provided that the aggregate amount of distributions to the Pre-Petition First Lien Agent does not exceed the total amount of the secured indebtedness plus interest accrued thereon owing by the CCAA Parties to the Pre-Petition First Lien Lenders under the Pre-Petition First Lien Credit Agreement;

(iv) expanding the powers of the Monitor so that it may, among other things, facilitate the completion of the Share Sale Transaction and the completion of the CCAA Parties’ CCAA Proceedings and Chapter 15 Proceedings;

(v) releasing the former and current trustees, directors and officers of the CCAA Parties (collectively, the “**Directors and Officers**”, and each a “**Director**” or “**Officer**”) from all claims, obligations and liabilities that they may have incurred or may have become subject to as Directors or Officers of the CCAA Parties after the commencement of the within proceedings;

(vi) extending the Stay Period (as defined in the Initial Order granted by this Honourable Court on June 25, 2012 (the “**Initial Order**”) to February 1, 2013;

(vii) amending the title of these CCAA Proceedings to reflect the new names of the Applicants; and

(viii) approving the activities and fees of the Monitor; and

(b) an Order (the “**Appointment Order**”), *inter alia*, appointing FTI Consulting Canada Inc. as receiver (in such capacity, the “**Receiver**”) of the Limited Receivership Property (as defined below) pursuant to the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the “**CJA**”).

II. BACKGROUND

3. On June 25, 2012, this Honourable Court granted the Initial Order, *inter alia*: (i) granting a stay of proceedings under the CCAA against the Applicants and Cinram International Limited Partnership (together with the Applicants, the “**CCAA Parties**”) and the subsidiaries of the CCAA Parties that are also party to agreements to which the CCAA Parties are parties; (ii) appointing FTI Consulting Canada Inc. as the Monitor of the CCAA Parties in these CCAA Proceedings; and (iii) appointing CRW International ULC, formerly Cinram International ULC (“**CRW**”) as the foreign representative of the CCAA Parties. The stay of proceedings pursuant to the Initial Order was granted to July 25, 2012, was subsequently extended by this Honourable Court on July 12, 2012 to September 14, 2012, and was further extended by this Honourable Court on September 13, 2012 to October 26, 2012.

4. On July 12, 2012, this Honourable Court made an order (the “**Approval and Vesting Order**”), *inter alia*: (i) approving the sale of substantially all of the property and assets used in connection with the business carried on the Company in North America contemplated by the asset purchase agreement between CII and Cinram Group, Inc., formerly Cinram Acquisition, Inc. (the “**Purchaser**”) dated June 22, 2012 (the “**Asset Purchase Agreement**”); (ii) approving the sale of the shares of Cooperatie Cinram Netherlands UA pursuant to the binding purchase offer dated June 22, 2012 (the “**Purchase Offer**”) provided by the Purchaser to CII and 1362806 Ontario Limited (together with CII, the “**Share Sellers**”); (iii) authorizing CII to enter into the Asset Purchase Agreement and the Share Sellers to enter into the Purchase Offer; (iv) authorizing CII, CIHV Inc., formerly Cinram Inc., CRSMI LLC, formerly Cinram Retail Services LLC, One K Studios, LLC, CDIST LLC, formerly Cinram Distribution LLC and CMFG LLC, formerly Cinram Manufacturing LLC (collectively, the “**Asset Sellers**”) to complete the transactions contemplated by the Asset Purchase Agreement (the “**Asset Sale Transaction**”); and (v) authorizing the Share Sellers to complete the transactions contemplated by the Purchase Offer (the “**Share Sale Transaction**”, together with the Asset Sale Transaction, the “**Sale Transaction**”).

5. On July 25, 2012, CRW, in its capacity as the foreign representative for CII and each of the Applicants that are U.S. entities (collectively, the “**U.S. Debtors**”), obtained an order under chapter 15 of title 11 of the United States Code, as amended from time to time (the “**Bankruptcy Code**”), from the United States Bankruptcy Court for the District of Delaware (the “**U.S. Court**”), *inter alia*, recognizing on a final basis these CCAA Proceedings as the “foreign main proceedings” of the CCAA Parties and recognizing on a final basis the Initial Order.

6. On July 25, 2012, CRW, in its capacity as foreign representative for the U.S. Debtors, obtained an order (the “**Sale Recognition Order**”) under chapter 15 of the Bankruptcy Code from the U.S. Court, *inter alia*, recognizing the Approval and Vesting Order, authorizing the assumption and assignment of certain executory contracts and unexpired leases, and granting certain related relief.

7. On August 21, 2012, this Honourable Court made an order (the “**Assignment Order**”), *inter alia*, assigning certain contracts, agreements and leases listed in a schedule to the Assignment Order to the Purchaser upon the filing of the Monitor’s Asset Sale Transaction Certificate (as defined in the Approval and Vesting Order) pursuant to section 11.3 of the CCAA, and approving a process in respect of the assignment of additional contracts, agreements and leases that may be designated by the Purchaser for assignment in accordance with the Asset Purchase Agreement.

III. RESTRUCTURING EFFORTS TO DATE

A. Communications

8. The Fund issued the following press releases in connection with these CCAA Proceeding, the Chapter 15 Proceedings and the Sale Transaction: (i) a press release on June 25, 2012, announcing that it had reached agreements with the Purchaser for the sale of substantially all of the Company’s assets and businesses in North America and Europe and describing these CCAA Proceedings pursuant to which the Sale Transaction is to be implemented; (ii) a press release on July 12, 2012, announcing that this Honourable Court approved the Sale Transaction; (iii) a press release on July 25, 2012, announcing that the U.S. Court approved the Sale Transaction; and (iv) a press release on August 31, 2012, announcing the completion of the Asset

Sale Transaction. The Company has made these press releases, along with additional information in connection with these CCAA Proceedings and a link to the Monitor's website, available on its website. I am advised that the Company also intends to issue a press release with respect to the Applicants' motions for the requested relief and with respect to the Comeback Date (defined below).

B. Sale Transaction

9. The Asset Sale Transaction closed on August 31, 2012 (the "**Closing Date**") and the proceeds (the "**August Asset Sale Proceeds**") were paid to the Monitor pursuant to the Approval and Vesting Order.

10. In connection with the completion of the Asset Sale Transaction, all of the CCAA Parties' Directors and Officers, other than Messrs Henri A. Aboutboul and Bradley I. Dietz, as trustees of the Fund, and Mr. William Mueller, as manager of Cinram Wireless LLC (the "**Remaining Directors and Officers**"), resigned effective the Closing Date.

11. Following the completion of the Asset Sale Transaction, pursuant to the requirements of the Asset Purchase Agreement with respect to post-closing matters, certain of the Company's North American affiliates caused their names to be changed to names that do not include the word "Cinram", other than Cinram Wireless LLC which is not required under the Asset Purchase Agreement to change its name at this time.

12. The CCAA Parties, with the assistance of their advisors and the Monitor, are continuing to work with the Purchaser to complete the Share Sale Transaction, which, pursuant to the Purchase Offer, shall close no later than December 17, 2012.

IV. RELEASE OF CLAIMS AGAINST THE TRUSTEES, DIRECTORS AND OFFICERS

13. The Directors and Officers of the CCAA Parties have been materially involved in the CCAA Parties' efforts to develop and pursue various strategic and restructuring alternatives, to commence and pursue the completion of these CCAA Proceedings and the Chapter 15 Proceedings, to complete the Asset Sale Transaction, to pursue the completion of the Share Sale Transaction and to pursue the Company's restructuring and sale alternatives with respect to the Excluded Assets.

14. As part of the relief granted pursuant to the Initial Order, this Honourable Court granted an indemnity to the Directors and Officers of the Applicants secured by a charge over the property of certain of the CCAA Parties.

15. As previously mentioned, all of the Directors and Officers of the CCAA Parties, other than the Remaining Directors and Officers, have resigned. Furthermore, the Asset Sale Transaction has been completed and most of the CCAA Parties' assets and business have been transferred to the Purchaser.

16. I understand that it is not anticipated that the CCAA Parties will file a plan of compromise or arrangement in these CCAA Proceedings as the proceeds from the Sale Transaction and the sale or other disposal of the Excluded Assets are expected to be insufficient to repay in full the Company's obligations under the Pre-Petition First Lien Credit Agreement.

17. The requested release of the Directors and Officers of the CCAA Parties would provide certainty to the Directors and Officers and would facilitate the distribution of proceeds to the Pre-Petition First Lien Agent contemplated by the Distribution/Transition Order.

18. The requested release of the Directors and Officers applies only in respect of claims, obligations and liabilities that the Directors and Officers may have incurred or may have become subject to as Directors or Officers of the CCAA Parties after the commencement of the within proceedings, and does not include claims for gross negligence, fraud or wilful misconduct.

19. As described in further detail in Section V below, the Distribution/Transition Order includes a comeback date providing an opportunity for persons to appear before the Court regarding the relief requested following the date of the Applicants' motion.

V. NOTICE

20. I am advised that the Motion Records in connection with the CCAA Parties' motion for the Distribution/Transition Order and the CCAA Parties' motion for the Appointment Order will be served on (i) the Service List in these CCAA Proceedings, (ii) parties with registered security over the property of the CCAA Parties under the *Personal Property Security Act* (Ontario) and *Personal Property Security Act* (Nova Scotia), and (iii) parties with registered security over the property of the CCAA Parties under the *Uniform Commercial Code*. In addition, the form of the Distribution/Transition Order contemplates a come-back date (the "**Comeback Date**"), providing an opportunity for persons to appear before the Court regarding the relief requested following the date of the Applicants' motion. Further, the CCAA Parties will also issue a press release with respect to the relief requested, including the requested

distributions and release of claims against the Directors and Officers of the CCAA Parties, and with respect to the Comeback Date.

VI. MOTION OF THE AD HOC COMMITTEE OF FORMER CANADIAN CINRAM EMPLOYEES

21. On September 11, 2012, certain former Canadian employees of CII brought a motion (the “**Ad Hoc Committee Motion**”), for an Order, *inter alia*, appointing a receiver over CII’s property, assets and undertakings, or directing that CII file an assignment in bankruptcy in order to permit the Former Canadian Cinram Employees to access the payments available under the *Wage Earner Protection Program Act*, S.C. 2005, c. 47 (the “**WEPPA**”)

22. Certain of the facts contained in the affidavits filed in support of the Ad Hoc Committee Motion are inaccurate and not factually correct. The CCAA Parties will file an additional affidavit to the extent that motion is scheduled before the Court.

VII. APPOINTMENT OF A RECEIVER OF THE LIMITED RECEIVERSHIP PROPERTY

23. Pursuant to the Wage Earner Protection Program, individuals may be eligible to receive certain payments from the government in respect of wages and severance payments owed to them by employers who are bankrupt or subject to a receivership. The Former Canadian Cinram Employees are currently not eligible to receive any such payments as CII is not subject to bankruptcy or receivership proceedings.

24. I understand that the CCAA Parties have paid employees their wages, including vacation pay.

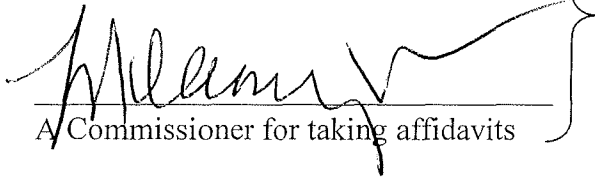
25. The CCAA Parties are of the view that it would be just and convenient to appoint the Receiver under section 101 of the CJA over CII's GBP bank account at HSBC Bank Canada (the "**Limited Receivership Property**") as such relief would permit the Former Canadian Cinram Employees to access the Wage Earner Protection Program and receive funds from that program up to the maximum amounts set out in WEPPA. Further the CCAA Parties are of the view that appointing the Receiver over the Limited Receivership Property, being the only bank account of CII remaining following the completion of the Asset Sale Transaction containing *de minimis* amounts, would not result in any disruptions to the remaining business operations of the CCAA Parties or these CCAA Proceedings, or cause any material prejudice to other stakeholders of the CCAA Parties.

26. I understand that in addition to providing notice to the parties included on the Services List for these CCAA Proceedings of the Applicants' motion seeking the Appointment Order, the CCAA Parties will also be providing notice of the requested Appointment Order to the Superintendent of Bankruptcy and the Ministry of Labour.

VIII. CONCLUSION

27. I am advised that that the Applicants' motions are supported by the Pre-Petition First Lien Agent. The Applicants consulted extensively with the Monitor with respect to various relief sought on these motions. I understand the Monitor will be filing a report in connection with the Applicants' motions.

SWORN before me at the City of
Toronto, on October 12, 2012.



A Commissioner for taking affidavits

MELANEY WAGNER



Neill May

SCHEDULE "A"

Additional Applicants

C International General Partner Inc., formerly Cinram International General Partner Inc.

CRW International ULC, formerly Cinram International ULC

1362806 Ontario Limited

CUSH Inc., formerly Cinram (U.S.) Holding's Inc.

CIHV Inc., formerly Cinram, Inc.

IHC Corporation

CMFG LLC, formerly Cinram Manufacturing LLC

CDIST LLC, formerly Cinram Distribution LLC

Cinram Wireless LLC

CRSMI LLC, formerly Cinram Retail Services, LLC

One K Studios, LLC

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

Court File No: CV12-9767-00CL

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
CINRAM INTERNATIONAL INC., CINRAM INTERNATIONAL INCOME FUND, CII
TRUST AND THE COMPANIES LISTED IN SCHEDULE "A"

Applicants

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

Proceeding commenced at Toronto

**AFFIDAVIT OF NEILL MAY
(sworn October 12, 2012)**

GOODMANS LLP

Barristers & Solicitors

333 Bay Street, Suite 3400

Toronto, Canada M5H 2S7

Robert J. Chadwick LSUC#: 35165K

Melaney J. Wagner LSUC#: 44063B

Caroline Descours LSUC#: 58251A

Tel: (416) 979-2211

Fax: (416) 979-1234

Lawyers for the Applicants

TAB 3

Court File No. CV12-9767-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE**

(COMMERCIAL LIST)

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

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF CINRAM INTERNATIONAL INC.,
CINRAM INTERNATIONAL INCOME FUND, CII TRUST
AND THE COMPANIES LISTED IN SCHEDULE "A"**

Applicants

CONSENT

The undersigned, FTI Consulting Canada Inc., hereby consents to act as receiver pursuant to Section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended, over the HSBC Bank Canada GBP Account #142-073512-271 of C International Inc., formerly known as Cinram International Inc., without security, in this proceeding.

Dated at Toronto this 12th day of October, 2012.

FTI CONSULTING CANADA INC.

Per: Paul Bishop

Name: PAUL BISHOP

Title: SENIOR MANAGING DIRECTOR

I have authority to bind the Corporation

SCHEDULE "A"**Additional Applicants**

C International General Partner Inc., formerly Cinram International General Partner Inc.

CRW International ULC, formerly Cinram International ULC

1362806 Ontario Limited

CUSH Inc., formerly Cinram (U.S.) Holding's Inc.

CIHV Inc.. formerly Cinram, Inc.

IHC Corporation

CMFG LLC, formerly Cinram Manufacturing LLC

CDIST LLC, formerly Cinram Distribution LLC

Cinram Wireless LLC

CRSMI LLC, formerly Cinram Retail Services, LLC

One K Studios, LLC

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

Court File No: CV12-9767-00CL

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF CINRAM INTERNATIONAL INC., CINRAM INTERNATIONAL INCOME FUND, CII TRUST AND THE COMPANIES LISTED IN SCHEDULE "A"

Applicants

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

Proceeding commenced at Toronto

CONSENT

GOODMANS LLP

Barristers & Solicitors
333 Bay Street, Suite 3400
Toronto, Canada M5H 2S7

Robert J. Chadwick LSUC#: 35165K
Melaney J. Wagner LSUC#: 44063B
Caroline Descours LSUC#: 58251A

Tel: (416) 979-2211
Fax: (416) 979-1234

Lawyers for the Applicants

TAB 4

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE MR.) ●, THE ●
)
JUSTICE MORAWETZ) DAY OF ●, 2012
)

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

AND IN THE MATTER OF A PLAN OF COMPROMISE
OR ARRANGEMENT OF CINRAM INTERNATIONAL
INC., CINRAM INTERNATIONAL INCOME FUND, CII
TRUST AND THE COMPANIES LISTED IN SCHEDULE
"A"

Applicants

ORDER
(Appointment Order)

THIS MOTION, made by C International Inc., formerly Cinram International Inc. ("CII"), C International Income Fund, formerly Cinram International Income Fund, CII Trust and the companies listed in Schedule "A" hereto (collectively, the "Applicants"), pursuant to Section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "CJA") appointing FTI Consulting Canada Inc. as receiver (in such capacity, the "Receiver"), without security, of the Limited Receivership Property (as defined below) being all of the bank accounts of CII located in Canada used in relation to a business carried on by CII, resulting in CII being subject to a receivership for the purposes of the *Wage Earner Protection Program Act*, S.C. 2005, c. 47, as amended (the "WEPPA"), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Affidavit of Neill May, sworn October 12, 2012 (the "May Affidavit"), the Fourth Report of FTI Consulting Canada Inc. in its capacity as Court-

DRAFT: 1 - October 12, 2012 at 12:44 PM

appointed Monitor (the “**Monitor**”) dated ●, 2012 (the “**Monitor’s Fourth Report**”), and on hearing the submissions of counsel for the Applicants and Cinram International Limited Partnership (together with the Applicants, the “**CCAA Parties**”), the Monitor, the Pre-Petition First Lien Agent (as defined in the Initial Order) and the Pre-Petition Second Lien Agent (as defined in the Initial Order) and counsel for the Ad Hoc Committee of Former Canadian Cinram Employees (the “**Ad Hoc Committee**”), and no one appearing and making submissions for any other person served with the Motion Record, although properly served as appears from the affidavit of ● sworn ●, 2012, filed,

SERVICE

1. THIS COURT ORDERS that the time for service of the Notice of Motion, the Monitor’s Fourth Report and the Motion Record is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.

CAPITALIZED TERMS

2. THIS COURT ORDERS that unless otherwise indicated or defined herein, capitalized terms have the meaning given to them in the Monitor’s Fourth Report, the May Affidavit or the Initial Order.

DISMISSAL OF MOTION

3. THIS COURT ORDERS that the motion brought by the Ad Hoc Committee dated September 11, 2012 is hereby dismissed with prejudice.

LIFTING OF THE STAY

4. THIS COURT ORDERS that the stay of proceedings granted by this Court under the Initial Order is hereby lifted solely with respect to CII and the Limited Receivership Property and solely to allow: (a) the appointment of the Receiver over the Limited Receivership Property; and (b) the Receiver to act in respect of the Limited Receivership Property in accordance with the provisions of this Order.

APPOINTMENT

5. THIS COURT ORDERS that pursuant to Section 101 of the CJA, FTI Consulting Canada Inc. is hereby appointed Receiver, without security, solely of the bank account of CII listed on Schedule “B” hereto (the “**Limited Receivership Property**”) and of no other property or assets of CII.

RECEIVER’S POWERS

6. THIS COURT ORDERS that the Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Limited Receivership Property and, without limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to:

- (a) take possession of and exercise control over the Limited Receivership Property;
- (b) exercise its statutory obligations under the WEPPA;
- (c) take any steps incidental to the exercise of these powers or the performance of any statutory obligations; and
- (d) engage counsel to assist with the exercise of the Receiver’s powers conferred by this Order.

7. THIS COURT ORDERS that the Receiver be and is hereby relieved from compliance with the provisions of Sections 245(1), 245(2) and 246 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the “**BIA**”).

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

8. THIS COURT ORDERS that (i) CII, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being “**Persons**” and each being a “**Person**”) shall forthwith advise the Receiver of the existence of any Limited Receivership Property in such Person’s possession or control,

shall grant immediate and continued access to the Limited Receivership Property to the Receiver, and shall deliver all such Limited Receivership Property to the Receiver upon the Receiver's request.

9. 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 Limited Receivership Property and the employees of CII for the purposes of complying with its statutory obligations under the WEPPA, 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 9 or in paragraph 10 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.

10. 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.

RECEIVER'S PROTECTIONS

11. THIS COURT ORDERS that the stay of proceedings in effect in accordance with paragraphs 20 and 22 of the Initial Order shall apply *mutatis mutandis* to any Proceeding (as defined in the Initial Order) or any right or remedy against or in respect of the Receiver and the Limited Receivership Property and nothing herein shall derogate from the stay of proceedings in effect pursuant to the Initial Order except solely to the extent provided in paragraph 4 hereof.

12. THIS COURT ORDERS that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the WEPPA, save and except for any gross negligence or wilful misconduct on its part. 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.

13. THIS COURT ORDERS that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of CII.

COSTS OF ADMINISTRATION

14. THIS COURT ORDERS that paragraphs 46, 47 and 48 of the Initial Order shall apply *mutatis mutandis* to the Receiver and the Receiver's legal counsel, including, without limitation, the Receiver and the Receiver's legal counsel shall be entitled to the benefit of the Administration Charge on the Charged Property (each as defined in the Initial Order) as security for their professional fees and disbursements incurred at their standard rates and charges subject to the maximum amount set out in the Initial Order and with the priority set out in the Initial Order. The fees and disbursements of the Receiver and the Receiver's counsel shall not be subject to section 246(3) of the BIA.

ADDITIONAL PROVISIONS

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

SCHEDULE A**Additional Applicants**

C International General Partner Inc., formerly Cinram International General Partner Inc.
CRW International ULC, formerly Cinram International ULC
1362806 Ontario Limited
CUSH Inc., formerly Cinram (U.S.) Holding's Inc.
CIHV Inc., formerly Cinram, Inc.
IHC Corporation
CMFG LLC, formerly Cinram Manufacturing LLC
CDIST LLC, formerly Cinram Distribution LLC
Cinram Wireless LLC
CRSMI LLC, formerly Cinram Retail Services, LLC
One K Studios, LLC

SCHEDULE B

Bank Account

C International Inc.'s GBP Account at HSBC Bank Canada

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
CINRAM INTERNATIONAL INC., CINRAM INTERNATIONAL INCOME FUND, CII
TRUST AND THE COMPANIES LISTED IN SCHEDULE "A"

Applicants

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

Proceeding commenced at Toronto

ORDER

GOODMANS LLP
Barristers & Solicitors
333 Bay Street, Suite 3400
Toronto, Canada M5H 2S7

Robert J. Chadwick LSUC#: 35165K
Melaney J. Wagner LSUC#: 44063B
Caroline Descours LSUC#: 58251A

Tel: (416) 979-2211
Fax: (416) 979-1234

Lawyers for the Applicants

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

Court File No. CV12-9767-00CL

AND IN THE MATTER OF THE PLAN OF COMPROMISE OR ARRANGEMENT
OF CINRAM INTERNATIONAL INC., CINRAM INTERNATIONAL INCOME
FUND, CII TRUST AND THE COMPANIES LISTED IN SCHEDULE "A"

Applicants

ONTARIO
SUPERIOR COURT OF JUSTICE

COMMERCIAL LIST

Proceeding commenced at Toronto

MOTION RECORD
(Appointment Order)
(Returnable October 19, 2012)

GOODMANS LLP
Barristers & Solicitors
333 Bay Street, Suite 3400
Toronto, Canada M5H 2S7

Robert J. Chadwick LSUC#: 35165K
Melaney J. Wagner LSUC#: 44063B
Caroline Descours LSUC#: 58251A

Tel: (416) 979-2211
Fax: (416) 979-1234

Lawyers for the Applicants