



SUPERIOR COURT OF JUSTICE  
**COUNSEL SLIP/ENDORSEMENT**

COURT FILE

NO.: BK-22-02801364-0031

DATE: 13 Sep 2022

TITLE OF  
PROCEEDING

**IN THE MATTER OF THE PROPOSAL OF BREAKTHROUGH  
ENTERPRISES INC. ET AL**

BEFORE MADAM JUSTICE KIMMEL

**NAMES OF COUNSEL AND PARTY:**

APPLICANT(S)

SHAUN PARSONS for Breakthrough Enterprises  
SHARON KOUR

PHONE \_\_\_\_\_

PLAINTIFF(S)

[sparsons@reconllp.com](mailto:sparsons@reconllp.com)  
[skour@reconllp.com](mailto:skour@reconllp.com)

EMAIL \_\_\_\_\_

**NAMES OF COUNSEL AND PARTY:**

DEFENDANT(S)

RESPONDENT(S)

PHONE \_\_\_\_\_

R. Brendan Bissell, for Dodick Landau Inc. the Proposal  
Trustee

DEFENDANT(S)

EMAIL [bissell@gsnh.com](mailto:bissell@gsnh.com)

RESPONDENT(S)

PHONE \_\_\_\_\_

EMAIL \_\_\_\_\_

**NAMES OF COUNSEL AND OTHER PARTIES:**

RACHEL NICHOLSON for HSBC bank

PHONE \_\_\_\_\_

EMAIL [rnicholson@tgf.ca](mailto:rnicholson@tgf.ca)

PHONE \_\_\_\_\_

EMAIL \_\_\_\_\_

**ENDORSEMENT OF JUSTICE KIMMEL:**

[1] Dodick Landau Inc. in its capacity as trustee (the "Proposal Trustee") of the proposal of Breakthrough Enterprises Inc., Breakthrough Entertainment Inc., Breakthrough Films & Television Inc., Breakthrough Merchandising Inc., Breakthrough New Media Inc., Breakthrough Post Inc., Breakthrough Publishing Inc., Oak Room Productions Inc. and 2447134 Ontario Inc. (collectively the "Debtor") seeks an order approving the Debtor's proposal to creditors dated July 7, 2022 (the "Proposal") pursuant to the *Bankruptcy and Insolvency Act* R.S.C. 1985 c. B-3 (the "BIA").

[2] The Proposal is only made to the Debtor's unsecured creditors. Secured creditors, including HSBC Bank Canada, are unaffected by the Proposal.

[3] The Proposal was approved by the requisite majorities of creditors entitled to vote. All creditors were given notice of the Proposal Trustee's intention to seek court approval of the Proposal after the vote and prior to the end of August, 2022. There has been no indication of opposition from any creditor since then.

[4] Earlier opposition to the approval of the Proposal by a former director, employee and shareholder engaged in litigation against the Debtor companies and their current/former directors and shareholders has now been resolved.

[5] The Proposal Trustee recommends that the court approve the Proposal because it provides more for creditors than a liquidation would, and because it will also provide for continued operations for the benefit of the Debtor companies' stakeholders, including customers, suppliers, and employees.

[6] I am satisfied that the applicable statutory requirements for the Proposal under sections 60(1) to (1.7) of the BIA have been met. Further, having regard to the majority vote of the creditors and the recommendation of the Proposal Trustee, among other considerations, I am satisfied that the test to be applied pursuant to s. 59 of the BIA, has also been met, in that:

- a. the Proposal is reasonable;
- b. the Proposal is calculated to benefit the general body of creditors; and
- c. the Proposal is made in good faith.

See *In The Matter Of The Consolidated Proposal Of Kitchener Frame Limited And Thyssenkrupp Budd Canada, Inc.*, 2012 ONSC 234 at paras. 19 and 21.

[7] The Court is not being asked to grant a vesting order at this time. The Debtor companies and/or the Sponsor may seek a vesting order by further motion, if necessary.

[8] Order to go in the form signed by me today, to be effective in accordance with its terms without the necessity of formal issuance and entry, although any party may take out a formal order if so advised.



---

**KIMMEL J.**