

**THE QUEEN'S BENCH
WINNIPEG CENTRE**

**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 WITH RESPECT TO
ARCTIC GLACIER INCOME FUND, ARCTIC GLACIER INC.,
ARCTIC GLACIER INTERNATIONAL INC. AND THE ADDITIONAL
APPLICANTS LISTED ON SCHEDULE "A" HERETO
(COLLECTIVELY, "THE APPLICANTS")**

**TWENTY-THIRD REPORT OF THE MONITOR
ALVAREZ & MARSAL CANADA INC.
NOVEMBER 9, 2015**

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1.0 INTRODUCTION

- 1.1 Pursuant to an order of The Court of Queen's Bench (Winnipeg Centre) (the "**Canadian Court**") dated February 22, 2012 (the "**Initial Order**"), Alvarez & Marsal Canada Inc. ("**A&M**") was appointed as Monitor (the "**Monitor**") in respect of an application filed by Arctic Glacier Income Fund ("**AGIF**"), Arctic Glacier Inc., Arctic Glacier International Inc. and those entities listed on **Appendix "A"** (collectively the "**Applicants**", together with Glacier Valley Ice Company L.P., the "**Arctic Glacier Parties**"), seeking certain relief under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"). The proceedings commenced by the Applicants under the Initial Order are referred to herein as the "**CCAA Proceedings**". The United States Bankruptcy Court for the District of Delaware (the "**U.S. Court**") recognized the CCAA Proceedings as a foreign main proceeding and appointed the Monitor as foreign representative of the Applicants by Order dated March 16, 2012 (the "**Recognition Order**").
- 1.2 The Monitor has previously filed twenty-two reports with the Canadian Court. Capitalized terms used but not otherwise defined in this report (the "**Twenty-Third Report**") are as defined in the orders previously granted by, or in the reports previously filed by the Monitor with, the Canadian Court, and the Applicants' consolidated plan of compromise or arrangement dated May 21, 2014, as amended on August 26, 2014 and January 21, 2015, as may be further amended, supplemented or restated from time to time in accordance with the terms therein (the "**Plan**").
- 1.3 The sale transaction for substantially all of the Arctic Glacier Parties' business and assets (the "**Sale Transaction**") closed on July 27, 2012. The business formerly operated by the

Arctic Glacier Parties continues to be carried on by the Purchaser. The Monitor continues to hold significant funds as a result of the Sale Transaction and other receipts.

- 1.4 On September 5, 2012, the Canadian Court issued an order approving a claims process to resolve claims against the Arctic Glacier Parties (the “**Claims Process**”) and, among other things, authorizing, directing and empowering the Monitor to take such actions as contemplated by the Claims Process (the “**Claims Procedure Order**”). The Claims Procedure Order provided for a Claims Bar Date of October 31, 2012, in respect of the Proofs of Claim and the DO&T Proofs of Claim. The U.S. Court recognized the Claims Procedure Order by an Order dated September 14, 2012. Eighty-three parties filed Proofs of Claim with the Monitor.
- 1.5 The Claims Procedure Order contemplated a further order of the Canadian Court to provide an appropriate process for resolving disputed Claims. Accordingly, on March 7, 2013, the Canadian Court issued such an Order (the “**Claims Officer Order**”). The Claims Officer Order, among other things, provided that in the event that a dispute raised in a Notice of Dispute is not settled within a time period or in a manner satisfactory to the Monitor, in consultation with the Arctic Glacier Parties and the applicable Creditor, the Monitor shall refer the dispute raised in the Notice of Dispute to either a Claims Officer or to the Canadian Court.
- 1.6 On May 21, 2014, the Canadian Court issued an order (the “**Meeting Order**”) with respect to the Plan. On June 6, 2014, the U.S. Court entered an Order recognizing and giving full force and effect in the United States to the Meeting Order.

1.7 Following a meeting of the unitholders and a deemed meeting of the Affected Creditors, on September 5, 2014, the Canadian Court issued an order that, among other things, sanctioned and approved the Plan (the “**Sanction Order**”). On September 16, 2014, the U.S. Court entered an order recognizing and giving full force and effect to the Sanction Order in the United States.

1.8 The Monitor’s Nineteenth Report to Court dated November 7, 2014 (the “**Nineteenth Report**”) was filed in connection with certain U.S. sales tax returns that the Monitor had become aware had not been filed, nor had the associated sales taxes been collected and remitted in certain U.S. states and localities (the “**Outstanding States**”) where the Arctic Glacier Parties conducted business (the “**U.S. Sales Tax Issue**”). Also on November 7, 2014, A&M, in its capacity as Monitor and as foreign representative of the Applicants, served motion materials in the U.S. Court in connection with the U.S. Sales Tax Issue (the “**U.S. Sales Tax Motion**”).

1.9 The U.S. Sales Tax Motion was heard by the U.S. Court on December 12, 2014 and the U.S. Court granted an order (the “**U.S. Plan Implementation Order**”) that, among other things:

- a) established limits on the maximum potential claims of various U.S. state and local sales taxing authorities in the Outstanding States (the “**Taxing Authorities**”) for asserted sales taxes and/or associated interest and penalties (individually, the “**State Sales Tax Liability Cap**”);

- b) authorized and directed the Monitor to establish a reserve from the Administrative Costs Reserve in the amount of \$2,000,828, being the aggregate amount of the State Sales Tax Liability Caps (the “**Administrative Sales Tax Reserve**”);
- c) approved deadlines for the Taxing Authorities to dispute the determination of the aforementioned limits to the Taxing Authorities’ potential claims;
- d) approved the form and manner of notice provided to such Taxing Authorities; and
- e) declared that the process followed by the Monitor and the CPS to ascertain potential sales tax liability, and the steps taken by the Monitor and the CPS to address any outstanding sales tax obligations and liabilities are, among other things, sufficient to satisfy the condition precedent to Plan implementation set out in Section 10.3(d) of the Plan, being that (i) all tax returns required to be filed by or on behalf of the Arctic Glacier Parties have been or will be duly filed in all appropriate jurisdictions; and (ii) all taxes required to be paid in respect thereof have been or will be paid.

1.10 On January 22, 2015 (the “**Plan Implementation Date**”), the Plan was successfully implemented after the Monitor certified that the conditions precedent set out in Section 10.3 of the Plan had been satisfied or waived in accordance with the Plan. Accordingly, on the Plan Implementation Date and pursuant to the Plan, the Monitor, on behalf of the Applicants, among other things:

- i. used the Available Funds to fund the reserves and distribution cash pools set out in the Plan;

- ii. distributed the Affected Creditors' Distribution Cash Pool to each Affected Creditor in the amount of such creditor's Proven Claim; and
- iii. transferred \$54,498,863.58 (the "**Initial Distribution**") from the Unitholders' Distribution Cash Pool to the Transfer Agent for distribution to Registered Unitholders as of December 18, 2014 (the "**Initial Distribution Record Date**").

1.11 On June 2, 2015, the Canadian Court issued an order approving a claims process to identify and determine certain potential claims relating to the Initial Distribution (the "**Unitholder Claims Process**") and, among other things, authorizing, directing and empowering the Monitor to take such actions as contemplated by the Unitholder Claims Process (the "**Unitholder Claims Procedure Order**"). The Unitholder Claims Process provided for a Unitholder Claims Bar Date of July 28, 2015 in respect of claims against AGIF arising from any action or omission on or after the setting of the Initial Distribution Record Date in connection with the Initial Distribution ("**Initial Distribution Claims**"), or a claim against AGIF's Officers or Trustees in connection with an action or omission occurring on or after the setting of the Initial Distribution Record Date in connection with or related to the Initial Distribution ("**O&T Claims**").

1.12 The purpose of this Twenty-Third Report of the Monitor (the "**Twenty-Third Report**") is to provide the Canadian Court, the U.S. Court, Affected Creditors, Unitholders and other interested parties with an update regarding:

- a) the Unitholder Claims Process;
- b) post-Plan implementation steps to be completed by the Arctic Glacier Parties and the Monitor;

- c) the U.S. Sales Tax Issue;
- d) the Claims Process;
- e) the Arctic Glacier Parties' receipts and disbursements for the period from May 23, 2015 to October 31, 2015; and
- f) the Monitor's activities since the date of the Twenty-Second Report, being May 27, 2015.

1.13 Further information regarding these CCAA Proceedings and the concurrent Chapter 15 Proceedings, and all previous reports of the Monitor, can be found on the Monitor's website at <http://www.alvarezandmarsal.com/arctic-glacier-income-fund-arctic-glacier-inc-and-subsidiaries> (the "**Website**").

2.0 TERMS OF REFERENCE

2.1 In preparing this Twenty-Third Report, the Monitor has necessarily relied upon representations made by certain former senior management of the Arctic Glacier Parties. Accordingly, the Monitor expresses no opinion and does not provide any other form of assurance on or relating to the accuracy of any information contained in this Twenty-Third Report or otherwise used to prepare this Twenty-Third Report.

2.2 The information contained in this Twenty-Third Report is not intended to be relied upon by any investor in any transaction with the Arctic Glacier Parties or in relation to any transfer or assignment of the Trust Units of AGIF.

2.3 Unless otherwise stated, all monetary amounts contained in this Twenty-Third Report are expressed in United States dollars, which is the Arctic Glacier Parties' common reporting currency.

3.0 THE UNITHOLDER CLAIMS PROCESS

3.1 As described in paragraph 5.6 of the Twenty-Second Report, certain Persons had contacted AGIF and/or the Monitor shortly after the Plan Implementation Date to assert that they did not receive a portion of the Initial Distribution despite being entitled to it (collectively, the “**Unitholder Assertions**”). In particular, one unitholder asserted that he (and corporations controlled by him and certain family members) were entitled to, but did not receive, approximately \$2 million of the Initial Distribution (the “**Brodski Parties**”). As a result of the Unitholder Assertions, the Monitor proposed the Unitholder Claims Process to establish a procedure for the identification and determination of all Initial Distribution Claims, O&T Claims and O&T Indemnity Claims that may be asserted or made in whole or in part against AGIF and/or its Officers and Trustees, as the case may be. As set out above, on June 2, 2015, the Canadian Court issued an order approving the Unitholder Claims Process.

3.2 On receipt of the Unitholder Claims Procedure Order, A&M, in its capacity as Monitor and as foreign representative of the Applicants, served motion materials in the U.S. Court seeking recognition of the Unitholder Claims Procedure Order. The Brodski Parties filed an objection to the Monitor's motion. After a period of negotiation, this objection was resolved by providing for a modified process to resolve the Brodski Parties' Initial Distribution Claims and O&T Claims. As a result, on July 8, 2015, the U.S. Court

recognized the Unitholder Claims Procedure Order (the “**U.S. Unitholder Claims Procedure Recognition Order**”) on the following terms:

- a) the Brodski Parties, separately or together, were required to submit an Initial Distribution Proof of Claim or an O&T Proof of Claim in accordance with the Unitholder Claims Procedure Order before the Unitholder Claims Bar Date;
- b) the Monitor was required to ask the Honourable Mr. Justice Ground to, in his capacity as the Unitholder Claims Officer, mediate any disputes in respect of any claims brought by the Brodski Parties. Mediation logistics were to be agreed between the Brodski Parties, the Monitor and AGIF, each acting reasonably, and the Unitholder Claims Officer; and
- c) the entry of the U.S. Unitholder Claims Procedure Recognition Order and the Unitholder Claims Procedure Order would be without prejudice to the Brodski Parties’ ability to commence an adversary proceeding in the U.S. Court as long as such proceeding was commenced on or before October 30, 2015.

3.3 The U.S. Unitholder Claims Procedure Recognition Order is attached as **Appendix “B”**.

Notice of the Claims Process

3.4 In accordance with the provisions of the Unitholder Claims Procedure Order, the Monitor took the following steps:

- a) on June 5, 2015, posted a copy of the Proof of Claim Document Package on the Monitor’s Website; and

- b) on June 8, 2015, caused the Notice to Unitholders to be published in (i) the *Globe and Mail* newspaper (National Edition), (ii) the *Wall Street Journal* (National Edition), and (iii) the *Winnipeg Free Press*.

Summary of Claims Received

- 3.5 The Unitholder Claims Bar Date was established as July 28, 2015. By the Unitholder Claims Bar Date, the Monitor had received sixteen Initial Distribution Proofs of Claim, thirteen O&T Proofs of Claim and no O&T Indemnity Proofs of Claim. Thirteen of each of the Initial Distribution Proofs of Claim and O&T Proofs of Claim were received from the Brodski Parties.
- 3.6 As such, the Monitor received only three Initial Distribution Proofs of Claim from Persons not related to the Brodski Parties. After discussions and correspondence with the Monitor and the Monitor's counsel, each of these Persons withdrew their respective Initial Distribution Proof of Claim. Accordingly, the Brodski Parties are the only Persons that continue to advance claims under the Unitholder Claims Process. In total, the Brodski Parties asserted Initial Distribution Claims and O&T Claims both in the amount of \$1,966,568.18, plus interest and costs.

The Brodski Parties' Claims

- 3.7 In accordance with the U.S. Unitholder Claims Procedure Recognition Order, the Monitor asked the Honourable Mr. Justice Ground, in his capacity as the Unitholder Claims Officer, to mediate any disputes in respect of any Initial Distribution Claims or O&T Claims brought by the Brodski Parties. The Honourable Mr. Justice Ground agreed to do so.

- 3.8 The U.S. Unitholder Claims Procedure Recognition Order also stated that mediation logistics were to be agreed to between the Brodski Parties, the Monitor and AGIF, each acting reasonably, and the Unitholder Claims Officer. All of the mediation logistics were agreed to between the parties. The parties, at Mr. Brodski's request, agreed to attend in New York for the mediation.
- 3.9 The mediation occurred on October 15, 2015. AGIF and its Canadian and U.S. counsel, the Monitor and its Canadian counsel, and Mr. Brodski and his U.S. counsel attended the mediation. The mediation was not successful.
- 3.10 Following the unsuccessful mediation, the Brodski Parties commenced an adversary proceeding (the "**Brodski Proceeding**") on October 30, 2015 by filing a complaint in the U.S. Court (the "**Brodski Complaint**"). The Brodski Parties named AGIF as well as the individual Trustees of AGIF as defendants in the Brodski Complaint. The Brodski Parties assert damages of almost \$2 million plus reasonable attorney's fees and costs, prejudgment interest, punitive damages, treble damages and allowance of the Brodski Parties' claims and a distribution pursuant to the Plan.
- 3.11 As noted in the Twenty-Second Report, the Monitor has confirmed that the actions which the Plan required AGIF or the Monitor to take to deliver the Initial Distribution (the "**Preliminary Distribution Steps**") were, in fact, taken. Also as noted in the Twenty-Second Report, the Monitor is informed that AGIF's position continues to be that it is not responsible for errors, if any, in the delivery of the Initial Distribution after the Preliminary Distribution Steps had been completed. The Monitor is in the process of reviewing the Brodski Complaint and will continue to monitor the Brodski Proceeding.

3.12 The U.S. Court has scheduled a pretrial conference in the proceeding for December 18, 2015, at 11:00 a.m. in Delaware. The Monitor will provide further updates in respect of the Brodski Complaint and the Brodski Proceeding in its next report.

4.0 POST-PLAN IMPLEMENTATION DATE TRANSACTIONS

4.1 As described in the Twenty-Second Report, pursuant to the Plan, each of the Arctic Glacier Parties, or the Monitor on their behalf, as the case may be, were to take the following steps after the Plan Implementation Date:

- a) the Monitor, on behalf of the Arctic Glacier Parties, was to take all steps necessary to pay any amounts required to be paid to an Affected Creditor or to the Unitholders after the Plan Implementation Date, in accordance with the Plan;
- b) (i) the Monitor, on behalf of the Arctic Glacier Parties, was to take all steps necessary to make any distributions, payments, or transfers in order to fund, or otherwise in connection with, the making of the payments referred to in subparagraph (a) above; and (ii) the Arctic Glacier Parties, in consultation with the Monitor, were to take all steps necessary to undertake any other transactions as between the Arctic Glacier Parties in order to fund, or otherwise take steps in connection with, the making of the payments referred to in subparagraph (a) above; and
- c) (i) each of the Arctic Glacier Parties, in consultation with the Monitor, was to take all steps necessary to merge, wind-up, liquidate, terminate, and/or dissolve or undertake any other steps in connection therewith, including causing AGIF's Trust Units to cease to be listed and traded on the Canadian Securities Exchange

on (and for greater certainty, not prior to) the Final Distribution Date; and (ii) the Monitor, on behalf of the Arctic Glacier Parties, was to make any distributions, payments or transfers in connection therewith (the “**Post-Plan Implementation Date Transactions**”).

- 4.2 In order to facilitate the satisfaction of Proven Claims and the distribution that was made to the Unitholders, Schedule “B” to the Plan lists a series of specific steps which include steps, assumptions, distributions, transfers, payments, contributions, reductions of capital, settlements and releases of various of the Arctic Glacier Parties (the “**Schedule B Steps**”) that are deemed to occur in the order and as provided for in the Plan.
- 4.3 Since the date of the Twenty-Second Report, the Arctic Glacier Parties and their legal counsel, with the assistance of the Monitor, have been working to complete the Post-Plan Implementation Date Transactions and the Schedule B Steps and continue to do so. The Post-Plan Implementation Date Transactions and Schedule B Steps must be completed in a specific order, thereby requiring ongoing actions to be taken by the Arctic Glacier Parties and their legal counsel, with the assistance of the Monitor. The Monitor will provide further updates in respect of the Post-Plan Implementation Date Transactions and the Schedule B Steps in subsequent reports.

5.0 THE U.S. SALES TAX ISSUE

- 5.1 In accordance with the U.S. Plan Implementation Order, the Monitor, in its capacity as foreign representative of the Arctic Glacier Parties, contacted the Taxing Authorities for the purpose of resolving the U.S. Sales Tax Issue.

- 5.2 The Monitor provided each Taxing Authority with a calculation (the “**Tax Calculation**”) of the potential sales tax liability, including interest and penalties, of the Arctic Glacier Parties, if any, to the applicable Taxing Authority. The Monitor requested that each Taxing Authority either accept the Tax Calculation or provide a letter of objection describing the basis for the objection along with supporting materials by April 13, 2015.
- 5.3 In total, 61 Taxing Authorities with combined Tax Calculations totaling \$774,867 were contacted by the Monitor (the Tax Calculation for 34 of these Taxing Authorities was nil). None of the 34 Taxing Authorities with nil Tax Calculations have advised that they hold the view that the Tax Calculations should be greater than nil.
- 5.4 Of the 27 Taxing Authorities contacted that had Tax Calculations that were greater than nil (“**Positive Balance Tax Calculations**”), 16 Taxing Authorities either accepted their respective Tax Calculation as the balance owing or settled at amounts greater than their respective Tax Calculation but less than or equal to their respective State Sales Tax Liability Cap and have been paid such amounts. To date, \$826,479 has been paid out of the Administrative Sales Tax Reserve in respect of the U.S. Sales Tax Issue to these Taxing Authorities.
- 5.5 In addition, two Taxing Authorities with combined Tax Calculations of \$15,937 indicated that they were not owed any sales taxes by the Arctic Glacier Parties and declined any payment.
- 5.6 The remaining nine Taxing Authorities with Positive Balance Tax Calculations (totaling \$11,593) did not respond when contacted by the Monitor. Accordingly, on October 30, 2015 the Monitor contacted those parties (the “**Remaining Taxing Authorities**”) by

letter (the “**Payment Letters**”) to follow up. The original notices were attached to the respective Payment Letters which also included a cheque in the amount of the respective Tax Calculation for each of the Remaining Taxing Authorities. The Payment Letters indicated that, by cashing the cheque, the respective Taxing Authority releases the Identified AG Parties of any and all debts associated with the U.S. Sales Tax Issue and accepts the payment in full and final satisfaction of any and all sales tax liability, including penalties and interest, of the Identified AG Parties due and owing to the respective Taxing Authority. To the date of this report none of these cheques have been cashed.

5.7 The combined State Sales Tax Liability Cap of the nine Remaining Taxing Authorities is \$28,984, which is the maximum remaining amount potentially payable in respect of the U.S. Sales Tax Issue. Accordingly, it is the Monitor’s intention at the next appropriate attendance before the U.S. Court to request the U.S. Court to release and discharge the Administrative Sales Tax Reserve, which would thereby result in the remainder of the Administrative Sales Tax Reserve being available for the payment of Administrative Reserve Costs in accordance with the Plan. As the funds held by the Monitor in the estate bank accounts in respect of the Administrative Costs Reserve, after providing for the Administrative Sales Tax Reserve, will be sufficient to satisfy the estates’ anticipated disbursements during the requested Stay Period, the Monitor does not believe that an earlier attendance before the U.S. Court to deal with the Administrative Sales Tax Reserve is necessary.

6.0 THE CLAIMS PROCESS

6.1 In this section, all capitalized terms not defined elsewhere have the meaning ascribed to them in the Claims Procedure Order and Claims Officer Order.

6.2 As last reported in the Twenty-Second Report, the Monitor received 83 Proofs of Claim, with Claim amounts totaling at least \$547.5 million (combined currency), including Deemed Proven Claims of the DOJ and the Direct Purchaser Claimants, and also received 4 DO&T Proofs of Claim.

6.3 Of the 83 Claims received:

- 23 Claims have been proven in amounts totaling approximately \$33.5 million (the **“Proven Claims”**);
- two Claims totaling \$13.8 million are yet to be resolved (the **“Unresolved Claims”**); and
- approximately \$500.2 million of the total amount of Claims filed has been disallowed, withdrawn or compromised.

6.4 All creditors holding a Proven Claim as at the Plan Implementation Date received payment in full on account of their Proven Claims, with interest, on the Plan Implementation Date.

6.5 The two remaining Unresolved Claims are as follows:

The Arctic Glacier Parties - Unresolved Claims	
	Amount (\$000's)
McNulty Claim	13,610
City of New York	218
TOTAL, excluding interest	13,828

6.6 As last described in the Twenty-Second Report, the Plan provides for the establishment and administration of the Unresolved Claims Reserve. Including interest, the amount of the Unresolved Claims Reserve is currently approximately \$16.022 million. This amount was established based on the amount of the Unresolved Claims, including interest on the Plan Implementation Date. At that time, in addition to the current Unresolved Claims, the Unresolved Claims Reserve also included the amount of the State of California Franchise Tax Board Claim of approximately \$2.2 million, plus interest. The State of California Franchise Tax Board Claim, as described further below, has since been withdrawn.

6.7 In accordance with the Plan, once all Unresolved Claims have been finally determined in accordance with the Claims Procedure Order and the Claims Officer Order and when all Proven Claim Amounts have been paid, any balance that remains in the Unresolved Claims Reserve will be deemed to be transferred to the Administrative Costs Reserve.

The McNulty Claim

6.8 The Monitor provided an update on the McNulty Claim in its twenty-first report dated April 27, 2015 (the “**Twenty-First Report**”). In particular, as reported in paragraphs 3.11 to 3.13 of the Twenty-First Report, McNulty's counsel filed a motion for leave to amend his Claim in the Claim adjudication with Claims Officer Ground, seeking to add an

antitrust claim. After receiving submissions from the Arctic Glacier Parties opposing the amendment, Claims Officer Ground permitted McNulty to amend his Claim in the claims adjudication. As a result, the parties have been engaged in negotiations regarding the scope of discovery in the context of the McNulty Claim and have sought direction from Claims Officer Ground. The parties are making progress on discovery and are seeking to complete that process in the near term.

6.9 As described in paragraph 4.1 of the Twenty-First Report, on April 13, 2015, McNulty filed in the Michigan Court: (i) the Motion to Sever for an order permitting him to conduct discovery and proceed against the Non-Bankrupt Defendants; and (ii) the Sealed Motion to Amend for, among other things, leave to amend his complaint in the McNulty Action to revive claims against Corbin and Knowlton (the “**Corbin/Knowlton Claims**”) that were previously dismissed by the Michigan Court (the “**McNulty Michigan Motions**”).

6.10 For the reasons described in more detail in paragraphs 4.2 to 4.6 of the Twenty-First Report, the Monitor is of the view that McNulty’s filing of the McNulty Michigan Motions violates the Plan, the Sanction Order, and the U.S. Recognition Order.

6.11 The Arctic Glacier Parties have opposed the McNulty Michigan Motions on the basis, among others, that the requested relief is in violation of the Plan, the Sanction Order, and the U.S. Recognition Order. The Arctic Glacier Parties also sought to dismiss the Corbin/Knowlton Claims (to the extent not already dismissed) as such claims were released under the Plan as well as the claims against the Arctic Glacier Parties as such claims are being addressed through the Claims Procedure.

6.12 The McNulty Michigan Motions have been scheduled for December 9, 2015, in the Michigan Court.

The City of New York Claim

6.13 As described in the Twenty-Second Report, the Claim submitted by the City of New York (the “**NYC Claim**”) is for \$218,025 and is comprised of:

- general corporate taxes of \$60,750 in respect of the Applicant, Diamond Ice Cube Company Inc. (“**Diamond Ice**”); commercial rent tax of \$135,000 in respect of the Applicant, Arctic Glacier New York Inc.; and commercial motor vehicle tax of \$1,620 in respect of Arctic Glacier Losquadro Inc., a predecessor company to the Applicant, Arctic Glacier New York Inc., all for the period January 1, 2008 to February 22, 2012;
- general corporate taxes of \$20,250 in respect of the Applicant, AGII for the period January 1 to February 22, 2012; and
- commercial motor vehicle taxes of \$405 in respect of Diamond Ice for the period June 1 to 20, 2009.

6.14 On September 12, 2013, the Monitor issued a Notice of Revision or Disallowance in respect of the NYC Claim disallowing the Claim in its entirety. The deadline for the City of New York to respond to the Notice of Disallowance in respect of its Claim was set as October 3, 2013. The Dispute Period was, however, as described in the Twenty-Second Report, adjourned by the Monitor at the request of the City of New York.

- 6.15 Following the adjournment of the Dispute Period, the City of New York requested certain information which the Monitor, with the assistance of the Applicants' former Director of Tax, provided and which, in the Monitor's view, is sufficient to support the disallowance of the NYC Claim. The City of New York also requested additional information that the Monitor was not able to provide and which the Monitor determined was too onerous and not proportional to the amount claimed.
- 6.16 While the Monitor is hopeful that the NYC Claim will be resolved through ongoing discussions between the Monitor and the City of New York, it has also advised the City of New York that it has resumed the Dispute Period in respect of the NYC Claim and has established a deadline of November 16, 2015 by which the City of New York must file a Notice of Dispute if it intends to dispute the Notice of Revision or Disallowance issued by the Monitor in respect of the NYC Claim.

The State of California Franchise Tax Board Claim

- 6.17 Since the date of the Twenty-Second Report, the claim filed by the State of California Franchise Tax Board in the amount of approximately \$2.2 million (the "**Franchise Tax Claim**") has been resolved.
- 6.18 The Franchise Tax Claim was filed in respect of franchise taxes alleged to be owing in association with the purchase of Jack Frost Ice Service, Inc. ("**Jack Frost**") by the Applicant, Arctic Glacier California Inc. The amounts claimed in the Franchise Tax Claim were, pursuant to the provisions of the agreement governing the purchase and sale of Jack Frost, the obligation of the former owners of Jack Frost. Those former owners acknowledged their indemnification obligations to the Applicants and, pending resolution

of the Franchise Tax Claim and pursuant to an escrow agreement dated August 8, 2013, deposited \$100,000 in an escrow account (the “**Escrow Funds**”) in support of their indemnity obligations.

6.19 The former owners of Jack Frost disputed the assessment underlying the Franchise Tax Claim through an Administrative Settlement Process with the State of California Franchise Tax Board (the “**FTB**”).

6.20 The Administrative Settlement Process culminated in a settlement agreement dated July 8, 2015, between the former owners of Jack Frost, the FTB, and Jack Frost and Arctic Glacier California Inc. by and through the CPS and the Monitor, pursuant to which the former owners of Jack Frost agreed to pay \$900,000, including interest and penalties (the “**Settlement Amount**”) to the FTB on behalf of Jack Frost no later than August 15, 2015 as full and final settlement of the amounts claimed in the Franchise Tax Claim (the “**FTB Settlement Agreement**”). The FTB Settlement Agreement also provided that, upon receipt of the Settlement Amount by the FTB, the Franchise Tax Claim is deemed withdrawn and the FTB would take no further action upon that Claim.

6.21 By letter to the Monitor dated September 8, 2015, attached as **Appendix “C”**, the FTB confirmed that it received the Settlement Amount on August 13, 2015 and that the account related to the Franchise Tax Claim was closed.

6.22 In accordance with the FTB Settlement Agreement, on September 11, 2015, the Monitor’s counsel provided the executed Instructions to Release Escrow Funds to the escrow agent to provide for the release of the Escrow Funds to the former owners of Jack Frost.

7.0 RECEIPTS AND DISBURSEMENTS SINCE THE TWENTY-SECOND REPORT

7.1 During the period from May 23, 2015 to October 31, 2015 (the “**Reporting Period**”), the Applicants had U.S. and Canadian dollar net cash outflows of approximately \$1.18 million and CAD\$174,000, respectively.

7.2 Excluding transfers between the Monitor’s U.S. and Canadian dollar trust bank accounts, receipts consist primarily of tax refunds of approximately CAD\$335,000.

7.3 Disbursements, also excluding transfers between the Monitor’s U.S. and Canadian dollar trust bank accounts, consist primarily of U.S. dollar professional fees and expenses totaling approximately \$657,000 and Canadian dollar professional fees and expenses of approximately CAD\$822,000 which collectively include fees and expenses paid to the Monitor, its legal counsel, the CPS, the Applicants’ legal counsel, the Applicants’ tax consultants, and other professionals involved with these CCAA Proceedings. In addition, disbursements include the purchase of a three-year D&O run-off insurance policy in the amount of approximately CAD\$284,000, and other expenses including income taxes, payments to Taxing Authorities in respect of the U.S. Sales Tax Issue, and disbursements of an administrative nature of approximately \$24,400 and CAD\$17,200.

7.4 As at October 31, 2015, the Monitor is holding approximately \$23.6 million and CAD\$261,000, all of which is being held in interest-bearing accounts in the name of the Monitor, on behalf of the Applicants.

7.5 The Plan provides that certain reserves and cash pools be maintained in respect of the remaining obligations of the estates. The funds held by the Monitor on behalf of the Applicants as at October 31, 2015, are divided among the reserves and cash pools as

follows: Unresolved Claims Reserve, approximately \$16.6 million; Insurance Reserve, approximately \$721,000; and Administrative Costs Reserve, approximately \$6.3 million, and CAD\$261,000. As provided by the U.S. Plan Implementation Order, the Administrative Costs Reserve includes the Administrative Sales Tax Reserve of approximately \$2 million.

8.0 THE STAY EXTENSION

8.1 Pursuant to the Initial Order and subsequent Orders of the Canadian Court, the Stay Period was granted and extended until December 18, 2015. The Monitor requests an extension of the Stay Period to September 30, 2016.

8.2 The Monitor believes that an extension of the Stay Period until September 30, 2016 is appropriate, as it will allow needed time for the Monitor, in consultation with the Applicants, to, among other things, continue:

- a) implementing the steps contemplated by the Plan;
- b) finalizing the resolution of the U.S. Sales Tax Issue;
- c) working towards a resolution of the two remaining Unresolved Claims (the McNulty Claim and the NYC Claim); and
- d) working towards a resolution of the Brodski Proceeding.

8.3 The Monitor believes that the Arctic Glacier Parties have acted and continue to act in good faith and with due diligence in advancing the administration of these CCAA Proceedings.

9.0 ACTIVITIES OF THE MONITOR

9.1 In addition to the activities of the Monitor described above, the Monitor's activities from the date of the Twenty-Second Report, being May 27, 2015, have included the following:

- continuing to work through the Post-Plan Implementation Date Transactions and Schedule B Steps, pursuant to and in accordance with the Plan;
- responding to enquiries from Unitholders and other stakeholders;
- continuing to make non-confidential materials filed with the Canadian Court and with the U.S. Court publicly available on the Website;
- in accordance with the Unitholder Claims Procedure Order, arranging for the publication of a notice in respect of same in the *Wall Street Journal*, the *Globe and Mail*, and the *Winnipeg Free Press*;
- preparing this Twenty-Third Report;
- continuing to act as foreign representative in the Chapter 15 Proceedings;
- continuing to fulfill the Monitor's responsibilities pursuant to the Claims Procedure Order and the Claims Officer Order;
- communicating with insurance adjusters and with various plaintiffs' counsel regarding certain open insurance claims;
- communicating with the Applicants' insurance broker regarding a "buy-out" insurance policy that would address all currently outstanding and yet to be filed insurance claims;

- attending the June Stay Extension Motion and the Unitholder Claims Procedure Motion;
- attending the mediation with the AGIF and the Brodski Parties held on October 15, 2015;
- arranging for the preparation and filing of the tax returns for the year ended December 31, 2014 of the U.S. Applicants;
- maintaining estate bank accounts, overseeing the accounting for the Applicants' receipts and disbursements pursuant to the Transition Order, and reviewing professional fee invoices and providing same to the CPS for review and discussion; and
- preparing and filing monthly GST/HST returns and various other statutory returns.

All of which is respectfully submitted to the Court of Queen's Bench this 9th day of
November, 2015.

**Alvarez & Marsal Canada Inc., in its capacity
as Monitor of Arctic Glacier Income Fund,
Arctic Glacier Inc., Arctic Glacier International Inc. and
the other Applicants listed on Appendix "A".**

A handwritten signature in cursive script, appearing to read "A Hutchens", is written above a horizontal line.

Per: Alan Hutchens, Senior Vice-President

SCHEDULE "A"

ADDITIONAL APPLICANTS

Arctic Glacier California Inc.
Arctic Glacier Grayling Inc.
Arctic Glacier Lansing Inc.
Arctic Glacier Michigan Inc.
Arctic Glacier Minnesota Inc.
Arctic Glacier Nebraska Inc.
Arctic Glacier Newburgh Inc.
Arctic Glacier New York Inc.
Arctic Glacier Oregon Inc.
Arctic Glacier Party Time Inc.
Arctic Glacier Pennsylvania Inc.
Arctic Glacier Rochester Inc.
Arctic Glacier Services Inc.
Arctic Glacier Texas Inc.
Arctic Glacier Vernon Inc.
Arctic Glacier Wisconsin Inc.
Diamond Ice Cube Company Inc.
Diamond Newport Corporation
Glacier Ice Company, Inc.
Ice Perfection Systems Inc.
ICEsurance Inc.
Jack Frost Ice Service, Inc.
Knowlton Enterprises, Inc.
Mountain Water Ice Company
R&K Trucking, Inc.
Winkler Lucas Ice and Fuel Company
Wonderland Ice, Inc.

SCHEDULE "B"

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re	:	Chapter 15
ARCTIC GLACIER INTERNATIONAL INC.,	:	Case No. 12-10605 (KG)
<i>et al.</i> , ¹	:	(Jointly Administered)
Debtors in a Foreign Proceeding.	:	Ref Docket No. 414

**ORDER RECOGNIZING AND ENFORCING THE
UNITHOLDER CLAIMS PROCEDURE ORDER OF THE CANADIAN COURT**

Upon consideration of the motion (the "Motion")² of Alvarez & Marsal Canada Inc., in its capacity as the court-appointed monitor and authorized foreign representative (the "Monitor") for the above-captioned debtors (collectively, the "Debtors") in the proceeding (the "Canadian Proceeding") commenced under Canada's *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "CCAA") and pending before the Court of Queen's Bench Winnipeg Centre (the "Canadian Court"), for the entry of an order, pursuant to sections 105(a), 1507, 1521, 1525 and 1527 of title 11 of the United States Code (the "Bankruptcy Code"), recognizing and enforcing in the United States the order entered on June 2, 2015 by the

¹ The last four digits of the United States Tax Identification Number or Canadian Business Number, as applicable, follow in parentheses: (i) Arctic Glacier California Inc. (7645); (ii) Arctic Glacier Grayling Inc. (0976); (iii) Arctic Glacier Inc. (4125); (iv) Arctic Glacier Income Fund (4736); (v) Arctic Glacier International Inc. (9353); (vi) Arctic Glacier Lansing Inc. (1769); (vii) Arctic Glacier Michigan Inc. (0975); (viii) Arctic Glacier Minnesota Inc. (2310); (ix) Arctic Glacier Nebraska Inc. (7790); (x) Arctic Glacier New York Inc. (2468); (xi) Arctic Glacier Newburgh Inc. (7431); (xii) Arctic Glacier Oregon, Inc. (4484); (xiii) Arctic Glacier Party Time Inc. (0977); (xiv) Arctic Glacier Pennsylvania Inc. (9475); (xv) Arctic Glacier Rochester Inc. (6989); (xvi) Arctic Glacier Services Inc. (6657); (xvii) Arctic Glacier Texas Inc. (3251); (xviii) Arctic Glacier Vernon Inc. (3211); (xix) Arctic Glacier Wisconsin Inc. (5835); (xx) Diamond Ice Cube Company Inc. (7146); (xxi) Diamond Newport Corporation (4811); (xxii) Glacier Ice Company, Inc. (4320); (xxiii) Ice Perfection Systems Inc. (7093); (xxiv) ICEurance Inc. (0849); (xxv) Jack Frost Ice Service, Inc. (7210); (xxvi) Knowlton Enterprises Inc. (8701); (xxvii) Mountain Water Ice Company (2777); (xxviii) R&K Trucking, Inc. (6931); (xxix) Winkler Lucas Ice and Fuel Company (0049); (xxx) Wonderland Ice, Inc. (8662). The Debtors' executive headquarters is located at 625 Henry Avenue, Winnipeg, Manitoba, R3A 0V1, Canada.

² Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to those terms in the Motion.

Canadian Court approving, among other things, certain claims procedures for the submission of Initial Distribution Claims and O&T Claims against AGIF and its Officers and Trustees (as may be amended from time to time by the Canadian Court, the “Unitholder Claims Procedure Order”); and due and sufficient notice of the Motion having been given; and it appearing that no other or further notice need be provided; and, subject to the terms set forth below, it appearing that the relief requested in the Motion is in the best interests of the Debtors and other parties in interest in the Chapter 15 Cases; and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED THAT:

1. The Motion is granted, subject to the terms set forth herein.
2. The Unitholder Claims Procedure Order, a copy of which is annexed hereto as Schedule 1, is hereby fully recognized and given full force and effect in the United States, subject to the terms set forth below.
3. Notwithstanding anything to the contrary in the Unitholder Claims Procedure Order or elsewhere herein:
 - (a) the Brodski Parties,³ separately or together, shall submit an Initial Distribution Proof of Claim or O&T Proof of Claim in the forms approved by the Unitholder Claims Procedure Order (collectively, the “Brodski Proofs of Claim”), as applicable, setting forth any and all claims arising from setting the Initial Distribution Record Date or relating to the Initial Distribution (including without limitation, any Initial Distribution Claims and O&T Claims) (collectively, the “Brodski Claims”) on or before the

³ The “Brodski Parties” shall collectively mean Eldar Brodski, EB Books, Inc., EB Design, Inc., EB Online, Inc., EB Imports, Inc., Lazdar Inc., Eldar Brodski Inc., Y Capital Advisors Inc., Valley West Realty Inc., Ruben Brodski, Ruben Brodski Inc., Ester Brodski, and Yehonathan Brodski.

Unitholder Claims Bar Date. For the avoidance of doubt, the submission of the Brodski Proofs of Claim shall be without prejudice to the Brodski Parties' rights otherwise set forth herein and/or to assert the Brodski Claims in this Court or, if this Court declines to adjudicate any such Brodski Claim, in an arbitration as described below;

- (b) the Monitor, on behalf of itself, AGIF and its Officers and Trustees, will request of the Honorable Jack Ground that, in his capacity as Unitholder Claims Officer, he only mediate any disputes with respect to the Brodski Claims (the "Mediation"), rather than determine the validity and value of the Brodski Claims. For the avoidance of doubt, the Mediation with respect to the Brodski Claims shall be non-binding and the Unitholder Claims Officer shall not adjudicate the Brodski Claims. If Ground J. is not willing to mediate disputes relating to the Brodski Claims, the Brodski Parties, AGIF and the Monitor will mutually agree on another party to serve as mediator with respect to such claims. Mediation logistics will be agreed upon by and among counsel to the Brodski Parties, the Monitor, AGIF, each acting reasonably, and the Unitholder Claims Officer;
- (c) the entry of this Order and the Unitholder Claims Procedure Order shall be without prejudice to the Brodski Parties' ability to commence an adversary proceeding before the United States Bankruptcy Court for the District of Delaware (hereinafter, the "Bankruptcy Court"), which the Brodski Parties will be permitted to commence with respect to any Brodski Claim asserted through the Brodski Proofs of Claim; provided, that, such adversary

proceeding must be commenced through the filing of a complaint no later than October 30, 2015; and

- (d) if the Brodski Parties commence an adversary proceeding in the Bankruptcy Court by October 30, 2015, AGIF and the Monitor shall not argue that (i) the Bankruptcy Court lacks jurisdiction to adjudicate any or all of the Brodski Claims, (ii) otherwise assert that the Bankruptcy Court is the inappropriate or incorrect forum for the adjudication of any Brodski Claim, and/or (iii) the Brodski Parties were required to commence such adversary proceeding on or prior to the Unitholder Claims Bar Date; and
- (e) if the Bankruptcy Court declines to adjudicate the merits of any or all of the Brodski Claims, the Brodski Parties may assert any such claim in an arbitration before the American Arbitration Association (“AAA”) in New York, New York, in accordance with the AAA’s Commercial Arbitration Rules, which shall be filed within thirty (30) days of the Brodski Parties’ receipt of the Bankruptcy Court’s decision abstaining from adjudicating the Brodski Claims.

4. The Monitor, the Debtors and the Chief Process Supervisor are authorized and empowered to take any steps or perform any actions as may be necessary to effectuate the terms of this Order.

5. This Court shall retain jurisdiction with respect to all matters relating to the interpretation or implementation of this Order.

Dated: Wilmington, Delaware
July 8, 2015



THE HONORABLE KEVIN GROSS
CHIEF UNITED STATES BANKRUPTCY JUDGE

SCHEDULE 1

Unitholder Claims Procedure Order

Court File No. CI 12-01-76323

THE QUEEN'S BENCH
Winnipeg Centre

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

AND IN THE MATTER OF
A PROPOSED PLAN OF COMPROMISE AND
ARRANGEMENT WITH RESPECT TO ARCTIC GLACIER INCOME FUND, ARCTIC GLACIER
INC., ARCTIC GLACIER INTERNATIONAL INC. and the ADDITIONAL APPLICANTS LISTED IN
SCHEDULE "A" HERETO

(collectively, the "APPLICANTS")

UNITHOLDER CLAIMS PROCEDURE ORDER

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THE QUEEN'S BENCH
Winnipeg Centre

THE HONOURABLE MADAM) MONDAY, THE 2ND DAY
)
JUSTICE SPIVAK) OF JUNE, 2015

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

AND IN THE MATTER OF A PROPOSED PLAN OF COMPROMISE OR
ARRANGEMENT WITH RESPECT TO ARCTIC GLACIER INCOME FUND, ARCTIC
GLACIER INC., ARCTIC GLACIER INTERNATIONAL INC. and the ADDITIONAL
APPLICANTS LISTED IN SCHEDULE "A" HERETO

(collectively, the "APPLICANTS")

UNITHOLDER CLAIMS PROCEDURE ORDER

THIS MOTION, made by Alvarez & Marsal Canada Inc. in its capacity as monitor of the Applicants (the "Monitor") for an order establishing a claims process to identify and determine certain potential claims against the Arctic Glacier Income Fund ("AGIF") was heard this day at the Law Courts Building at 408 York Avenue, in the City of Winnipeg, in the Province of Manitoba.

ON READING the Notice of Motion and the Twenty-Second Report of the Monitor (the "Twenty-Second Report"), and on hearing the submissions of counsel for the Monitor, counsel for the Applicants and Glacier Valley Ice Company, L.P. (California) (together, "Arctic Glacier" or the "Arctic Glacier Parties"), counsel for the Trustees of AGIF and a representative of Ross Smith Asset Management Inc., no one appearing for any other party although duly served as appears from the affidavit of service, filed:

SERVICE

1. THIS COURT ORDERS that the time for service of this Motion and the Twenty-Second Report is hereby abridged and validated such that this Motion is properly returnable today and hereby dispenses with further service thereof.

DEFINITIONS AND INTERPRETATION

2. THIS COURT ORDERS that, for the purposes of this Order (and in addition to terms defined elsewhere herein), the following terms shall have the following meanings ascribed thereto:

“Beneficial Unitholder” means a holder or past holder of a beneficial interest in one or more Trust Units that was entitled to participate in the Initial Distribution pursuant to the Plan and whose Trust Units are or were held by a Registered Unitholder for and on its behalf.

“Business Day” means a day, other than a Saturday or a Sunday, on which banks are generally open for business in Winnipeg, Manitoba.

“Calendar Day” means a day, including Saturday, Sunday and any statutory holidays.

“CCAA” means the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C36, as amended.

“CCAA Proceedings” means the proceedings commenced by Arctic Glacier in the Court at Winnipeg under Court File No. CI 12-01-76323.

“CCAA Service List” means the service list in the CCAA Proceedings as defined in paragraph 66 of the Initial Order and posted on the Monitor’s Website, as amended from time to time.

“Court” means the Court of Queen’s Bench of Manitoba.

“Declaration of Trust” means the Second Amended and Restated Declaration of Trust made as of December 6, 2004 among Robert Nagy, James E. Clark, Peter Hyndman, David Swaine

and Gary Filmon, as Trustees, Laxus Holdings Inc., as settlor, and certain Registered Unitholders, as amended from time to time.

“Government Authority” means a federal, provincial, state, territorial, municipal or other government or government department, agency or authority (including a court of law) having jurisdiction over an Arctic Glacier Party.

“Initial Distribution Claim” means any claim of any Person that may be asserted or made in whole or in part against AGIF arising from any action or omission occurring on or after the setting of the Initial Distribution Record Date in connection with or related to the distribution of \$54,498,863.58 on January 22, 2015, to the Transfer Agent for distribution to Unitholders pursuant to and in accordance with the Plan (the **“Initial Distribution”**).

“Initial Distribution Proof of Claim” means the proof of claim, in substantially the form attached as Schedule “C” hereto, to be completed and filed by a Person setting forth an Initial Distribution Claim and which shall include all supporting documentation in respect of such Initial Distribution Claim.

“Initial Distribution Record Date” means December 18, 2014.

“Initial Order” means the initial order of the Honourable Madam Justice Spivak made February 22, 2012 in the CCAA Proceedings, as amended, extended, restated or varied from time to time.

“Monitor’s Website” means <http://www.alvarezandmarsal.com/arctic-glacier-income-fund-arctic-glacier-inc-and-subsidiaries>.

“Notice to Unitholders” means the notice to unitholders for publication in substantially the form attached as Schedule “B” hereto.

“O&T Claim” means any claim of any Person that may be asserted or made in whole or in part against one or more Officers or Trustees that relates to an Initial Distribution Claim for which such Officers or Trustees are by law liable to pay in their capacity as Officers or Trustees.

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“O&T Indemnity Claim” means any existing or future right of any Officer or Trustee against AGIF, which arose or arises as a result of any Person filing an O&T Proof of Claim in respect of such Officer or Trustee for which such Officer or Trustee is entitled to be indemnified by AGIF.

“O&T Indemnity Claims Bar Date” has the meaning set out in paragraph 16 hereof.

“O&T Indemnity Proof of Claim” means the indemnity proof of claim, in substantially the form attached as Schedule “E” hereto to be completed and filed by an Officer or Trustee setting forth its purported O&T Indemnity Claim and which shall include all supporting documents in respect of such O&T Indemnity Claim.

“O&T Proof of Claim” means the proof of claim, in substantially the form attached as Schedule “D” hereto, to be completed and filed by a Person setting forth its O&T Claim and which shall include all supporting documentation in respect of such O&T Claim.

“Officer” means anyone who is or was or may be deemed to be or have been, whether by statute, operation of law or otherwise, an officer or *de facto* officer of AGIF.

“Person” is to be broadly interpreted and includes any individual, firm, corporation, limited or unlimited liability company, general or limited partnership, association, trust, unincorporated organization, joint venture, Government Authority or any agency, regulatory body, officer or instrumentality thereof or any other entity, wherever situate or domiciled, and whether or not having legal status, and whether acting on their own or in a representative capacity.

“Plan” means the Applicants’ plan of compromise or arrangement dated May 21, 2014, as amended and restated on August 26, 2014 and January 21, 2015, and as may be further amended, supplemented or restated from time to time in accordance with the terms therein, which was sanctioned and approved by way of the Sanction Order that was recognized and enforced by way of an order of the U.S. Court.

“Proof of Claim Document Package” means a document package that includes a copy of the Notice to Unitholders, the Initial Distribution Proof of Claim form, the O&T Proof of

Claim form, and such other materials as the Monitor, in consultation with AGIF, may consider appropriate or desirable.

“Registered Unitholder” means each holder or past holder of one or more Trust Units that was entitled to participate in the Initial Distribution pursuant to the Plan and who was or is shown on the register of such holders maintained by the Transfer Agent or by the Trustees on behalf of AGIF.

“Sanction Order” means the order made by the Honourable Madam Justice Spivak of the Court on September 5, 2014 that, among other things, approved the Plan.

“Transfer Agent” means such company as may from time to time be appointed by AGIF to act as registrar and transfer agent of the Trust Units, together with any sub-transfer agent duly appointed by the Transfer Agent.

“Trust Unit” means each trust unit of AGIF that was authorized and issued under the Declaration of Trust and which carried an entitlement to a portion of the Initial Distribution pursuant to the Plan.

“Trustee” means any Person who is or was or may be deemed to be or have been, whether by statute, operation of law or otherwise, a trustee or *de facto* trustee of AGIF, in such capacity.

“Unitholder” means, collectively, (a) each Registered Unitholder that holds or held one or more Trust Units solely for and on behalf of itself; and (b) each Beneficial Unitholder.

“Unitholder Claimant” means any Person having an Initial Distribution Claim, including an O&T Indemnity Claim, or an O&T Claim and includes the transferee or assignee of an Initial Distribution Claim, an O&T Indemnity Claim or an O&T Claim or a trustee, executor, liquidator, receiver, receiver and manager, or other Person acting on behalf of or through any such Person.

“Unitholder Claims Bar Date” means July 28, 2015.

“U.S. Court” means the United States Bankruptcy Court for the District of Delaware having jurisdiction over the Chapter 15 Cases.

3. THIS COURT ORDERS that all references as to time herein shall mean local time in Winnipeg, Manitoba, Canada, and any reference to an event occurring on a Calendar Day or a Business Day shall mean prior to 5:00 p.m. Winnipeg time on such Calendar Day or Business Day unless otherwise indicated herein.

4. THIS COURT ORDERS that all references to the word “including” shall mean “including without limitation”, that all references to the singular herein include the plural, the plural include the singular, and that any gender includes all genders.

GENERAL PROVISIONS

5. THIS COURT ORDERS that the Monitor, in consultation with AGIF, is hereby authorized to use reasonable discretion as to the adequacy of compliance with respect to the manner in which forms delivered hereunder are completed and executed, and the time in which they are submitted. Further, the Monitor may request any further documentation from a Person that the Monitor, in consultation with AGIF, may require in connection with an Initial Distribution Claim, an O&T Claim or an O&T Indemnity Claim.

6. THIS COURT ORDERS that a Person making an Initial Distribution Claim, O&T Claim or O&T Indemnity Claim shall complete its Initial Distribution Proof of Claim, O&T Proof of Claim or O&T Indemnity Proof of Claim, as applicable, indicating the amount of the Initial Distribution Claim, O&T Claim or O&T Indemnity Claim.

7. THIS COURT ORDERS that the form and substance of each of the Notice to Unitholders, Initial Distribution Proof of Claim, O&T Proof of Claim and O&T Indemnity Proof of Claim, substantially in the forms attached as Schedules “B”, “C”, “D” and “E” respectively to this Order are hereby approved. Notwithstanding the foregoing, the Monitor, in consultation with AGIF, may from time to time make non-substantive changes to such forms as the Monitor, in consultation with AGIF, considers necessary or advisable.

8. THIS COURT ORDERS that copies of all forms delivered by a Unitholder Claimant hereunder shall be maintained by the Monitor and, subject to further order of the Court, the relevant Unitholder Claimant will be entitled to have access thereto by appointment during normal business hours on written request to the Monitor.

9. THIS COURT ORDERS that consultation with the Chief Process Supervisor appointed pursuant to paragraph 25 of the Initial Order (the "CPS") shall satisfy any obligation of the Monitor in this Order to consult with AGIF and obtaining the consent of the CPS shall satisfy any obligation of the Monitor in this Order to obtain the consent of AGIF. The protections provided to the CPS in the Initial Order, the Transition Order dated July 12, 2012, the Sanction Order, any other order of the Court or the U.S. Court and the Plan shall apply to any activities undertaken by the CPS in accordance with this Order.

10. THIS COURT ORDERS that:

- (a) the Monitor shall, no later than two (2) Business Days following the making of this Order, post a copy of the Proof of Claim Document Package on the Monitor's Website;
- (b) the Monitor shall, no later than five (5) Business Days following the making of this Order, cause the Notice to Unitholders, or shortened versions thereof in form and substance satisfactory to the Monitor, to be published in (i) The Globe and Mail newspaper (National Edition) on one such day, (ii) the Wall Street Journal (National Edition) on one such day, and (iii) the Winnipeg Free Press on one such day; and
- (c) the Monitor shall send to any Officer or Trustee named in an O&T Proof of Claim received on or before the Unitholder Claims Bar Date a copy of such O&T Proof of Claim, including copies of any documentation submitted to the Monitor by the O&T Claimant, as soon as practicable.

11. THIS COURT ORDERS that, except as otherwise set out in this Order or any other orders of the Court, all Persons shall be bound by any notices published pursuant to paragraphs 10(a) and 10(b) of this Order regardless of whether or not they received actual notice, and any

steps taken in respect of any Initial Distribution Claim, O&T Claim or O&T Indemnity Claim in accordance with this Order.

12. THIS COURT ORDERS that the delivery of a Proof of Claim Document Package, Initial Distribution Proof of Claim, O&T Proof of Claim, or O&T Indemnity Proof of Claim by the Monitor to a Person shall not constitute an admission by the AGIF or the Monitor of any liability of AGIF or any Officer or Trustee to any Person.

UNITHOLDER CLAIMS BAR DATE

Initial Distribution Claims and O&T Claims

13. THIS COURT ORDERS that Initial Distribution Proofs of Claim and O&T Proofs of Claim shall be filed with the Monitor on or before the Unitholder Claims Bar Date. For the avoidance of doubt, an Initial Distribution Proof of Claim or O&T Proof of Claim, as applicable, must be filed in respect of every Initial Distribution Claim or O&T Claim.

14. THIS COURT ORDERS that any Person that does not file an Initial Distribution Proof of Claim as provided for herein such that the Initial Distribution Proof of Claim is received by the Monitor on or before the Unitholder Claims Bar Date (a) shall be and is hereby forever barred from making or enforcing such Initial Distribution Claim against AGIF and all such Initial Distribution Claims shall be forever extinguished; (b) shall be and is hereby forever barred from making or enforcing such Initial Distribution Claim as against any other Person who could claim contribution or indemnity from AGIF; (c) shall not be entitled to receive any distribution in respect of such Initial Distribution Claim; and (d) shall not be entitled to any further notice in and shall not be entitled to participate as a Unitholder Claimant in the CCAA Proceedings in respect of such Initial Distribution Claim.

15. THIS COURT ORDERS that any Person that does not file an O&T Proof of Claim as provided for herein such that the O&T Proof of Claim is received by the Monitor on or before the Unitholder Claims Bar Date (a) shall be and is hereby forever barred from making or enforcing such O&T Claim against any Officers or Trustees, and all such O&T Claims shall be forever extinguished; (b) shall be and is hereby forever barred from making or enforcing such O&T Claim as against any other Person who could claim contribution or indemnity from any

Officers or Trustees; (c) shall not be entitled to receive any distribution in respect of such O&T Claim; and (d) shall not be entitled to any further notice in and shall not be entitled to participate as a Unitholder Claimant in the CCAA Proceedings in respect of such O&T Claim.

O&T Indemnity Claims

16. THIS COURT ORDERS that any Officer or Trustee wishing to assert an O&T Indemnity Claim shall deliver an O&T Indemnity Proof of Claim to the Monitor so that it is received by no later than fifteen (15) Business Days after the date of deemed receipt of the O&T Proof of Claim pursuant to paragraph 35 hereof by such Officer or Trustee (with respect to each O&T Indemnity Claim, the "O&T Indemnity Claims Bar Date").

17. THIS COURT ORDERS that any Director, Officer or Trustee that does not file an O&T Indemnity Proof of Claim as provided for herein such that the O&T Indemnity Proof of Claim is received by the Monitor on or before the applicable O&T Indemnity Claims Bar Date (a) shall be and is hereby forever barred from making or enforcing such O&T Indemnity Claim against AGIF, and such O&T Indemnity Claim shall be forever extinguished; (b) shall be and is hereby forever barred from making or enforcing such O&T Indemnity Claim as against any other Person who could claim contribution or indemnity from AGIF; and (c) shall not be entitled to receive any distribution in respect of such O&T Indemnity Claim.

PROOFS OF CLAIM

18. THIS COURT ORDERS that each Person shall include any and all Initial Distribution Claims it asserts against AGIF in a single Initial Distribution Proof of Claim.

19. THIS COURT ORDERS that each Person shall include any and all O&T Claims it asserts against one or more Officers or Trustees in a single O&T Proof of Claim.

20. THIS COURT ORDERS that if a Person submits an Initial Distribution Proof of Claim and an O&T Proof of Claim in relation to the same matter, then that Person shall cross-reference the O&T Proof Claim in the Initial Distribution Proof of Claim and the Initial Distribution Proof of Claim in the O&T Proof of Claim.

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21. THIS COURT ORDERS that the Monitor, subject to the terms of this Order, shall review all Initial Distribution Proofs of Claim, O&T Proofs of Claim and O&T Indemnity Proofs of Claim filed, and at any time:

- (a) may request additional information from a Unitholder Claimant; and
- (b) may request that a Unitholder Claimant file a revised Initial Distribution Proof of Claim, O&T Proof of Claim or O&T Indemnity Proof of Claim, as applicable.

RESOLUTION OF CLAIMS, O&T CLAIMS AND O&T INDEMNITY CLAIMS

22. THIS COURT ORDERS that, after reviewing each Initial Distribution Proof of Claim or O&T Claim that is filed with the Monitor on or before the Unitholder Claims Bar Date, if any, the Monitor shall promptly thereafter contact each Unitholder Claimant to discuss their Initial Distribution Claim and/or O&T Claim, reasonably assist them by providing information in the possession and control of the Monitor in relation to their Initial Distribution Claim and/or O&T Claim, and reasonably assist them in ascertaining (i) whether they were entitled to a portion of the Initial Distribution pursuant to the Plan and did not receive such portion, and (ii) the cause of such error, if such error was made. The Monitor shall provide such assistance to Unitholder Claimants between the Unitholder Claims Bar Date and September 8, 2015 (the “**Resolution Deadline**”).

APPOINTMENT AND POWERS OF UNITHOLDER CLAIMS OFFICER

23. THIS COURT ORDERS that the Honourable Jack Ground be and is hereby appointed as the “Unitholder Claims Officer” for the claims resolution procedure described herein.

24. THIS COURT ORDERS that, subject to the appeal rights set out herein, the Unitholder Claims Officer shall have the exclusive authority to determine the validity and value of Initial Distribution Claims and/or O&T Claims that are not withdrawn by the Resolution Deadline, as the case may be, including, without limitation, determining questions of law, fact, and mixed law and fact, in accordance with this Order. The Unitholder Claims Officer shall determine any and all procedural matters which may arise in respect of his determination of Initial Distribution Claims and/or O&T Claims that are not withdrawn by the Resolution Deadline, including

ordering the production of documents and such discovery as may be appropriate, as well as the manner in which any evidence may be adduced. The Unitholder Claims Officer shall have the discretion to determine by whom and to what extent the costs of any hearing before the Unitholder Claims Officer shall be paid.

25. THIS COURT ORDERS that the Unitholder Claims Officer shall be entitled to reasonable compensation for the performance of his obligations set out in this Order on the basis of the hourly rate customarily charged by the Unitholder Claims Officer in performing comparable functions to those set out in this Order and any disbursements incurred in connection therewith. Subject to paragraph 24, the fees and expenses of the Unitholder Claims Officer shall be borne by the Arctic Glacier Parties and shall be paid by the Arctic Glacier Parties forthwith upon receipt of each invoice tendered by the Unitholder Claims Officer.

26. THIS COURT ORDERS that the Unitholder Claims Officer shall resolve any Initial Distribution Claim or O&T Claim that has not been withdrawn by the Resolution Deadline, if any, as soon as practicable. The Unitholder Claims Officer shall also resolve any O&T Indemnity Claims related to O&T Claims that have not been withdrawn by the Resolution Deadline.

27. THIS COURT ORDERS that any of the Monitor, an Officer or Trustee to the extent that an O&T Claim is asserted as against them, AGIF or a Unitholder Claimant may, within fourteen (14) Calendar Days of notification of the Unitholder Claims Officer's determination in respect of an Initial Distribution Claim and/or O&T Claim, appeal such determination to this Court by filing a notice of appeal, and the appeal shall be initially returnable within fourteen (14) Calendar Days from the filing of such notice of appeal, such appeal to be an appeal based on the record before the Unitholder Claims Officer and not a hearing *de novo*.

28. THIS COURT ORDERS that if no party appeals the determination of an Initial Distribution Claim and/or O&T Claim by the Unitholder Claims Officer within the time set out in paragraph 27 above, the decision of the Unitholder Claims Officer in determining the validity and value of the Initial Distribution Claim and/or O&T Claim shall be final and binding upon AGIF, the Monitor, an Officer or Trustee to the extent that an O&T Claim is asserted as against them, and the Unitholder Claimant and there shall be no further right of appeal, review or

- 12 -

recourse to the Court from the Unitholder Claims Officer's final determination of the Initial Distribution Claim and/or O&T Claim.

29. THIS COURT ORDERS that any Initial Distribution Claims and related O&T Claims and/or O&T Indemnity Claims shall be determined at the same time and in the same proceeding.

MONITOR'S ROLE

30. THIS COURT ORDERS that the Monitor, in addition to its prescribed rights, duties, responsibilities and obligations under the CCAA, the Plan, the Initial Order, the Sanction Order, and other Orders in the CCAA Proceeding, is hereby directed and empowered to take such other actions and fulfill such other roles as are authorized by this Order or incidental thereto.

31. THIS COURT ORDERS that (i) in carrying out the terms of this Order, the Monitor shall have all of the protections given to it by the CCAA, the Plan, the Initial Order, the Sanction Order, other Orders in the CCAA Proceeding, and this Order, or as an officer of the Court, including the stay of proceedings in its favour, and (ii) the Monitor shall incur no liability or obligation as a result of the carrying out of the provisions of this Order.

NOTICE OF TRANSFEREES

32. THIS COURT ORDERS that neither the Monitor nor AGIF shall be obligated to send notice to or otherwise deal with a transferee or assignee of an Initial Distribution Claim, O&T Claim or O&T Indemnity Claim as the Unitholder Claimant in respect thereof unless and until (i) actual written notice of transfer or assignment, together with satisfactory evidence of such transfer or assignment, shall have been received by the Monitor, and (ii) the Monitor shall have acknowledged in writing such transfer or assignment, and thereafter such transferee or assignee shall for all purposes hereof constitute the "Unitholder Claimant" in respect of such Initial Distribution Claim, O&T Claim or O&T Indemnity Claim. Any such transferee or assignee of an Initial Distribution Claim, O&T Claim or O&T Indemnity Claim shall be bound by all notices given or steps taken in respect of such Initial Distribution Claim, O&T Claim or O&T Indemnity Claim in accordance with this Order prior to the written acknowledgement by the Monitor of such transfer or assignment.

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33. THIS COURT ORDERS that the transferee or assignee of any Initial Distribution Claim, O&T Claim or O&T Indemnity Claim (i) shall take the Initial Distribution Claim, O&T Claim or O&T Indemnity Claim subject to the rights and obligations of the transferor/assignor of the Initial Distribution Claim, O&T Claim or O&T Indemnity Claim, and subject to the rights of AGIF and any Officer or Trustee against any such transferor or assignor, including any rights of set-off which any of AGIF, an Officer or a Trustee had against such transferor or assignor, and (ii) cannot use any transferred or assigned Initial Distribution Claim, O&T Claim or O&T Indemnity Claim to reduce any amount owing by the transferee or assignee to any of AGIF, an Officer or a Trustee, whether by way of set off, application, merger, consolidation or otherwise.

DIRECTIONS

34. THIS COURT ORDERS that the Monitor, AGIF and any Person (but only to the extent such Person may be affected with respect to the issue on which directions are sought) may, at any time, and with such notice as the Court may require, seek directions from the Court with respect to this Order and the claims process set out herein, including the forms attached as Schedules hereto.

SERVICE AND NOTICE

35. THIS COURT ORDERS that the Monitor may, unless otherwise specified by this Order, serve and deliver any letters, notices or other documents to Unitholder Claimants, Officers, Trustees, or other interested Persons, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or electronic transmission to such Persons (with copies to their counsel as appears on the CCAA Service List if applicable) at the address as last shown on the records of AGIF or set out in such Person's Initial Distribution Proof of Claim, O&T Proof of Claim or O&T Indemnity Proof of Claim. Any such service or notice shall be deemed to have been received: (i) if sent by ordinary mail, on the fourth Business Day after mailing; (ii) if sent by courier or personal delivery, on the next Business Day following dispatch; and (iii) if delivered by electronic transmission by 5:00 p.m. on a Business Day, on such Business Day, and if delivered after 5:00 p.m. or on a day other than on a Business Day, on the following Business Day.

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36. THIS COURT ORDERS that any notice or other communication (including Proofs of Claim, O&T Proofs of Claims and O&T Indemnity Proofs of Claim) to be given under this Order by any Person to the Monitor shall be in writing in substantially the form, if any, provided for in this Order and will be sufficiently given only if delivered by prepaid ordinary mail, prepaid registered mail, courier, personal delivery or electronic transmission addressed to:

Alvarez & Marsal Canada Inc., Arctic Glacier Monitor

Address: Royal Bank Plaza, South Tower

200 Bay Street

Suite 2900

P.O. Box 22

Toronto, Ontario Canada

M5J 2J1

Fax No.: 416-847-5201

Email: mmackenzie@alvarezandmarsal.com

Attention: Melanie MacKenzie

37. THIS COURT ORDERS that if, during any period during which notices or other communications are being given pursuant to this Order, a postal strike or postal work stoppage of general application should occur, such notices or other communications sent by ordinary mail and then not received shall not, absent further Order of the Court, be effective and notices and other communications given hereunder during the course of any such postal strike or work stoppage of general application shall only be effective if given by courier, personal delivery or electronic transmission in accordance with this Order.

38. THIS COURT ORDERS that, in the event that this Order is later amended by further order of the Court, the Monitor shall post such further order on the Monitor's Website and such posting shall constitute adequate notice of such amendment.

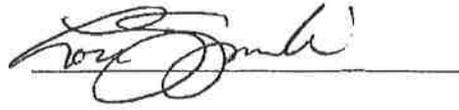
MISCELLANEOUS

39. THIS COURT ORDERS that the treatment of Initial Distribution Claims, O&T Claims and O&T Indemnity Claims are to be subject to the Plan and any order of the Court, as applicable.

40. THIS COURT ORDERS that nothing in this Order shall prejudice the rights and remedies of any Officers or Trustees or other Persons under any applicable insurance policy or prevent or bar any Person from seeking recourse against or payment from AGIF's insurance and any Officer's and/or Trustee's liability insurance policy or policies that exist to protect or indemnify the Officers, Trustees and/or other Persons, whether such recourse or payment is sought directly by the Person asserting an Initial Distribution Claim or an O&T Claim from the insurer or derivatively through the Officer, Trustee or AGIF; provided, however, that nothing in this Order shall create any rights in favour of such Person under any policies of insurance nor shall anything in this Order limit, remove, modify or alter any defence to such claim available to the insurer pursuant to the provisions of any insurance policy or at law; and further provided that any Initial Distribution Claim or O&T Claim or portion thereof for which the Person receives payment directly from or confirmation that the Person is covered by AGIF's insurance or any Officer's or Trustee's liability insurance or other liability insurance policy or policies that exist to protect or indemnify the Officers, Trustees and/or other Persons shall not be recoverable as against AGIF or a Director, Officer or Trustee, as applicable.

41. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada, the United States, including the U.S. Court, or in any other foreign jurisdiction, to give effect to this Order and to assist the Arctic Glacier Parties, the Monitor and their respective 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 Arctic Glacier Parties and to the Monitor, as an officer of the Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Arctic Glacier Parties and the Monitor and their respective agents in carrying out the terms of this Order.

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A handwritten signature in black ink, appearing to be "Roy Smith", is written over a horizontal line. The signature is cursive and somewhat stylized.

SCHEDULE "A" - Additional Applicants

Arctic Glacier California Inc.
Arctic Glacier Grayling Inc.
Arctic Glacier Lansing Inc.
Arctic Glacier Michigan Inc.
Arctic Glacier Minnesota Inc.
Arctic Glacier Nebraska Inc.
Arctic Glacier Newburgh Inc.
Arctic Glacier New York Inc.
Arctic Glacier Oregon Inc.
Arctic Glacier Party Time Inc.
Arctic Glacier Pennsylvania Inc.
Arctic Glacier Rochester Inc.
Arctic Glacier Services Inc.
Arctic Glacier Texas Inc.
Arctic Glacier Vernon Inc.
Arctic Glacier Wisconsin Inc.
Diamond Ice Cube Company Inc.
Diamond Newport Corporation
Glacier Ice Company, Inc.
Ice Perfection Systems Inc.
ICESurance Inc.
Jack Frost Ice Service, Inc.
Knowlton Enterprises, Inc.
Mountain Water Ice Company
R&K Trucking, Inc.
Winkler Lucas Ice and Fuel Company
Wonderland Ice, Inc.

SCHEDULE "B"

**NOTICE TO UNITHOLDER CLAIMANTS
AGAINST ARCTIC GLACIER INCOME FUND**

**RE: NOTICE OF UNITHOLDER CLAIMS PROCEDURE REGARDING ARCTIC
GLACIER INCOME FUND ("AGIF") PURSUANT TO THE COMPANIES'
CREDITORS ARRANGEMENT ACT (the "CCAA")**

PLEASE TAKE NOTICE that on June 2, 2015, the Court of Queen's Bench (Winnipeg Centre) issued an order (the "Unitholder Claims Procedure Order") in the CCAA proceedings of AGIF requiring that all Persons who assert an Initial Distribution Claim (capitalized terms used in this notice and not otherwise defined have the meaning given to them in the Unitholder Claims Procedure Order) against AGIF and all Persons who assert an O&T Claim against Officers or Trustees of AGIF, **must file an Initial Distribution Proof of Claim (with respect to Initial Distribution Claims against AGIF) or an O&T Proof of Claim (with respect to O&T Claims) with Alvarez and Marsal Canada Inc. (the "Monitor") on or before 5:00 p.m. (Winnipeg time) on July 28, 2015, by sending the Initial Distribution Proof of Claim or O&T Proof of Claim to the Monitor by prepaid ordinary mail, registered mail, courier, personal delivery or electronic transmission at the following address:**

Alvarez & Marsal Canada Inc., Arctic Glacier Monitor
Address: Royal Bank Plaza, South Tower
200 Bay Street, Suite 2900, P.O. Box 22
Toronto, ON Canada M5J 2J1
Fax No.: 416-847-5201
Email: mmackenzie@alvarezandmarsal.com
Attention: Melanie MacKenzie

Unitholder Claimants may obtain the Unitholder Claims Procedure Order and a Proof of Claim Document Package from the Monitor's website at <http://www.alvarezandmarsal.com/arctic-glacier-income-fund-arctic-glacier-inc-and-subsiaries>, or by contacting the Monitor by telephone (1-866-688-0510).

Only Initial Distribution Proofs of Claim and O&T Proofs of Claim actually received by the Monitor on or before **5:00 p.m. (Winnipeg time) on July 28, 2015** will be considered filed by the Unitholder Claims Bar Date. **It is your responsibility to ensure that the Monitor receives your Initial Distribution Proof of Claim or O&T Proof of Claim by the Unitholder Claims Bar Date.**

INITIAL DISTRIBUTION CLAIMS AND O&T CLAIMS WHICH ARE NOT RECEIVED BY THE APPLICABLE UNITHOLDER CLAIMS BAR DATE WILL BE BARRED AND EXTINGUISHED FOREVER.

DATED this • day of •, 2015.

SCHEDULE "C"

INITIAL DISTRIBUTION PROOF OF CLAIM FORM FOR INITIAL DISTRIBUTION CLAIMS AGAINST ARCTIC GLACIER INCOME FUND

This form is to be used only by Unitholder Claimants asserting an Initial Distribution Claim against Arctic Glacier Income Fund ("AGIF"). For O&T Claims, please use the form titled "O&T Proof of Claim Form For O&T Claims Against Officers or Trustees of the Arctic Glacier Income Fund". For O&T Indemnity Claims, please use the form titled "O&T Indemnity Proof of Claim Form for O&T Indemnity Claims by Officers or Trustees of the Arctic Glacier Income Fund". Both forms are available on the Monitor's website at <http://www.alvarezandmarsal.com/arctic-glacier-income-fund-arctic-glacier-inc-and-subidiaries>.

1. Arctic Glacier Income Fund ("AGIF")

2a. Original Unitholder Claimant

Legal Name of Claimant	_____	Name of Contact	_____
Address	_____	Title	_____
_____	_____	Phone #	_____
_____	_____	Fax #	_____
City _____	Prov /State _____	email	_____
Postal/Zip Code	_____		

2b. Assignee, if Initial Distribution Claim has been assigned

Legal Name of Assignee	_____	Name of Contact	_____
Address	_____	Phone #	_____
_____	_____	Fax #	_____
City _____	Prov /State _____	email:	_____
Postal/Zip Code	_____		

3 Amount of Initial Distribution Claim

AGIF is indebted to the Unitholder Claimant in the amount of: _____

4. Documentation

Provide all particulars of the Initial Distribution Claim and supporting documentation, including amount and description of transaction(s) giving rise to the Initial Distribution Claim.

5. Certification

I hereby certify that:

1. I am the Unitholder Claimant or authorized representative of the Unitholder Claimant.

2. I have knowledge of all the circumstances connected with this Initial Distribution Claim.	
3. The Unitholder Claimant asserts this Initial Distribution Claim against AGIF as set out above.	
4. Complete documentation in support of this Initial Distribution Claim is attached.	
Signature: _____	Witness: _____
Name: _____	(signature) _____
Title: _____	(print) _____
Dated at _____ this _____ day of _____, 2015	

6. Filing of Claim

This Initial Distribution Proof of Claim must be received by the Monitor by 5:00 p.m. (Winnipeg time) on July 28, 2015 by prepaid ordinary mail, registered mail, courier, personal delivery or electronic transmission at the following address:

Address: Alvarez & Marsal Canada Inc., Arctic Glacier Monitor
Royal Bank Plaza, South Tower
200 Bay Street, Suite 2900, P.O. Box 22
Toronto, ON Canada M5J 2J1

Attention: Melanie MacKenzie
Email: mmackenzie@alvarezandmarsal.com
Fax No.: 416-847-5201

For more information see <http://www.alvarezandmarsal.com/arctic-glacier-income-fund-arctic-glacier-inc-and-subsidiaries>, or contact the Monitor by telephone (1-866-688-0510)

CAPITALIZED TERMS THAT ARE USED BUT NOT DEFINED HEREIN HAVE THE MEANING GIVEN TO THEM IN THE COURT OF QUEEN'S BENCH (WINNIPEG CENTRE) ORDER ISSUED IN AGIF'S CCAA PROCEEDINGS ON JUNE 2, 2015 (THE "UNITHOLDER CLAIMS PROCEDURE ORDER"), WHICH IS ACCESSIBLE ON THE MONITOR'S WEBSITE

Failure to file your Initial Distribution Proof of Claim in accordance with the Unitholder Claims Procedure Order will result in your Initial Distribution Claim being barred and forever extinguished and you will be prohibited from making or enforcing such Initial Distribution Claim against AGIF.

SCHEDULE "D"

O&T PROOF OF CLAIM FORM FOR O&T CLAIMS AGAINST OFFICERS OR TRUSTEES OF THE ARCTIC GLACIER INCOME FUND (the "O&T Proof of Claim")

This form is to be used only by Unitholder Claimants asserting an O&T Claim against any Officers and/or Trustees of Arctic Glacier Income Fund ("AGIF") and NOT for Initial Distribution Claims against AGIF itself. For Initial Distribution Claims against AGIF, please use the form titled "Initial Distribution Proof of Claim Form For Initial Distribution Claims Against Arctic Glacier Income Fund". For O&T Indemnity Claims, please use the form titled "O&T Indemnity Proof of Claim Form for O&T Indemnity Claims by Officers or Trustees of the Arctic Glacier Income Fund". Both forms are available on the Monitor's website at <http://www.alvarezandmarsal.com/arctic-glacier-income-fund-arctic-glacier-inc-and-subsiidiaries>.

1. Name of AGIF Officer(s) and/or Trustee(s) (the "O&T(s)"): _____

2a. Original Unitholder Claimant

Legal Name of Claimant _____	Name of Contact _____
Address _____	Title _____
_____	Phone # _____
_____	Fax # _____
City _____ Prov /State _____	email _____
Postal/Zip Code _____	

2b. Assignee, if O&T Claim has been assigned

Legal Name of Assignee _____	Name of Contact _____
Address _____	Phone # _____
_____	Fax # _____
City _____ Prov /State _____	email: _____
Postal/Zip Code _____	

3 Amount of O&T Claim

The O&T(s) are indebted to the Unitholder Claimant in the amount of:

Name(s) of Officers and/or Trustee(s) _____	Amount of O&T Claim _____
---	---------------------------

4. Documentation

Provide all particulars of the O&T Claim and supporting documentation, including amount and description of transaction(s) giving rise to the O&T Claim.

5. Certification	
I hereby certify that:	
<ol style="list-style-type: none"> 1. I am the Unitholder Claimant or authorized representative of the Unitholder Claimant. 2. I have knowledge of all the circumstances connected with this O&T Claim. 3. The Unitholder Claimant asserts this O&T Claim against the O&T(s) as set out above. 4. Complete documentation in support of this O&T Claim is attached. 	
Signature: _____	Witness: _____
Name: _____	(signature) _____
Title: _____	(print) _____
Dated at _____ this _____ day of _____, 2015	

6. Filing of Claim

This O&T Proof of Claim must be received by the Monitor by 5:00 p.m. (Winnipeg time) on July 28, 2015 by prepaid ordinary mail, registered mail, courier, personal delivery or electronic transmission at the following address:

Address: Alvarez & Marsal Canada Inc., Arctic Glacier Monitor
 Royal Bank Plaza, South Tower
 200 Bay Street, Suite 2900, P.O. Box 22
 Toronto, ON Canada M5J 2J1

Attention: Melanie MacKenzie
Email: mmackenzie@alvarezandmarsal.com
Fax No.: 416-847-5201

For more information see <http://www.alvarezandmarsal.com/arctic-glacier-income-fund-arctic-glacier-inc-and-subsidiaries>, or contact the Monitor by telephone (1-866-688-0510)

CAPITALIZED TERMS THAT ARE USED BUT NOT DEFINED HEREIN HAVE THE MEANING GIVEN TO THEM IN THE COURT OF QUEEN'S BENCH (WINNIPEG CENTRE) ORDER ISSUED IN AGIF'S CCAA PROCEEDINGS ON JUNE 2, 2015 (THE "UNITHOLDER CLAIMS PROCEDURE ORDER"), WHICH IS ACCESSIBLE ON THE MONITOR'S WEBSITE

Failure to file your O&T Proof of Claim in accordance with the Unitholder Claims Procedure Order will result in your O&T Claim being barred and forever extinguished and you will be prohibited from making or enforcing such O&T Claim against any Officers or Trustees.

SCHEDULE "E"

O&T INDEMNITY PROOF OF CLAIM FORM FOR O&T INDEMNITY CLAIMS BY OFFICERS OR TRUSTEES OF THE ARCTIC GLACIER INCOME FUND (the "O&T Indemnity Proof of Claim")

This form is to be used only by Officers and Trustees of Arctic Glacier Income Fund ("AGIF") who are asserting an indemnity claim against AGIF in relation to an O&T Claim against them and NOT for O&T Claims against AGIF Officers and Trustees. For Initial Distribution Claims against AGIF, please use the form titled "Initial Distribution Proof of Claim Form For Initial Distribution Claims Against Arctic Glacier Income Fund". For O&T Claims against AGIF Officers and Trustees, please use the form titled "O&T Proof of Claim Form For O&T Claims Against Officers or Trustees Of The Arctic Glacier Income Fund". Both forms are available on the Monitor's website at <http://www.alvarezandmarsal.com/arctic-glacier-income-fund-arctic-glacier-inc-and-subsiidiaries>.

1. Officer/Trustee Particulars (the "Indemnitee")

Legal Name of Indemnitee _____
Address _____ Phone # _____
_____ Fax # _____
_____ City _____ Prov /State _____ email _____
Postal/Zip Code _____

2. Indemnification Claim

Position(s) Held _____
Dates Position(s) Held: From _____ to _____
Reference Number of O&T Proof of Claim with respect to which this O&T Indemnity Claim is made _____
Particulars of and basis for O&T Indemnity Claim _____

3. Documentation

Provide all particulars of the O&T Indemnity Claim and supporting documentation giving rise to the O&T Claim.

4. Filing of Claim

This O&T Indemnity Proof of Claim and supporting documentation must be received by the Monitor within fifteen (15) Business Days of the date of deemed receipt by the Officer or Trustee of the O&T Proof of Claim form **by ordinary prepaid mail, registered mail, courier, personal delivery or electronic transmission at the following address:**

Address: Alvarez & Marsal Canada Inc., Arctic Glacier Monitor
Royal Bank Plaza, South Tower
200 Bay Street, Suite 2900, P.O. Box 22
Toronto, ON Canada M5J 2J1

Attention: Melanie MacKenzie
Email: mmackenzie@alvarezandmarsal.com
Fax No.: 416-847-5201

DATED at _____, this _____ day of _____, 2015

Per: _____
Name

Signature:

For more information see <http://www.alvarezandmarsal.com/arctic-glacier-income-fund-arctic-glacier-inc-and-subsidiaries>, or contact the Monitor by telephone (1-866-688-0510)

CAPITALIZED TERMS THAT ARE USED BUT NOT DEFINED HEREIN HAVE THE MEANING GIVEN TO THEM IN THE COURT OF QUEEN'S BENCH (WINNIPEG CENTRE) ORDER ISSUED IN AGIF'S CCAA PROCEEDINGS ON JUNE 2, 2015 (THE "UNITHOLDER CLAIMS PROCEDURE ORDER"), WHICH IS ACCESSIBLE ON THE MONITOR'S WEBSITE

Failure to file your O&T Indemnity Proof of Claim in accordance with the Unitholder Claims Procedure Order will result in your O&T Indemnity Claim being barred and forever extinguished and you will be prohibited from making or enforcing such O&T Indemnity Claim against AGIF.

SCHEDULE "C"



State of California
Franchise Tax Board

LEGAL DIVISION MS A260
P.O. Box 1720
Rancho Cordova CA 95741
tel: 916.845.5210 fax: 916.845.9190
ftb.ca.gov

chair Betty T. Yee | member Jerome E. Horton | member Michael Cohen

COPY

Date: 09.08.15

Case: 2420338726750453
Case Unit: 2420338726750593
In reply refer to: 410 : AL

ALAN J. HUTCHENS
ALVAREZ & MARSAL CANADA, INC.
200 BAY STREET, SUITE 2900
TORONTO, ONTARIO, CANADA M5J 2J1

Regarding: Protest of Jack Frost Ice Service, Inc.
EXECUTED SETTLEMENT AGREEMENT - CLOSING OF ACCOUNT
Taxable Year: 5/25/06

Ladies and Gentlemen:

I enclose a copy of the fully executed Settlement Agreement that fully resolves the protest referenced above. This letter is also to confirm that the Franchise Tax Board received payment on August 13, and that this payment was successfully credited to the taxpayer's account September 1, 2015. As such, I can also confirm that, pursuant to the terms of the Settlement Agreement, the account related to the Franchise Tax Board's claim in the Canadian insolvency proceeding with respect to the above referenced protest for taxable year ending 5/25/06 is closed.

Thank you to all for your assistance in resolving this matter.

Very Truly Yours,

Andrew Loveland
Tax Counsel III

Enclosure

cc: Michael J. Cornez (w/o enc.)
William C. Hilson (w/o enc.)
Mary Paterson
Michael Weinberg, Esq.