

JULY 14 UPDATE

Further to our update of June 25, we are continuing with the process of liquidating CRTV and hope to have the process completed by the end of summer. Our priority is to be diligent in our role as liquidators while getting the money to the members at the earliest opportunity.

What we have completed:

Obtained court appointment, filed notice with registrar and published all required notices.
Took into our possession CRTV property and records.
Established a trust account and deposited funds into a low-risk interest bearing account.
Communicated with members, fielded queries, established Website and telephone lines.
Designed and printed a brochure of FAQ's for members.
Established a record-keeping system for accounting transactions.
Obtained access to the membership/accounting system at Shaw.
Received required stationery (cheques/envelopes) for the expected distributions.
Received clearance from Canada Revenue Agency on June 26 (issued on June 19) – clearance is to January 31, 2009.
Design of audit procedures.

What we are doing right now:

Conducting audit procedures which, once performed, will meet the following objectives:

- Ensuring that no unauthorized changes have been made to the list of members after January 31, 2009 and prior to our appointment.
- Ensuring that no inactive members are included on the list (i.e. members who did not have cable service at any point between February 1, 2008 and January 31, 2009).
- Ensuring that only Ordinary members are included on the list for sharing in the liquidating distribution.

Continuing with our daily responses to telephone calls, e-mails and letters from members.

Applying to the court for guidance with respect to certain By-Laws of the Association. We are continuing to follow the By-Laws of the Association during the liquidation procedure.

Applying to Canada Revenue Agency for a Technical Interpretation in regards to the tax treatment of the member distributions.

What we have to wait for:

Two months must pass from the time we published the required notice in the paper requesting that creditors, debtors and holders of assets contact us. Notice was published early and mid-June. Upon receipt of responses, we must ensure that all responses are appropriately addressed.

A response from the courts with respect to our request for guidance. A response from Canada Revenue Agency with respect to our request for a Technical Interpretation.