

January 16, 2019

Estate Nos 31-2436097 / 31-2436108 / 31-2436109

**Notice of Bankruptcy, First Meeting of Creditors
(Subsection 102(1) of the Act)**

**In the Matter of the Bankruptcy of
Fluid Brands Inc., 11041037 Canada Inc., and 11041045 Canada Inc.
of the City of Toronto
in the Province of Ontario**

To the Creditors of Fluid Brands Inc., 11041037 Canada Inc. and 11041045 Canada Inc.

1. On October 25, 2018, Fluid Brands Inc. (“**Fluid**”), 11041037 Canada Inc., (dba Bombay) (“**1037**”) and 11041045 Canada Inc. (dba Bowring) (“**1045**”, and together with Fluid and 1037, the “**Companies**”) each filed a Notice of Intention to Make a Proposal (“**NOI**”) pursuant to section 50.4(1) of the *Bankruptcy and Insolvency Act* (Canada) (the “**BIA**”). The Companies each failed to file a proposal within the prescribed time period (or any extension thereof) following the filing of the NOIs and, as a result, the Companies were each deemed to have made an assignment in bankruptcy on January 9, 2019.
2. The undersigned, Richter Advisory Group Inc., was appointed as trustee of each of the bankrupt estates (the “**Trustee**”) by the Official Receiver, subject to affirmation by the creditors of the Trustee’s appointment or substitution of another trustee by the creditors.
3. The first meeting of creditors for each of Fluid, 1037 and 1045 will be held on January 30, 2019 at the offices of the Trustee, Bay Wellington Tower, 181 Bay Street, Suite 3320, Toronto, ON M5J 2T3, as follows:
 - Fluid Brands Inc. 1:00 PM
 - 11041037 Canada Inc. (dba Bombay) 1:45 PM
 - 11041045 Canada Inc. (dba Bowring) 2:30 PM
4. Enclosed with this notice is (i) a condensed statement of assets and liabilities, including a list of creditors affected by the bankruptcy showing the amount of their claim (as per the Companies’ records, the “**Statement**”) and (ii) a form of proof of claim and proxy. Please note that the enclosed Statement has been prepared by the Trustee based on currently available information with limited input from Companies. In addition, the Companies have not approved the enclosed Statement.
5. To be entitled to vote at the creditors meeting, creditors must file with the Trustee, before the meeting, a proof of claim and, where necessary, a proxy. Proofs of claim should be forwarded to Richter Advisory Group Inc., Bay Wellington Tower, 181 Bay Street, Suite 3320, Toronto, ON M5J 2T3, to the attention of Shane Connolly, or by facsimile (514) 934.8603 or by e-mail to claims@richter.ca.

**Richter Advisory Group Inc.
Licensed Insolvency Trustee of the Estates of
Fluid Brands Inc., 11041037 Canada Inc. and 11041045 Canada Inc.**

T. 416.488.2345 / 1.888.805.1793
F. 514.934.8603
claims@richter.ca

Richter Advisory Group Inc.
181 Bay Street, Suite 3320
Bay Wellington Tower
Toronto, ON M5J 2T3
www.richter.ca

Montréal, Toronto

District of: Ontario
 Division No. 09 - Toronto
 Court No. 31-2436097
 Estate No. 31-2436097

Original Amended

-- Form 78 --

Statement of Affairs (Business Bankruptcy) made by an entity
 (Subsection 49(2) and Paragraph 158(d) of the Act / Subsections 50(2) and 62(1) of the Act)

In the Matter of the Bankruptcy of
 Fluid Brands Inc.
 Of the City of Toronto
 In the Province of Ontario

To the bankrupt:

You are required to carefully and accurately complete this form and the applicable attachments showing the state of Fluid Brands Inc.'s affairs on the date of the bankruptcy, on the 9th day of January 2019. When completed, this form and the applicable attachments will constitute the Statement of Affairs and must be verified by oath or solemn declaration.

LIABILITIES (as stated and estimated by the officer)	ASSETS (as stated and estimated by the officer)
1. Unsecured creditors as per list "A" 2,000,001.00	1. Inventory 0.00
Balance of secured claims as per list "B" 24,395,001.00	2. Trade fixtures, etc. 0.00
Total unsecured creditors 26,395,002.00	3. Accounts receivable and other receivables, as per list "E"
2. Secured creditors as per list "B" 255,000.00	Good 0.00
3. Preferred creditors as per list "C" 0.00	Doubtful 0.00
4. Contingent, trust claims or other liabilities as per list "D"	Bad 0.00
estimated to be reclaimable for 0.00	Estimated to produce 0.00
Total liabilities 26,650,002.00	4. Bills of exchange, promissory note, etc., as per list "F" 0.00
Surplus NIL	5. Deposits in financial institutions 255,000.00
	6. Cash 0.00
	7. Livestock 0.00
	8. Machinery, equipment and plant 0.00
	9. Real property or immovable as per list "G" 0.00
	10. Furniture 0.00
	11. RRSPs, RRIFs, life insurance, etc. 0.00
	12. Securities (shares, bonds, debentures, etc.) 0.00
	13. Interests under wills 0.00
	14. Vehicles 0.00
	15. Other property, as per list "H" 0.00
	If bankrupt is a corporation, add:
	Amount of subscribed capital 0.00
	Amount paid on capital 0.00
	Balance subscribed and unpaid 0.00
	Estimated to produce 0.00
	Total assets 255,000.00
	Deficiency 26,395,002.00

I, Fred Benitah, of the City of Toronto in the Province of Ontario, do swear (or solemnly declare) that this statement and the attached lists are to the best of my knowledge, a full, true and complete statement of Fluid Brands Inc.'s affairs on the 9th day of January 2019 and fully disclose all property of every description that is in its possession or that may devolve on Fluid Brands Inc. in accordance with the Act.

SWORN (or SOLEMNLY DECLARED)
 before me at the City of Toronto in the Province of Ontario, on this 16th day of January 2019.

 Fred Benitah

District of: Ontario
 Division No. 09 - Toronto
 Court No. 31-2436097
 Estate No. 31-2436097

FORM 78 -- Continued

List "A"
 Unsecured Creditors

Fluid Brands Inc

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
1	2-OSLER, HOSKIN & HARCOURT LLP	6200-1 FIRST CANADIAN PLACE. P.O. BOX 50 100 KING ST. W. TORONTO ON M5X 1B8	0.00	95,000.00	95,000.00
2	3-2668602 ONTARIO INC. Attn: NADIA CAMPION	LAX O'SULLIVAN LISIS GOTTLIEB LLP 2750-145 KING ST. W. TORONTO ON M5H 1J8	0.00	1.00	1.00
3	4-ISAAC BENNETT SALES AGENCIES	111 ORFUS RD TORONTO ON M6A 1M4	0.00	14,700,000.00	14,700,000.00
4	5-F.B.I. INC.	98 ORFUS RD TORONTO ON M6A 1L9	0.00	9,600,000.00	9,600,000.00
5	EMPLOYEES	98 ORFUS ROAD TORONTO ON M6A 1L9	1.00	0.00	1.00
6	MARGARET MORRISON	20334 MAIN ST. ALTON ON L7K 1P7	0.00	0.00	0.00
7	MERCHANT RETAIL SOLUTIONS, ULS Attn: C/O HILCO MERCHANT RESOURCES LLC	ONE NORTHBROOK PLACE 200-5 REVERE DRIVE NORTHBROOK IL 60062 USA	2,000,000.00	0.00	2,000,000.00
Total:			2,000,001.00	24,395,001.00	26,395,002.00

16-Jan-2019

Date

Fred Benitah

District of: Ontario
 Division No. 09 - Toronto
 Court No. 31-2436097
 Estate No. 31-2436097

FORM 78 -- Continued

List "B"
 Secured Creditors

Fluid Brands Inc

No.	Name of creditor	Address	Amount of claim	Particulars of security	When given	Estimated value of security	Estimated surplus from security	Balance of claim
1	1-RICHTER ADVISORY GROUP INC.	BAY WELLINGTON TOWER 3320-181 BAY ST. TORONTO ON M5J 2T3	200,000.00	Cash on Hand - AMEX		200,000.00		
2	2-OSLER, HOSKIN & HARCOURT LLP	6200-1 FIRST CANADIAN PLACE, P.O. BOX 50 100 KING ST. W. TORONTO ON M5X 1B8	150,000.00	Cash on Hand - AMEX		55,000.00		95,000.00
3	3-2668602 ONTARIO INC. Attn: NADIA CAMPION	LAX O'SULLIVAN LISIS GOTTlieb LLP 2750-145 KING ST. W. TORONTO ON M5H 1J8	1.00	Cash on Hand - AMEX		0.00		1.00
4	4-ISAAC BENNETT SALES AGENCIES	111 ORFUS RD TORONTO ON M6A 1M4	14,700,000.00	Cash on Hand - AMEX		0.00		14,700,000.00
5	5-F.B.I. INC.	98 ORFUS RD TORONTO ON M6A 1L9	9,600,000.00	Cash on Hand - AMEX		0.00		9,600,000.00
Total:			24,650,001.00			255,000.00	0.00	24,395,001.00

16-Jan-2019

Date

Fred Benitah

RICHTER

THIS INFORMATION SHEET IS SUPPLIED IN ORDER TO ASSIST YOU IN COMPLETING THE PROOF OF CLAIM FORM

- The proof of claim must be signed by the individual completing the form.
- The signature of the claimant must be witnessed.
- Give the complete address (including postal code) where all notices and correspondence are to be forwarded.
- The amount on the statement of account must agree with the amount claimed on the proof of claim.

PARAGRAPH 1 OF THE PROOF OF CLAIM

- If the individual completing the proof of claim is not the creditor himself, he must state his position or title.
- The creditor must state the full and complete legal name of the Company or the claimant.

PARAGRAPH 3 OF THE PROOF OF CLAIM

- A detailed statement of account must be attached to the proof of claim and must show the date, the invoice number and the dollar amount of all the invoices or charges, together with the date, the number and the amount of all credits or payments. A statement of account is not complete if it begins with an amount brought forward. In addition, a creditor must indicate his/her address, phone number, fax number and E-mail address.

PARAGRAPH 4 OF THE PROOF OF CLAIM

- An unsecured creditor (subparagraph (A)) must check and state whether or not a priority rank is claimed under Section 136 of the Bankruptcy and Insolvency Act.
- A claim of landlord (subparagraph (B)) for disclaim of lease must be completed with full particulars and calculations.
- A secured creditor must complete subparagraph (C) and attach a copy of the security documents.
- A farmer, fisherman or aquaculturist must complete subparagraph (D).
- A wage earner must complete subparagraph (E), if applicable.
- Section F must be completed with regard to a pension plan.
- A claim against director(s) (subparagraph (G)), in a proposal which compromises a creditor's claim, must contain full particulars and calculations.
- A customer of a bankrupt securities firm must complete subparagraph (H).

PARAGRAPH 5 OF THE PROOF OF CLAIM

- The claimant must indicate whether he/she **is** or **is not related** to the debtor, as defined in the Bankruptcy and Insolvency Act, by striking out that which is not applicable.

PARAGRAPH 6 OF THE PROOF OF CLAIM

- The claimant must attach a detailed list of all payments received and/or credits granted, as follows:
 - a) within the **three months** preceding the initial bankruptcy event, in the case where the claimant and the debtor are **not related**;
 - b) within the **twelve months** preceding the initial bankruptcy event, in the case where the claimant and the debtor are **related**.

PROXY

- a) A creditor may vote either in person or by proxy;
- b) A debtor may not be appointed as proxy to vote at any meeting of the creditors;
- c) The Trustee may be appointed as a proxy for any creditor;
- d) In order for a duly authorized person to have a right to vote he must himself be a creditor or be the holder of a properly executed proxy. The name of the creditor must appear in the proxy.

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Montréal, Toronto

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RICHTER

PROOF OF CLAIM

(Section 50.1, Subsections 65.2(4), 81.2(1), 81.3(8), 81.4(8), 81.5, 81.6, 102(2), 124(2), 128(1), and Paragraphs 51(1)(e) and 66.14(b) of the Act)

All notices or correspondence regarding this claim must be forwarded to the following address:

In the Matter of the Bankruptcy of **Fluid Brands Inc.** of the City of Toronto, Province of Ontario, and the claim of _____, creditor.

I, _____ (name of creditor or representative of the creditor), of _____ (city and province), do hereby certify:

1. That I am a creditor of the above-named debtor (or that I am _____ (state position or title) of _____ (name of creditor or representative of the creditor).
2. That I have knowledge of all of the circumstances connected with the claim referred to below.
3. That the debtor was, at the date of the bankruptcy, namely January 9, 2019, and still is, indebted to the creditor in the sum of \$ _____, as specified in the statement of account (or affidavit) attached and marked Schedule "A" after deducting any counterclaims to which the debtor is entitled. (The attached statement of account or affidavit must specify the vouchers or other evidence in support of the claim.)

4. Check and complete appropriate category

- A. UNSECURED CLAIM OF \$ _____

(Other than as a customer contemplated by Section 262 of the Act)

That in respect of this debt, I do not hold any assets of the debtor as security and

(Check appropriate description)

- Regarding the amount of \$ _____, I do not claim a right to a priority.
("Ordinary Creditor")

- Regarding the amount of \$ _____, I claim a right to a priority under section 136 of the Act.
("Preferred Creditor")

(Set out on an attached sheet details to support priority claim)

- B. CLAIM OF LESSOR FOR DISCLAIMER OF A LEASE \$ _____

That I hereby make a claim under subsection 65.2(4) of the Act, particulars of which are as follows:
(Give full particulars of the claim, including the calculations upon which the claim is based)

- C. SECURED CLAIM OF \$ _____

That in respect of this debt, I hold assets of the debtor valued at \$ _____ as security, particulars of which are as follows:

(Give full particulars of the security, including the date on which the security was given and the value at which you assess the security, and attach a copy of the security documents.)

- D. CLAIM BY FARMER, FISHERMAN OR AQUACULTURIST OF \$ _____

That I hereby make a claim under subsection 81.2(1) of the Act for the unpaid amount of \$ _____
(Attach a copy of sales agreement and delivery receipts).

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- E. CLAIM BY WAGE EARNER OF \$ _____
 - That I hereby make a claim under subsection 81.3(8) of the Act in the amount of \$ _____
 - That I hereby make a claim under subsection 81.4(8) of the Act in the amount of \$ _____
- F. CLAIM BY EMPLOYEE FOR UNPAID AMOUNT REGARDING PENSION PLAN OF \$ _____
 - That I hereby make a claim under subsection 81.5 of the Act in the amount of \$ _____
 - That I hereby make a claim under subsection 81.6 of the Act in the amount of \$ _____
- G. CLAIM AGAINST DIRECTOR \$ _____
 (To be completed when a proposal provides for the compromise of claims against directors.)
 That I hereby make a claim under subsection 50(13) of the Act, particulars of which are as follows:
 (Give full particulars of the claim, including the calculations upon which the claim is based.)
- H. CLAIM OF A CUSTOMER OF A BANKRUPT SECURITIES FIRM \$ _____
 That I hereby make a claim as a customer for net equity as contemplated by section 262 of the Act,
 particulars of which are as follows:
 (Give full particulars of the claim, including the calculations upon which the claim is based.)

5. That, to the best of my knowledge, I am (or the above-named creditor is) (or am not or is not) related to the debtor within the meaning of section 4 of the Act, and have (or has) (or have not or has not) dealt with the debtor in a non-arm's-length manner.

6. That the following are the payments that I have received from, the credits that I have allowed to, and the transfers at undervalue within the meaning of subsection 2(1) of the Act that I have been privy to or a party to with the debtor within the three months (or, if the creditor and the debtor are related within the meaning of section 4 of the Act or were not dealing with each other at arm's length, within the 12 months) immediately before the date of the initial bankruptcy event within the meaning of subsection 2(1) of the Act: (provide details of payments, credits and transfers at undervalue)

Dated at _____, this _____ day of _____

Signature of creditor

Signature of witness

Telephone number: _____ Fax number: _____

E-mail address: _____

NOTE: If an affidavit is attached, it must have been made before a person qualified to take affidavits.
 WARNINGS: A trustee may, pursuant to subsection 128(3) of the Act, redeem a security on payment to the secured creditor of the debt or the value of the security as assessed, in a proof of security, by the secured creditor.
 Subsection 201(1) of the Act provides severe penalties for making any false claim, proof, declaration or statement of account.

PROXY

(Subsection 102(2) and paragraphs 51(1)e) and 66.15(3)b) of the Act)

In the Matter of the Bankruptcy of **Fluid Brands Inc.**

I, _____, of _____
 (name of creditor) (name of town or city)

a creditor in the above matter, hereby appoint _____ of _____,
 to be my proxyholder in the above matter, except as to the receipt of dividends, _____ (with or without) power to
 appoint another proxyholder in his or her place.

Dated at _____, this _____ day of _____

Signature of creditor

Per: _____
 Name and Title of Signing Officer

Signature of witness