

CANADA
Province of Quebec
District of: Quebec
Division No.: 01-Montréal
Court No.: 500-11-042467-122
Estate No.: 41-343139

SUPERIOR COURT
(Commercial Division)
Bankruptcy and Insolvency Act

Final Report and Statement of Accounts of the Receiver
(Subsection 246(3) and Rule 127 of the Bankruptcy and Insolvency Act)

In the Matter of the Receivership of
4021568 Canada Inc. (the "Company")

The receiver gives notice and declares that:

1. On April 13, 2012, the undersigned, RSM Richter Inc., produced the Notice and Statement of the Receiver pursuant to subsection 245(1).
2. The Final Statement of Receipts and Disbursements of the Receiver is enclosed.
3. All the assets subject to the Receiver's nomination were sold in accordance with the terms of the Court Order dated April 5, 2012. Those included assets which were subject to the first ranking security of the Canadian Imperial Bank of Commerce (the "CIBC"), the Company's primary lender (the "Secured Assets"), as well as certain assets, namely the intellectual property and certain contractual rights, which were free and clear of any security (the "Free Assets").
4. The Receiver remitted the sale proceeds of the Secured Assets to the CIBC, and remitted the sale proceeds of the Free Assets to the Company's Proposal Trustee, for distribution to the Company's ordinary creditors in accordance with the terms of the Proposal which had been accepted by the creditors and approved by the Court on May 17, 2012.

Dated at Montréal, Province of Quebec, on September 25, 2012.

RSM Richter Inc. - Receiver

Per:



Gilles Robillard, CPA, CA, CIRP
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CANADA
PROVINCE OF QUEBEC
DISTRICT OF QUEBEC
DIVISION NO.: 01-MONTREAL
COURT NO.: 500-11-042467-122
ESTATE NO.: 41-343139

SUPERIOR COURT
(Commercial Division)
(Bankruptcy and Insolvency Act)

IN THE MATTER OF THE RECEIVERSHIP OF 4021568 CANADA INC. (the "COMPANY"), a body politic and corporate, duly incorporated according to law and having its head office and principal place of business at 9600 Meilleur street, Suite 925, Montréal QC, H2N 2E3

RECEIVER'S FINAL STATEMENT OF RECEIPTS AND DISBURSEMENTS (NOTE 1,2)

RECEIPTS

| | | |
|---|-----------|------------|
| 1. Realization of Assets (Note 3) | | |
| a) Inventory (subject to security) | \$ | 230,000.00 |
| b) Sale of accounts receivable (subject to security) | | 795,055.00 |
| c) Sale of intellectual property and contractual rights (not subject to security) | | 100,100.00 |
| d) Interest received | | 598.49 |
| 2. Taxes | | |
| a) GST collected | 19,762.78 | |
| b) QST collected | 39,426.37 | 59,189.15 |

TOTAL RECEIPTS 1,184,942.64

DISBURSEMENTS

| | | |
|--|--|------------|
| 3. Fees paid to Official Receiver | | 70.00 |
| 4. Bank fees | | 38.44 |
| 5. Other disbursements | | 1,117.37 |
| 6. Transfer to Proposal Trustee (Note 3) | | 117,044.90 |

TOTAL DISBURSEMENTS BEFORE TAXES, PROFESSIONAL FEES AND DISTRIBUTION 118,270.71

| | | |
|----------------------|-----------|-----------|
| 7. Taxes | | |
| a) CTI | 3,257.78 | |
| b) RTI | 6,499.37 | |
| c) GST remittances | 16,505.00 | |
| d) QST remittances | 32,927.00 | 59,189.15 |
| 8. Professional fees | | |
| a) Receiver fees | | 63,955.68 |
| b) Legal fees | | 1,200.00 |

TOTAL DISBURSEMENTS BEFORE DISTRIBUTION 242,615.54

10. Remittance to the CIBC (Note 3) 942,327.10

TOTAL DISBURSEMENTS 1,184,942.64


11. BALANCE AVAILABLE FOR UNSECURED CREDITORS -

12. SURPLUS AVAILABLE FOR DISTRIBUTION TO UNSECURED CREDITORS \$ -

- Note 1:** On April 5, 2012, the Canadian Imperial Bank of Commerce ("CIBC"), the Company's primary secured lender, made a motion to the Court for an order appointing RSM Richter Inc. ("Richter") as Receiver and authorizing the sale of the Company's assets pursuant to an offer received from a prospective purchaser (the "Purchased Assets"). The order, as sought, was granted on the same day.
- Note 2:** On April 4, 2012, the Company filed a Proposal to its creditors and Richter was appointed as Trustee under the Proposal (the "Proposal Trustee"). The terms of the Proposal essentially provided for the distribution by the Proposal Trustee of the net proceeds from the sale of the IP (defined below) to the Company's unsecured creditors. The Proposal was accepted by the creditors and subsequently ratified by the Court on May 17, 2012. On September 11, 2012, the Proposal Trustee issued the Certificate of full performance of the Proposal.
- Note 3:** The Purchased Assets were sold to a party that continued the Company's operations and assumed all liabilities owing to its employees. Consequently, there are no claims from the Company's former employees. The offer for the Purchased Assets included an allocation for assets which were subject to the CIBC's first ranking security (the "Secured Assets"), and for assets which were not subject to any security, namely the Company's intellectual property and contractual rights (the "IP"). Upon completion of the sale transaction, the Receiver remitted the proceeds from the sale of the IP to the Proposal Trustee to be distributed in accordance with the terms of the Proposal. The Receiver remitted the net proceeds from the sale of the Secured Assets to the CIBC.

Montreal, September 25, 2012
Date

RSM Richter Inc.
Agent / Receiver



Gilles Robillard, SPA, CA, CIRP