

RICHTER

CANADA
Province of Québec
District of: Québec
Division No.: 05-Trois-Rivières
Court No.: 400-11-003831-095
Estate No.: 43-146169

SUPERIOR COURT
In Bankruptcy and Insolvency

Notice of Final Dividend and Application for Discharge of Trustee (Paragraph 152(5)(c), Rule 61)

In the Matter of the Bankruptcy of
Aleris Aluminum Canada L.P.

Take notice that:

1. There is enclosed with this form a copy of our final statement of receipts and disbursements as taxed.
2. The final dividend has already been paid.
3. Notice of objection of the final statement must be filed with the registrar at the Quebec Superior Court - Trois-Rivières, 850 Hart Street, Trois-Rivières QC G9A 1T9 before February 1, 2014, and a copy of the notice served on the undersigned. The notice must state the reasons for the objection.
4. We will apply to the court on March 5, 2014, at the hour of 9:00 a.m. or so soon thereafter as the motion can be heard, for an order of discharge with respect to the above-mentioned matter.
5. Notice of objection to the discharge, setting out the reasons for opposition, must be filed with the registrar at the Quebec Superior Court - Trois-Rivières, 850 Hart Street, Trois-Rivières QC G9A 1T9, at least five days before the date of the hearing, and a copy of the notice must be served on us within those five days.

Dated at Montréal in the Province of Quebec, January 16, 2014.

Richter Advisory Group Inc. - Trustee
(Formerly RSM Richter Inc.)
Per:


Benoit Gingues, CPA, CA, CIRP

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(français – recto)



CANADA
 PROVINCE OF QUEBEC
 DISTRICT OF QUEBEC
 DIVISION NO.: 05-TROIS-RIVIERES
 COURT NO.: 400-11-003831-085
 ESTATE NO.: 43-146169

SUPERIOR COURT
 in Bankruptcy and Insolvency

IN THE MATTER OF THE BANKRUPTCY OF ALERIS ALUMINUM CANADA L.P., a limited partnership, having its head office and principal place of business at 290 St-Laurent, Cap-de-la-Madeleine, province of Quebec, GST 7W9.

Bankrupt

FINAL STATEMENT OF RECEIPTS AND DISBURSEMENTS
 (Note 1)

RECEIPTS:

1. Advance from Secured Creditor for conservatory measures		\$ 450 000,00
2. Cash on hand and in bank		281 511,82
3. Collection of accounts receivable		493 331,39
4. Sale of inventory		1 048 448,95
5. Sale of assets en bloc		10 500 000,00
6. Miscellaneous refunds :		
a) Deposits	\$ 491 255,86	
b) Reimbursement - Indemnity for environmental matter	75 038,32	566 292,18
7. Taxes :		
a) GST collected	578 073,89	
b) QST collected	910 468,26	
c) Reimbursement of GST	145 109,56	
d) Reimbursement of QST	210 836,77	1 844 486,48
8. Others :		
a) Gain on foreign exchange	21 992,40	
b) Interest	30 419,47	52 411,87
TOTAL RECEIPTS		15 234 482,69

DISBURSEMENTS:

9. Fees paid :		
a) To official receiver	150,00	
b) To court	150,00	300,00
10. Notice of first meeting		
a) To 148 creditors	332,50	
b) Postage	185,14	
c) Local paper	725,64	1 243,28
11. Notice of final dividend and trustee's application for discharge :		
a) To 389 creditors	488,25	
b) Postage	583,50	1 069,75
12. Others :		
a) Postage and redirection of mail	5 687,42	
b) Photocopies	1 796,24	
c) Conference calls and long distance calls	1 666,06	
d) Mileage, meals etc.	16 660,13	
e) Bank charges and others	3 014,21	28 824,06
13. Reimbursement of advance for conservatory measures (including interest) to Secured Creditor		478 089,27
14. Redemption of security		2 049 448,68

Trois-Rivières, le 27 novembre 2013
 Taxe le présent relevé des recettes et débours du syndic,
 Ordonnance est rendue fixant les déboursés du syndic
 à la somme de 6 430 450,98 \$.

Annick Verner
 Me Annick Verner REG. L.F.I.

**IN THE MATTER OF THE BANKRUPTCY OF ALERIS ALUMINUM CANADA L.P.
FINAL STATEMENT OF RECEIPTS AND DISBURSEMENTS**

15. Cost of realization of assets and occupancy :		
a) Extension fee	480 525,50	
b) Municipal and school taxes	408 409,51	
c) Electricity, gas, phone and internet	278 299,48	
d) Security	211 345,17	
e) Salaries and consultant fees	147 813,00	
f) Safeguarding of assets, inventory taking and storage of records	118 584,84	
g) Environmental services	99 898,12	
h) Repair and maintenance, destruction of radioactive substances	66 181,96	
i) Retention right	47 214,32	
j) Other	19 448,17	
	<u>1 877 720,07</u>	
TOTAL DISBURSEMENTS BEFORE LEGAL FEES AND TRUSTEE'S FEES		
		<u>4 438 695,11</u>
16. GST & QST :		
a) GST paid	138 255,24	
b) QST paid	217 723,60	
c) Remittance of GST	578 041,18	
d) Remittance of QST	910 466,28	
	<u>1 844 486,48</u>	
17. Legal fees :		
a) Fasken Martineau Dumoulin S.E.N.C.R.L. (Notes 2 and 3)	129 113,13	
b) Daigneault Avocats, Inc.	20 156,26	
c) Davies Ward Phillips & Vineberg S.E.N.C.R.L. (Note 3)	-	
	<u>149 269,39</u>	
18. Trustee's remuneration (Note 3)		
		<u>-</u>
TOTAL DISBURSEMENTS		
		<u>6 430 450,98</u>
19. AMOUNT AVAILABLE FOR DISTRIBUTION		
		<u>\$ 8 804 031,71</u>
20. DISTRIBUTION OF DIVIDEND		
a) Property claim (note 4)		\$ 2 549,32
b) Levy		79 503,71
c) Secured claim (notes 3 and 5)		
Gross dividend	\$ 8 801 482,39	
Less : Levy	(79 503,71)	
	<u>8 721 978,68</u>	
		<u>\$ 8 804 031,71</u>

Realization of assets

	As per statement of affairs	Realization
Inventory	\$ 1 000 000,00	\$ 1 046 448,95
Accounts receivable	1,00	493 331,39
Cash	280 000,00	281 511,82
Machinery and toolings	9 000 000,00	10 499 998,00
Furnitures and equipments	15 000,00	Included in machinery and toolings
Building	7 000 000,00	1,00
Other	-	618 704,05
	<u>\$ 17 275 001,00</u>	<u>\$12 939 996,21</u>

**IN THE MATTER OF THE BANKRUPTCY OF ALERIS ALUMINUM CANADA L.P.
FINAL STATEMENT OF RECEIPTS AND DISBURSEMENTS**

Notes:

- Note 1:** On March 30, 2009, Aleris Aluminum Canada L.P. filed an Assignment in Bankruptcy and RSM Richter Inc. was appointed Trustee to the Estate.
- Note 2:** The Trustee obtained a legal opinion from Fasken Martineau DuMoulin S.E.N.C.R.L. confirming the validity of the security held by the secured creditors, namely Deutsche Bank and Aleris International Inc. All assets were pledged in favour of Deutsche Bank. Deutsche Bank was repaid in its entirety. The secured claim of Aleris International Inc. (totaling \$ 23,818,193.60) was partially repaid and Aleris International Inc. suffered a loss on its security as the single largest unsecured creditor for an amount of \$ 14,996,944.35.
- Note 3:** Dividend paid to Aleris International Inc. amounted to \$ 8,825,655.96 and in addition, the following receivables in litigation were assigned to Aleris International Inc.

Valeo	\$	1 200 000
Behr		<u>2 685 335</u>
	\$	<u>3 885 335</u>

The litigation with Valeo was settled for the above mentioned amount and the Behr litigation is still on going.

From the above mentioned dividend the Trustee was instructed by Aleris International Inc. to remit on its behalf the following amounts:

Morneau Sobeco L.P.	\$ 1 650 000,00
RSM Richter Inc.	1 848 304,84
Fasken Martineau DuMoulin	344 473,61
Davies Ward Phillips & Vineberg	<u>17 284,12</u>
	<u>\$ 3 860 062,57</u>

Therefore, the unsecured balance owed to Aleris International Inc. is \$ 14,996,944.35.

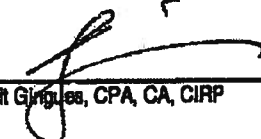
- Note 4:** The federal government filed a property claim in the amount of \$ 2,549.32 pursuant to paragraph 67 (3) of the Bankruptcy and Insolvency Act for unremitted deductions at source. The claim was paid in full on December 16, 2010.
- Note 5:** Releases were issued by the Trustee to the following creditors considering the absence of equity for the unsecured creditors :

CIT Financial Ltd
Delage Landan Financial Services Canada Inc.
GE Capital Solutions
L. Belanger Metal Inc.
Supérieur Propane
Trois-Rivières Automat Inc.

Système de bureautique SBM Inc.
Iron Mountain
Les Services Matrec Inc.
Robert Fer et Métaux Inc.
Les Services S.D. Dubé Inc.
Vecilia ES Canada Services Industriels Inc.

Richter Advisory Group Inc.
(Formerly RSM Richter Inc.)
Trustee

5 août 2013
Date


Benoit Girgules, CPA, CA, CIRP

Approved by:

Daniel Goyette, inspector

(Signed)
Ralph Nener, inspector

Alain Cléroux, inspector

(Signed)
Michel Blanchet, inspector

(Signed)
Pierre St-Ours, inspector

Attestation Concerning Redemption of the Security

In the matter of the Bankruptcy of Aleris Aluminium L.P. ("Aleris")

I, Benoit Gingues, of Richter Advisory Group Inc. ("Richter"), Trustee, report to the Office of the Superintendent of Bankruptcy on the following:

1. As at the date of bankruptcy, the amount due to Deutsche Bank ("DB") and Stikeman Elliott LLP ("Stikeman"), as secured lender, amounted to \$5 200 000:

As at November 8, 2009	
DB loan position	\$ 1 999 862,11
Stikeman	49 588,57
	<u>\$ 2 049 448,68</u>

2. As Trustee, I initiated the sale process (call for tenders) of the inventory on May 20, 2009.
3. I sold the inventory on November 2, 2009 for an amount of \$ 10 943 465,36.

Realization of asset	
Sales of assets	\$ 10 943 465,36
Related disbursements	(1 877 720,07) (see 4)
Net realization value	<u>\$ 9 065 745,29</u>

4. The disbursements (including taxes) relating to the redemption are as follows:

Extension fee	\$ 480 525,50
Municipal and school taxes	408 409,51
Electricity, gas, phone and internet	278 299,48
Security	211 345,17
Salaries and consultant fees	147 813,00
Safeguarding of assets, inventory taking and storage of records	118 584,84
Environmental services	99 898,12
Repair and maintenance, destruction of radioactive substances	68 181,96
Retention right	47 214,32
Other	19 448,17
	<u>\$ 1 877 720,07</u>

Dated at Montreal, this 5th day of August 2013.

Richter Advisory Group Inc.
(Formerly RSM Richter Inc.)
Trustee



Benoit Gingues, CPA, CA, CFP