

SUPERIOR COURT OF JUSTICE
Commercial List
Bankruptcy and Insolvency Act

Notice and Statement of the Receiver
(Subsections 245(1) and 246(1) of the *Bankruptcy and Insolvency Act*)

In the Matter of the Receivership of
Strellmax Ltd.
Of the City of Toronto
In the Province of Ontario

The Receiver gives notice and declares that:

1. On July 7, 2017, pursuant to an order (the “**Receivership Order**”) of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”), Richter Advisory Group Inc. (“**Richter**”), was appointed as receiver (the “**Receiver**”) of the assets, undertakings and properties (the “**Property**”) of Strellmax Ltd. (“**Strellmax**” or the “**Company**”) to exercise the powers and duties set out in the Receivership Order. A copy of the Receivership Order is available on the Receiver’s website at www.richter.ca/en/folder/insolvency-cases/s/strellmax-ltd.
2. The Receivership Order was granted pursuant to an application made by Strellson AG (“**Strellson**”) pursuant to security held by Strellson in the Property of the Company.
3. On the same day, an order (the “**Approval and Vesting Order**”) was made by the Court, approving an asset purchase agreement (the “**APA**”) between Strellmax, the Receiver (the “**Vendor**”), Strellson AG (the “**Purchaser**”), and Strellson Canada Ltd. (the “**Buyer**”), where the Purchaser has agreed to acquire, and the Buyer to take title to, certain of the Company’s inventory and other assets in order for the Buyer to continue the Company’s wholesale business on a going concern basis. Pursuant to the Receivership Order, the Company is authorized to market and sell its remaining assets (not subject to the APA) through a liquidation sale (the “**Sale**”) under the supervision of the Receiver at its retail stores, in accordance with the sale guidelines attached to the Receivership Order.
4. As at June 30, 2017, the Company’s Property consisted of the following:

Assets	Net Book Value (CAD \$000s)
Cash and Cash Equivalents	\$ 184
Trade Accounts Receivable	994
Receivable from Strellson AG	327
Other Receivables	88
Inventory	2,122
Advances to Related Companies	34
Prepaid Expenses	13
Property, Plant, and Equipment	3,059
Total	\$ 6,821

Note: The above amounts represent book values of the Company’s assets as detailed in the Company’s book and records and do not necessarily represent sale or liquidation values, which may differ materially from the book value.



5. Pursuant to the Receivership Order, Strellmax remained in possession and control of the Property, and the day-to-day operation of the Company's business, and the Receiver was not deemed to be in possession and control of the Property, save and except for the Company's treasury assets.
6. The following information relates to the receivership:
 - (a) Address of insolvent person:
3725 Chesswood Dr
Toronto, ON
M3J 2P6
 - (b) Principal lines of business:
Men's apparel wholesaler and retailer.
 - (c) Location(s) of business:
The list of the Company's business locations per the Company's books and records are set out in the attached Schedule "A".
 - (d) The estimated amount owed, as of July 7, 2017, by the Company to each creditor who holds security over and/or asserts a secured claim over the Property described above:

Secured Creditor	Amount
Strellson AG (" Strellson ") ¹	\$ 3,839,410.33
Adamray Investments Inc. (" Adamray ")	1,150,000.00
National Leasing Inc. (" National ")	5,062.01

Notes:

- (1) *The Receiver has received an opinion on Strellson's security from its independent legal counsel, WeirFoulds LLP dated July 4, 2017 (the "**Security Opinion**"). The Security Opinion provides that, subject to the customary qualifications and assumptions, the security interest granted to Strellson pursuant to the assigned security over certain of the personal property, assets and undertakings of Strellmax located in Ontario is valid and enforceable as against a trustee in bankruptcy of Strellmax.*
 - (2) *Aside from the Security Opinion, no acknowledgement is made by the Receiver at this time concerning the other amounts owing or the security claimed above.*
- (e) The list of the Company's other creditors and the amount owed to each creditor per the Company's books and records is set out in the attached Schedule "B".
 - (f) The intended plan of action of the Receiver during the receivership is to work with the Purchaser, the Buyer, and the Company to conduct a liquidation of certain assets (not subject to the APA) through a Sale at its retail stores, and to complete the transaction pursuant to the APA in order to monetize the Property for the benefit of the Company's stakeholders.

In the Matter of the Receivership of Strellmax Ltd.

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(g) Contact person for Receiver:

Daniel Korsunsky, CPA, CA
Telephone: (416) 488-2345 X 2334
Fax: 416.488.3765
E-mail: claims@richter.ca

Dated at Toronto, in the Province of Ontario, on July 14, 2017.

Richter Advisory Group Inc.

in its capacity as Receiver of Strellmax Ltd.

Per:



Paul van Eyk, CA · CIRP, CA · IFA
Senior Vice President

Strellmax Ltd.
Schedule A - Business Locations

Name	Address	City	Province	Postal Code
Head Office and Distribution Center	3725 Chesswood Drive	Toronto	ON	M3J 2P6
Bloor Street West	170 Bloor St W	Toronto	ON	M5S 1T9
Yorkdale Mall	3401 Dufferin Street	Toronto	ON	M6A 2T9
Hudson's Bay Company at Yorkdale Mall	3401 Dufferin Street	Toronto	ON	M6A 2T9
Bayview Village	2901 Bayview Avenue	Toronto	ON	M2K 1E6
Rideau Centre	50 Rideau St e304	Ottawa	ON	K1N 9J7
745 Thurlow	1108 Alberni Street	Vancouver	BC	V6E 1A5

Strellmax Ltd.**Schedule B - List of Creditors**

SECURED CREDITORS	AMOUNT (\$CAD)
ADAMRAY	1,150,000.00
NATIONAL LEASING INC	5,062.01
STRELLSON AG	3,839,410.33
TOTAL SECURED CREDITORS	4,994,472.34
UNSECURED CREDITORS	
2368626 ONTARIO INC. (TOWLINE TAILORS)	1,083.92
BAILEE HOFFMAN	1,386.40
BCIMC REALTY CORPORATION	12,831.71
BEAVER SIGN AND SILK SCREEN LTD.	113.38
BELL CANADA - INTERNET	386.46
BELL CANADA - TELEPHONE	1,085.82
CANADA'S BEST STORE FIXTURES INC.	270,811.52
CARLOS GRAPHICS (8305293 CANADA INC.)	627.15
CEDAR SPRINGS	38.79
CINTAS CANADA LIMITED	120.49
CONDOR GURTEL GES M.B.H.	9,364.40
EMPLOYEES	UNKNOWN
EMPLOYERS OVERLAOD	12,717.69
ENBRIDGE GAS DISTRIBUTION INC.	79.10
FEDERAL EXPRESS CANADA LTD.	419.12
GXS CANADA INC.	203.40
HAROLDS TENT AND PARTY RENTAL -YUKON EVENTS INC.	197.75
ICON DIGITAL PRODUCTIONS INC.	1,032.89
ITOCHU TEXTILE PROMINENT ASIA LTD. *	639.91
JOOP	15,247.76
KARBEL **	23,346.89
Kavinoky Cook LLP	132.50
MCNEIL MAINTENANE STORE FORM WINDOW CLEANING	33.90
OLYMPIC DUST CONTROL	319.44
PANKO **	4,179.92
PCM TECHNOLOGIES	734.70
PITNEY WORKS	568.35
POINT OF PRESENCE TECHNOLOGIES	194.36
QIXAS	38,506.39
REALSPACE MANAGEMENT GROUP INC.	8,683.89
REDTAIL SOLUTIONS INC. *	431.14
RGIS	3,616.00
RODAIR CUSTOM BROKERS *	51,500.85
RODAIR CUSTOMS BROKER LTD.	5,314.21
RODAIR INTERNATIONAL LTD.	559,368.81
ROGERS CABLE	205.54
ROGERS COMMUNICATIONS CANADA INC.	137.75
ROGERS WIRELESS	2,901.47

Strellmax Ltd.**Schedule B - List of Creditors**

ROYAL CUSTOM TAILORS	1,332.27
SHARP ELECTRONICS OF CANADA LTD.	1,451.63
SPLENDID PRODUCTION LTD.	994.87
STRELLMARK EYEWEAR	932.25
STRELLSON AG	3,487,824.40
SURE GENERAL CONTRACTORS	76,736.14
SUTHERLAND MODELS.	1,830.60
SYSOFT COMPUTER CONSULTANTS LIMITED	8,652.14
TEXTYLE ASIA PTE LTD. *	14,212.13
THE MESSENGERS INTERNATIONAL	446.35
TOM PLACEII OUTLET	139,732.41
TORONTO HDYRO ELECTRIC SYSTEMS LTD.	2,235.73
TYGO INTEGRATED SECURITY CANADA INC.	627.43
UNIVERSAL SURVEILLANCE SYSTEMS, LLC	140.73
WM PRAGER LTD.	418.33
TOTAL UNSECURED CREDITORS	<u>4,766,131.18</u>
GRAND TOTAL	<u><u>9,760,603.52</u></u>

Note:

* USD amount translated to CAD at July 1, 2017 daily average exchange rate - \$1.29818

** EURO amount translated to CAD at July 1, 2017 daily average exchange rate - \$1.48287