

CANADA
Province of Quebec
District of Quebec
Division No.: 01-Montréal
Court No.: 500-11-053512-170
Estate No.: 41-344174

SUPERIOR COURT
(Commercial Division)
Bankruptcy and Insolvency Act

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

In the Matter of the Receivership of
9197281 Canada Inc.
Of the City of Montréal
In the Province of Québec

The Receiver gives notice and declares that:

1. On November 10, 2017, an Order was rendered, which was further amended on November 14, 2017, appointing Richter Advisory Group Inc. ("Richter"), as Receiver in respect of the property of 9197281 Canada Inc., an insolvent person. The reported book value of the assets as at August 31, 2017 are as follows:

	<u>Book value</u>
Accounts receivable	\$ 1,067,465
Inventory	119,000
Office equipment	3 660
Furniture and equipment	17,702
Leasehold improvements	54,245

2. It is too early for the Receiver to attempt to determine the liquidation value of the assets at this stage.
3. Richter was appointed following an Order rendered by the Honorable Julie Begin, Registrar of the Quebec Superior Court, pursuant to the *Bankruptcy and Insolvency Act*, following an application filed by the Laurentian Bank of Canada which holds the following securities:
 - Pursuant to a letter of offer dated January 26, 2017, and accepted by the Debtor on January 31, 2017, as amended from time to time (collectively designated as the "Letter of Offer"), the Bank made available to the Debtor certain credit facilities, including:
 - a) Line of credit in the amount of \$600,000 bearing interest at the Bank's prime rate, plus 2.0% per annum (the "Line of Credit");
 - b) Visa business credit cards with a total limit of \$25,000; and
 - c) Line of credit for foreign exchange contracts.
 - The Debtor granted a hypothec in favor of the Bank on all of its present and future stocks, inventories and claims (the "Hypothec"), the whole as appears from a copy of the movable hypothec dated February 9, 2017, and certificate of registration at the Register of Personal and Movable Real Rights on February 15, 2017, under number 17-0134519-0001.
4. The following information relates to the Receivership:
 - (a) Address of insolvent person: 9399 boul. Saint-Laurent, Montréal QC H2N 1P6
 - (b) Principal line of business: Import and wholesale and retail of clothing ready to wear
 - (c) Location of business: 9399 boul. Saint-Laurent, Montréal QC H2N 1P6

(d) Amount owed by the insolvent person to each creditor who holds a security on the property described above:

Revenue Quebec (partially deemed trust)	\$201,619
Laurentian Bank of Canada	577,086

(e) The preliminary list of other unsecured creditors of the insolvent person, according to the books and records as at August 31, 2017, are as follows:

Lyman Container Lines (Indian and Canadian HQ)	\$ 7,895
Rubric Import	10,160
Shandong Minmetals	5,696
Swan Apparels	15,555
Total Customs	<u>1,396</u>
Total	\$40,702

(f) Pursuant to paragraph 10.3k) of the Amended Order rendered on November 14, 2017, the Receiver reserves the right, at its sole discretion, to file a Notice of Intention to Make a Proposal to the Debtor's creditors under section 50.4 of the *Bankruptcy and Insolvency Act* or file assignment of its property for the general benefit of the Debtor's creditors.

(g) Contact person for the Receiver:

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Dated at Montreal, November 16, 2017

Richter Advisory Group Inc. - Receiver
Per:



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