

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
Daco Manufacturing Ltd.
of the City of Vaughan
in the Province of Ontario

The Receiver gives notice and declares that:

1. On July 17, 2015, pursuant to an Order of the Ontario Superior Court of Justice (Commercial List) (the “Court”), Richter Advisory Group Inc. (“Richter”), was appointed receiver (the “Receiver”) in respect of all of the assets, undertakings and properties (the “Property”) of Daco Manufacturing Ltd. (“Daco” or the “Company”).
2. Prior to the Receiver’s appointment, on May 19, 2015, Daco filed a Notice of Intention to Make a Proposal (“NOI”), pursuant to subsection 50.4(1) of the *Bankruptcy and Insolvency Act* (Ontario), and Richter was named as trustee under the NOI. The primary objective of the NOI was to identify one or more parties interested in investing in and/or purchasing the Company’s business or assets.
3. Unfortunately, the sales process undertaken by the Company as part of its NOI proceedings did not result in any offers that would support a distribution to the Company’s unsecured creditors. As there was no prospect that the Company could present a proposal to its unsecured creditors, Daco informed the proposal trustee that it would not be seeking an extension of the stay of proceedings triggered upon the filing of the NOI. As a result, and as there still remained a need for a process to both wind down the Company’s operations and realize on the Property, on July 17, 2015, the Company sought an Order of the Court that both deemed the Company bankrupt and appointed a Receiver to realize on the Property for the benefit of the Company’s stakeholders.
4. As at July 17, 2015, the Company’s Property consisted of the following:

Assets	Net Book Value
	(\$000s)
Accounts Receivable	\$ 90
Inventory	4,625
Prepaid Expenses	36
Fixed Assets	32
Total	\$ 4,783

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 the sale or liquidation value of the Property.



5. On July 17, 2015, the Receiver took possession of the Property.

6. The following information relates to the receivership:

(a) Address of insolvent person:

401 Vaughan Valley Blvd.
Vaughan, ON
L4H 3B5

(b) Principal line of business:

Jewellery manufacturer and wholesaler.

(c) Location(s) of business:

401 Vaughan Valley Blvd.
Vaughan, ON
L4H 3B5

(d) Amount owed, as of July 17, 2015, by the Company to each creditor who holds security on the Property described above:

Meridian Credit Union Limited	\$	1,400,000
Roynat Inc.	\$	1,500,000
CBSC Capital Inc.		n/a

(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.

(f) The intended plan of action of the Receiver during the receivership, to the extent that such a plan has been determined, is to sell (either en bloc or piecemeal) the Company's assets or otherwise monetize the Property for the benefit of the Company's stakeholders.

(g) Contact person for receiver:

Pritesh Patel, CFA, CIRP
Telephone: 416.642.9421
Fax: 416.488.3765
E-mail: claims@richter.ca

Dated at Toronto, Province of Ontario, on July 27, 2015.

Richter Advisory Group Inc.
in its capacity as Receiver of
Daco Manufacturing Ltd.

Per:

Adam Sherman, MBA, CIRP
Vice President

Daco Manufacturing Ltd.
List of Creditors (as at July 17, 2015)

Creditor Name	Amount (\$)
407 ETR (ACCT. # 050 624 107)	84.65
A & B JEWELLERY	108.00
A&H MANUFACTURING *A&HUSA0001	25,886.58
A-Z PRINTERS LIMITED	124.30
ABELL PEST CONTROL INC	381.84
ACPL EXPORTS PVT. LTD *ACPL00001	82,132.12
AIR LIQUIDE CANADA INC.	26.23
ALMAX JEWELRY CO., LTD (QINGDAO) *ALMAX0001	220.00
ALON WEISS	1.00
AMANDA RACHPAUL	1.00
AVI COHEN	1.00
BELFRY CO. LTD *BELF00001	970.10
BELL CANADA507544472	4,515.09
BELL MOBILITY521535824	1,661.99
BELMIRA, ALMEIDA	1.00
BEST JEWELRY HOLDING LTD.COMPANY(QINGDAO) *BESTJEWELRY0001	1,755.00
BEVERLY MOODIE	1.00
BHEEMWATIE SHIAMSUNDAR	1.00
BORDEN LADNER GERVAIS LLP	33,851.14
C.S FASHION (QINGDAO) *CSFASHION00001	1,245.00
CANON CANADA INC.	665.08
CARMEN GUZMAN	1.00
CASEWARE IDEA INC.	1,130.00
CENTRAL TRANSPORT	190.13
CHECKPOINT SYSTEMS CANADA ULC	5,514.40
CHRISTINE PETROU	1.00
COUNTER INTELLIGENCE MERCHANDISING	185,887.26
CREATIVE GOLD II INC *CREAGOLD001	4,623.79
D.Y.JEWELRY CO., LTD (QINGDAO) *DYJEWELRY00001	3,855.50
DACO (CHINA) *DACOCHINA001	6,800.63
DACO USA INC.	2,700,000.00
DAMA INC. *DAMA01404	7,505.90
DEEPAK KASHYAP	1.00
DHANDAI RAMPERSAUD	1.00
DHL EXPRESS (DUTY)	16,457.71
DHL EXPRESS(CANADA), LTD.	5,940.28
DONNA DASILVA	1.00
EASYPACK CORP.	2,999.43
EH ASHLEY & COMPANY INC *EHASHLEY_US	17,889.29
ENBRIDGE Attn: INSOLVENCY DEPARTMENT19 35 15 739913	1,463.36
ENGINEERED PLASTIC DESIGNS INC.	30,694.47
EUROPEAN DESIGN	272.39
EVERSHINY JEWELRY CREATION CO LTD *EVERSHINY00001	5,528.30
F & F TRADING STONE	595.90
FEDERAL EXPRESS (DUTY)	16,656.35
FEDERAL EXPRESS (FREIGHT)	177.51
FEDERAL EXPRESS (FREIGHT)*	1,265.49
FENGYING FASHION JEWELLERY*	267.00
G AND S	79,471.33
GANGADIA VEERANA	1.00
GRAND & TOY LIMITED	683.00
GROUNDPROS LANDSCAPE MANAGEMENT	5,070.31

Daco Manufacturing Ltd.
List of Creditors (as at July 17, 2015)

Creditor Name	Amount (\$)
HANWOOL JEWELRY CO., LIMITED(QINGDAO) *HANWOOL0001	14,526.83
HOME DEPOT	102.12
HONG DE ER CRAFTS CO. LTD (QINGDAO) *HONGDE00001	716.00
IBM CANADA LIMITED	1,242.97
JEWELRY PRINCESS CO., LTD. *SEVE01676	1,898.08
JIANGMING INDUSTRIAL LTD*	66.15
JON FASHION ACCESSORIES CO.,LIMITED *JONFASHION00001	17,051.16
JTS INC *JTSINC0001	4,811.86
JULIA CRISTALES	1.00
JUST I.T. SUPPLY INC.	458.16
KEENGOLDEN MFG CO. LTD (QINGDAO) *KEENGOLDEN0001	198.00
LALLCHAN DALLU	1.00
LEACHGARNER *HALL01303	4,730.60
LEE'S MFG *LEE'01377	7,279.97
LIVINGSTON INTERNATIONAL	64.92
LYNN PAIN	1.00
MARIA FRANCO	15.00
MARIA GONZALES	1.00
MARIA REYNA RIVERA	1.00
MARIANNA SCENI	1.00
MARILENA JEWELLERY IMPORTLTD.	78,072.16
MARY FIGLIUZZI	1.00
MAYCARD PACKAGING CO., LTD *MAYCARD0001	3,329.60
MEAGHAN GALLAGHER	1.00
MEGA PRODUCTS INC. *MEGA01012	12,563.00
MERIDIAN CREDIT UNION LIMITED	893.44
MILKA BRESCIC	1.00
MOHAN RAMNARAIN	1.00
MTR PAPERS DISTRIBUTORS	242.19
N.B. JANITORIAL SERVICES	182.48
NEIL DYNNA	1.00
NOVELTY DESIGN INT'L LIMITED *NOVELTY00001	12,777.59
NOW COMPUTER SOLUTIONS INC.	3,390.00
OMEGA NETWORK SOLUTIONS	241.31
ORO18-DIV OF ORO AFRICA (PTY) LTD *ORO180001	18,283.23
PACKPRO SYSTEMS INC.	4,915.57
PANYU DIANA JEWELRY COMPANY LIMITED *DIANA00001	32,543.40
PATROLMAN SECURITY SERVICES INC	10,181.30
PETRO CANADA	160.00
POWERSTREAM580301400025	2,478.87
PRINCESS WORKS	425.43
PRIORITY LABEL PROD. LTD.	1,923.31
PURULATOR COURIER LIMITED	26,138.46
RG FLAIR CO. *RG F0985	14,726.63
RITA ZAVAGLIA	1.00
RONDO CO. LTD *RONDO0001	54,926.10
ROSA BONACCORSO	1.00
ROY TURK IND.	841.86
SANDY VACHON	155.35
SATHIANATHAN NILES	1.00
SCATRAGLI, S.R.L.	4,716.10
SHAKUNTALA KANHAI	1.00
SISTA MOUTSIAS	1.00
SJ ART&CRAFTS CO., LTD(QINGDAO) *BOBJEWEL0001	71,524.26

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Creditor Name	Amount (\$)
STERLING ORNAMENTS PVT LTD *STERLING00001	16,523.99
T & P FASHION*	5,091.78
T.A. MODE	311.20
TAGMATTIE BACCHUS	1.00
TAKHOI TRADING *TAKH01528	5,679.42
TEAMWORKS	151.94
TFORCE INTEGRATED FREIGHT	315.42
THING FAIR (THAILAND) CO. LTD. *THING001	247.68
THURAIRAJAH SRIDHAR	1.00
TIANJING RONGSHIJI IMPORT & EXPORT CO. LTD., *TIANJING00	1,543.00
TUCHENG JEWELRY CO. LTD (QINGDAO) *TUCHENGJLRY0001	846.00
TYCO INTEGRATED FIRE&SECURITY CANADA, INC.	1,595.23
UPS (TORONTO)	598.60
VC JEWELLERY-1867284 ONTARIO INC.	652.01
W & M WIRE & METAL PRODUCTS LTD	5,129.07
WANDA BRISSON	15.00
WASTECO	312.06
WEST VAUGHAN JANITORIAL	406.80
WOORIM JEWELRY CO.,LTD *WOOR0001	2,332.00
XIANGYUAN (QINGDAO) JEWELRY *FRECRAFT0001	14,743.96
YORK PROPERTY SERVICES LTD.	141.25
ZED JEWELERS INC.	838.93
ZZUSEXCH 1,2211	105,885.89
Total	3,826,751.54