

CANADA
Province de Québec
District de : Québec
No division : 01 - Montréal
No cour : 500-11-035190-095
No dossier : 41-1149267

COUR SUPÉRIEURE
En matière de faillite et d'insolvabilité
(Chambre commerciale)

Avis de dividende définitif et de demande de libération du syndic
(alinéa 152(5)c) de la Loi et Règle 61)

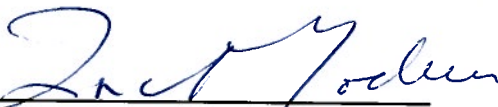
Dans l'affaire de la faillite de
Polychem Products Canada inc.
de la Ville de Montréal
dans la Province de Québec

Avis est donné que :

1. Un bordereau de dividende définitif a été préparé. Annexées au présent avis se trouvent une copie du bordereau de dividende et une copie de l'état définitif des recettes et des débours taxés.
2. Le dividende définitif a déjà été payé.
3. Un avis d'opposition à l'état définitif et au bordereau de dividende doit être déposé auprès du registraire au Palais de justice de Montréal, 1, rue Notre-Dame Est, Montréal, Québec avant le 7 mars 2011 et une copie de l'avis doit être signifiée au soussigné. L'avis doit indiquer les motifs d'opposition.
4. Le soussigné s'adressera au tribunal le 8 avril 2011, à 9 heures, ou dès que la requête pourra être entendue, afin d'obtenir une ordonnance de libération relativement à l'actif du failli susmentionné et la décharge de la garantie fournie par le soussigné conformément au paragraphe 16(1) de la Loi.
5. Un avis d'opposition à la libération du soussigné, énonçant les motifs de l'opposition, doit être déposé auprès du registraire au Palais de justice de Montréal, 1, rue Notre-Dame Est, Montréal, Québec, au moins cinq jours avant la date de l'audition, et une copie de l'avis doit être signifiée au soussigné dans ce délai.

Daté le 18 février 2011, à Montréal en la province de Québec.

RSM Richter Inc. - Syndic
Par :


Eric Rodier, MBA, CA, CIRP
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District of Quebec
Division No. 01-Montréal
No. 500-11-035190-095
Estate No. 41-1149267

DIVIDEND SHEET - SECTION 81.3

In the matter of the Bankruptcy of Polychem Products Canada Inc.
of the City of Montreal
in the Province of Québec

| | Dividend | Levy | Payment |
|---------------------------|-------------|----------|-------------|
| | \$ | \$ | \$ |
| Amegroud, Said | \$ 1,187.34 | \$ 59.37 | \$ 1,127.97 |
| Audet, Gaston | 445.69 | 22.28 | 423.41 |
| Beaudoin, Lucien | 1,024.98 | 51.25 | 973.73 |
| Beaumier, Robert | 548.26 | 27.41 | 520.85 |
| Belisle, Denis | 1,292.44 | 64.62 | 1,227.82 |
| Belleau, Joel | 2,000.00 | 100.00 | 1,900.00 |
| Bonhomme, Claude | 690.78 | 34.54 | 656.24 |
| Bouchard Lezzi, Alexandre | 421.36 | 21.07 | 400.29 |
| Bouchard, Mario | 1,302.67 | 65.13 | 1,237.54 |
| Bouchard, Patrick | 1,654.43 | 82.72 | 1,571.71 |
| Boucher, Nathalie | 246.16 | 12.31 | 233.85 |
| Boutella, Ali | 1,733.86 | 86.69 | 1,647.17 |
| Brais, Sonia | 572.55 | 28.63 | 543.92 |
| Brosseau, Mario | 1,123.39 | 56.17 | 1,067.22 |
| Castonguay, Denis | 493.57 | 24.68 | 468.89 |
| Clement, Patrick | 706.32 | 35.32 | 671.00 |
| Coderre, Marc | 479.59 | 23.98 | 455.61 |
| Daoust, Marc | 999.81 | 49.99 | 949.82 |
| Deblois, Bryan | 1,240.00 | 62.00 | 1,178.00 |
| Deneault, Chantal | 933.22 | 46.66 | 886.56 |
| Ducharme, Michel | 1,462.98 | 73.15 | 1,389.83 |
| Dumont, Stephane | 567.27 | 28.36 | 538.91 |
| Dupont, Gabriel | 1,241.44 | 62.07 | 1,179.37 |
| Filion, Mathieu | 483.27 | 24.16 | 459.11 |
| Forcier, Yvon | 1,332.66 | 66.63 | 1,266.03 |
| Gagne, Dany | 1,724.26 | 86.21 | 1,638.05 |
| Gambier, Chantal | 577.05 | 28.85 | 548.20 |
| Gervais, Andre | 1,324.99 | 66.25 | 1,258.74 |
| Gervais, Luc | 1,414.49 | 70.72 | 1,343.77 |
| Girard, Andre | 1,439.93 | 72.00 | 1,367.93 |
| Giroux, Eric | 489.80 | 24.49 | 465.31 |
| Grenier, Francois | 1,845.15 | 92.26 | 1,752.89 |
| Jancar, Frank | 1,789.96 | 89.50 | 1,700.46 |
| Jean, Gerard | 1,348.77 | 67.44 | 1,281.33 |
| Jobin, Normand | 1,307.61 | 65.38 | 1,242.23 |
| Johnson, Daniel | 576.88 | 28.84 | 548.04 |
| Lalancette, Mario | 1,748.29 | 87.41 | 1,660.88 |
| Lavallee, Martin | 531.00 | 26.55 | 504.45 |
| Lavoie, Alain | 1,241.06 | 62.05 | 1,179.01 |
| Leavey, Diane | 726.80 | 36.34 | 690.46 |
| Levesque, Gilles | 756.94 | 37.85 | 719.09 |

| | Dividend | Levy | Payment |
|---------------------------|---------------------|--------------------|---------------------|
| | \$ | \$ | \$ |
| Lussier, Denis | 1,385.01 | 69.25 | 1,315.76 |
| Lussier, Sylvain | 1,568.08 | 78.40 | 1,489.68 |
| Martin, Luc | 1,646.95 | 82.35 | 1,564.60 |
| Martineau, Albert | 870.11 | 43.51 | 826.60 |
| Messier, Pierre | 1,242.32 | 62.12 | 1,180.20 |
| Nelson, Gilles | 621.61 | 31.08 | 590.53 |
| O'Cain, Annick | 1,544.92 | 77.25 | 1,467.67 |
| Olivier, Francois | 1,333.00 | 66.65 | 1,266.35 |
| Pare, Marie-Michele | 1,218.90 | 60.95 | 1,157.96 |
| Picotte, Alexandre | 1,105.30 | 55.27 | 1,050.04 |
| Prescott, Keven | 559.15 | 27.96 | 531.19 |
| Proulx, Claude Regis | 1,999.65 | 99.98 | 1,899.67 |
| Proulx, Sylvain | 1,804.97 | 90.25 | 1,714.72 |
| Racine, Eric | 1,308.93 | 65.45 | 1,243.48 |
| Ricard, Sebastien | 575.11 | 28.76 | 546.35 |
| Richardson, Steven | 560.49 | 28.02 | 532.47 |
| Savoie, Jean-Mario | 639.58 | 31.98 | 607.60 |
| Senecal, Carole | 623.07 | 31.15 | 591.92 |
| Seregni, Luigi | 2,000.00 | 100.00 | 1,900.00 |
| Service Canada - PPS | 9,377.53 | 468.89 | 8,908.64 |
| St-Laurent, Antoine | 700.61 | 35.03 | 665.58 |
| Therault, Guy | 2,000.00 | 100.00 | 1,900.00 |
| Tieman, Maurice | 1,254.41 | 62.72 | 1,191.69 |
| Tremblay, Charles-Auguste | 1,595.29 | 79.76 | 1,515.53 |
| Tremblay, Pierre | 1,600.39 | 80.02 | 1,520.37 |
| Trudeau, Roger | 839.93 | 42.00 | 797.93 |
| Turcotte, Diane | 1,443.74 | 72.19 | 1,371.55 |
| Wilkinson, Daniel | 1,593.46 | 79.67 | 1,513.79 |
| | <u>\$ 86,039.53</u> | <u>\$ 4,301.99</u> | <u>\$ 81,737.54</u> |

CANADA
 PROVINCE OF QUEBEC
 DISTRICT OF MONTREAL
 DIVISION NO.: 01-MONTREAL
 COURT NO.: 500-11-035190-095
 ESTATE NO.: 41-1149267

SUPERIOR COURT
 (Commercial Division)

IN THE MATTER OF THE BANKRUPTCY OF Polychem Products Canada Inc. A body politic and corporate, duly incorporated according to law and having its head office and its principal place of business at 1501 des Futailles Street, Montreal, Quebec H1N 3P1

Final Statement of Receipts and Disbursements (Note 1)
 (Other than Summary Administration and Consumer Proposals)
 (Section 152 of the Act)

RECEIPTS:

| | | | | |
|----|---|------------|----|-------------------|
| 1. | Refunds of utility deposits | | \$ | 8,924.92 |
| 2. | Interest Allocation | | | 8.71 |
| 3. | Intercompany transfers (Note 2) | | | |
| | a) Bankruptcy | 80,150.00 | | |
| | b) Directly paid by Company during NOI (Note 3) | 108,728.73 | | 188,878.73 |
| | TOTAL RECEIPTS: | | | <u>197,812.36</u> |

DISBURSEMENTS:

| | | | | |
|-----|---|------------|----|-------------------|
| 4. | Fees paid | | | |
| | a) To official receiver | 150.00 | | |
| | b) To court | 150.00 | | 300.00 |
| 5. | Other notices and reports (Notice of Intention to make a proposal, Notices of adjournment and Notice of Bankruptcy) | | | |
| | a) To 223 creditors | 3,337.02 | | |
| | b) Postage | 1,310.55 | | 4,647.57 |
| 6. | Notice of bankrupt's application for discharge | | | |
| | a) To 223 creditors | 500.00 | | |
| | b) Postage | 500.00 | | 1,000.00 |
| 7. | Inspectors fees | | | 400.00 |
| 8. | Miscellaneous - Bank charges | | | |
| | a) Bank charges | 93.18 | | |
| | b) Administrative expenses | 1,629.42 | | 1,722.60 |
| 9. | Legal fees - Kaufman Laramée (Note 4) | | | 1,000.00 |
| 10. | Trustee's remuneration | | | |
| | a) Trustee to Notice of Intention (Note 5) | 102,573.94 | | |
| | b) Trustee to Bankruptcy | - | | 102,573.94 |
| 11. | GST / QST | | | 128.75 |
| | TOTAL DISBURSEMENTS: | | | <u>111,772.86</u> |
| 12. | Amount available for distribution | | \$ | <u>86,039.50</u> |
| 13. | Levy payable under section 147 of the act | | | 4,301.99 |
| 14. | Section 81.3 employee claims | | | 81,737.51 |
| 15. | Amount available for distribution | | \$ | <u>-</u> |

REALIZATION OF ASSETS

1. Real property
2. Other property

| | STATEMENT OF AFFAIRS | TRUSTEE'S REALIZATION |
|-------------------|-------------------------|--------------------------|
| 1. Real property | 1,400,000.00 | (Note 2) |
| 2. Other property | 1.00 | (Note 2) |
| | <u>1,400,001.00</u> | <u>(Note 2)</u> |

NOTES 1) On January 6, 2009, Polychem Products Canada Inc. filed a Notice of Intention to Make a Proposal to its creditors and RSM Richter Inc. was appointed Trustee.

On February 5, 2009, the Debtor filed a Proposal to its creditors.

On February 26, 2010, the First Meeting of Creditors to Consider Proposal was adjourned to March 31, 2009.

On March 31, 2009, the first Meeting of Creditors to Consider Proposal was further adjourned to May 15, 2009.

On May 15, 2009, the first Meeting of Creditors to Consider Proposal was further adjourned to July 10, 2009.

On May 15 2009, RSM Richter Inc. was appointed as Interim Receiver to sell the fixed assets of the Company

On July 10, 2009 the Company was declared bankrupt due to the refusal of a Proposal. RSM Richter Inc. was then appointed Trustee to the bankruptcy of Polychem Products Canada Inc.

2) Solplast Inc. and Polychem Products Canada Inc. are related Companies which jointly and severally guaranteed the indebtedness to CIBC. RSM Richter Inc. acted as Interim Receiver and as Trustee to each Company. All assets were subject to the first ranking security of CIBC and thereafter to the 2nd ranking security holders, Icegate Holdings Inc. and 177960 Canada Inc ("Icegate"). The CIBC was owed approximately \$ 10.9 M and after the realization of the primary assets has incurred a nominal shortfall of approximately \$ 45 K. Both companies' fixed assets were liquidated by the Interim Receiver and their residual assets were realized by the Trustee to each bankrupt Estate, save and except some litigious receivables and carbon credits ("Contingent Assets"). The CIBC has agreed to allow Icegate, the 2nd secured creditor, to take over the realization process and to pay CIBC the balance of its loan, if and when such 2nd secured lender achieves any realization. The Trustee has no further interest in the Contingent Assets as their expected realization is far less than the indebtedness to the 2nd secured lender.

In view of the close intercompany relationship between Solplast Inc. and Polychem Products Canada Inc, certain expenses were common and/or overlapping; this requiring adjustments and/or payment in some cases by the Trustee/Interim Receiver of one Company's obligations by the other. Funds were transferred from Solplast Inc. to Polychem Products Canada Inc. in order to issue payment for Secured claims under section 81.3 of the BIA to employees.

3) Funds paid directly by debtor for fees of NOI / Proposal.

4) The Trustee received a legal opinion on the validity of the security of CIBC which was paid directly by the Debtor, and on the validity of the security of the second ranking Secured Creditor, Icegate, the latter which was paid by the Estate.

5) These fees were paid directly by the Debtor and relate to acting a Trustee to the NOI and Proposal. Any further direct recoveries by the Trustee will be applied to its outstanding fees as bankruptcy Trustee. During the period of the NOI and the Proposal, the Companies (i.e. Solplast Inc. & Polychem Products Canada Inc.) collected in excess of \$ 6 M of accounts receivable and sale of inventory and disbursed \$ 1.4 M, the net proceeds of \$ 3.6 M was paid directly by the Companies to its Bank to reduce advances. The separate Statement of Receipts and Disbursements of the Interim Receiver also reflects transactions regarding assets realized by it.

October 05, 2010
Date

Approved by:

John Brown-inspector

Jocelyn Lavoie-inspector

RSM Richter Inc.
Trustee

Per: Eric Robier, MBA, CA, CFP

David Gutman-inspector

Benita McCourt-inspector

Polychem Products Canada Inc.
COURT NO.: 500-11-33799199

Taxed at the sum of

9,198.82

for the disbursements and at the sum of

102,573.91

for the trustee's remuneration, this

10

day of

January

2010

By: _____ (print name)
Registrar
Taxing Officer

[Handwritten signature and scribbles]