

RSM Richter Inc.

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**CANADA
PROVINCE OF QUÉBEC
DISTRICT OF MONTREAL
DIVISION NO.: 01-MONTRÉAL
COURT NO.: 500-11-041229-119
ESTATE NO.: 41-343008**

**SUPERIOR COURT
(Commercial Division)**

IN THE MATTER OF THE RECEIVERSHIP OF:

M. HADDAD SPORTSWEAR INC., a body politic and corporate, duly incorporated according to law and having its head office and its principal place of business at: 701-333 Chabanel W., Montreal, Québec H2N 2E7

Debtor/Bankrupt

-and-

RSM RICHTER INC.

Receiver

**RECEIVER'S FINAL REPORT
(S.246(3))**

RSM Richter Inc., in its capacity as Receiver of M. HADDAD SPORTSWEAR INC. ("Company") a bankrupt, hereby reports on the following:

1. On October 7, 2011, RSM Richter Inc. was appointed Receiver by the Scotia Bank to act as its Agent to collect the Debtor's accounts receivable (we refer you to Exhibit 1 for a copy of the Certificate of Filing – Sec. 245(1)).
2. The Receiver has completed the administration of its mandate. The Receiver's final Statement of Receipts and Disbursements for the period from October 7, 2011 to July 5, 2012 is submitted as Exhibit 2.
3. The Receiver will remit the available funds from its trust account to the Scotia Bank, the Company's secured creditor holding a first ranking interest in the Company's accounts receivable.

DATED AT MONTREAL, this 17th day of July, 2012.

RSM Richter Inc.
Receiver


Yves Vincent, FCPA, FCA, CIRP

EXHIBIT 1



Bureau du surintendant
des faillites Canada

Office of the Superintendent
of Bankruptcy Canada

Un organisme
d'Industrie Canada

An Agency of
Industry Canada

District of Quebec

Division no.: Montreal

Court no.: 500-121-041229-119

Estate no.: 41-343008

IN THE MATTER OF THE RECEIVERSHIP OF:

M. HADDAD SPORTSWEAR INC.
Insolvent person

RSM RICHTER INC.
Receiver acting behalf of:

BANK OF NOVA SCOTIA
Secured creditors:

DATE OF NOTICE: October 17, 2011
DATE OF APPOINTMENT: October 7, 2011
DATE OF TAKING OF POSSESSION OR CONTROL: October 7, 2011
AMOUNT OWED: \$2,000,000.00

CERTIFICATE OF FILING – SEC. 245(1)

The undersigned, representing the Superintendent of Bankruptcy for this bankruptcy and insolvency district, certifies that:

- The above-mentioned receiver filed a notice pursuant to section 245(1) of the Bankruptcy and Insolvency Act;

Said receiver must:

- Forthwith after his taking possession or control, prepare a statement pursuant to section 246(1);
- Prepare further interim reports relating to the receivership at least once every six (6) months, pursuant to section 246(1);
- Forthwith after completion of his duties as receiver, prepare a final report and a statement of accounts, in accordance with section 246(3);
- Provide a copy of said report and statement to the Superintendent, to the insolvent person or his trustee, and to any creditor who requests a copy of thereof.

Claire Blake
Séquestre officiel

October 18, 2011

Date

5, Place Ville Marie, 8th floor, Montreal, (Quebec), H3B 2G2 / Telephone: 1-877-376-9902 / Facsimile (514) 283-9795

Canada



Protège l'intégrité
du système
d'insolvabilité

Protecting the
integrity of the
Insolvency System

EXHIBIT 2

CANADA
 PROVINCE OF QUEBEC
 DISTRICT OF MONTREAL
 DIVISION NO.: 01-Montréal
 COURT NO.: 600-11-041229-119
 ESTATE NO.: 41-1532467

SUPERIOR COURT
(Commercial division)

In the matter of the receivership of M. Haddad Sportswear Inc., a body politic and corporate duly incorporated according to law and having its head office and its principal place of business at 701-333 Chabanel W, Montreal, Quebec, H2S 1L6

Debtor

STATEMENT OF RECEIPTS AND DISBURSEMENTS
FOR THE PERIOD FROM OCTOBER 7, 2011 TO JULY 5, 2012

Receipts	Note		
1. Collection of Accounts Receivable	1	\$	58 080,30
2. Taxes:			
a) GST collected		\$	-
b) QST collected			-
c) GST refunds			-
d) QST refunds			-
3. Interest and others			-
			<u>58 080,30</u>
DISBURSEMENTS			
4. Professional fees			
a) Trustee to the Receivership		70,00	
b) To court		<u>150,00</u>	220,00
5. Miscellaneous			
a) Photocopies and postage, courier, etc.		1 356,28	
d) Bank fees		<u>55,10</u>	1 421,38
6. Taxes:			
a) GTI		125,10	
b) RTI		<u>223,26</u>	348,36
7. Receiver's professional fees	2		-
8. Legal fees and disbursements	3		<u>1 151,70</u>
TOTAL DISBURSEMENTS			3 141,46
9. PROPERTY CLAIM	4		
a) Canada Revenue Agency		\$ 6 225,26	
b) Revenue Quebec		<u>11 240,09</u>	<u>17 465,35</u>
10. AMOUNT AVAILABLE FOR DISTRIBUTION			<u><u>37 473,49</u></u>
11. Remittance to secured creditor - Scotia Bank	1		<u>37 473,49</u>
12. FUNDS AVAILABLE			<u>\$ -</u>

Note 1: The realization of accounts receivable also includes an amount of \$9 683,30 remitted to the ScotiaBank directly by Kugler Kandestin, SENCRLL / LLP.

Note 2: The Receiver's fees have been paid directly by the secured creditor, ScotiaBank.

Note 3: A legal opinion was obtained by the Receiver confirming the validity of the securities held by ScotiaBank.

Note 4: The settlement of property claims have been allocated between the Receiver's realization and the Trustee's realization based on the gross value of assets realized, as shown hereafter:

			Property claims
Bankruptcy	\$ 95 168	62%	\$ 28 618
Receivership	58 080	38%	17 465
	<u>\$ 153 249</u>		<u>\$ 46 083</u>

RSM Richter Inc.
 Receiver

Yves Vincent, FCPA, FCA, CIRP

July 17, 2012
 Date