

RICHTER

CANADA
Province of Quebec
District of: Quebec
Division No.: 18-Terrebonne
Court No.: 700-11-016463-160
700-11-016462-162
Estate No.: 41-2101877
41-2101868

SUPERIOR COURT
In Bankruptcy and Insolvency
(Commercial Division)

In the matter of the Notices of Intention to Make a Proposal of:

2806436 CANADA INC.
- and -
2818396 CANADA INC.

Debtors

- and -

Richter Advisory Group Inc.

Trustee

**TRUSTEE'S REPORT ON THE STATE OF THE INSOLVENT PERSONS'
BUSINESS AND FINANCIAL AFFAIRS**
(Pursuant to 50.4(7)(b)(ii) and 50.4(9) of the *Bankruptcy and Insolvency Act*)

I, Stéphane DeBroux, CPA, CA, CIRP of Richter Advisory Group Inc. ("Richter"), Trustee, with respect to the Notices of Intention to Make a Proposal ("Notices of Intention") filed by 2806436 Canada Inc. and 2818396 Canada Inc. (the "Debtors"), insolvent persons, do hereby report to the Court the following:

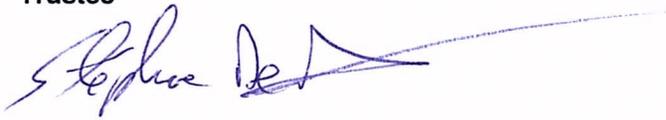
1. The Debtors were leading manufacturers of private label health and beauty care products in Canada. As part of their businesses, the Debtors offered to their customers' turnkey services for all of their private label needs, starting with the initial concept, the development of a formula, the marketing research, the design of the package to manufacturing and distribution.
2. On March 22, 2016, the Debtors filed each a Notice of Intention to Make a Proposal in accordance with the *Bankruptcy and Insolvency Act* ("the Act"), a copy of which has been annexed hereto as **Exhibit "A"**.
3. On the same date, the Debtors filed each an Application for the Issuance of Orders Authorizing a Sale of Assets (the "Sale Applications") seeking the authorization to sell all or substantially all of their assets as a going concern to Davion Inc., acting on behalf of 9338-9641 Québec Inc. (the "Purchaser"), whereby the Purchaser offered to purchase all or substantially all of the Debtors' assets, as a going concern (the "Transaction").
4. On March 24, 2016, the Court granted the Sale Applications and rendered in each file an order approving the Transaction, and authorizing the transfer of the Debtors' assets to the Purchaser free and clear of all charges (the "Purchased Assets").
5. On the same date, the Transaction closed and the purchase price was paid to the Trustee, acting as escrow agent. However, as further described below, some of the elements of the Transaction remain to be completed post-closing.

6. On March 29, 2016, documents were sent by mail to all creditors of the Debtors, as identified by them, which included a copy of the Debtors' Notices of Intention, as annexed hereto as **Exhibit "B"**.
7. On March 31, 2016, the Debtors filed with the Official Receiver a Statement of Projected Cash Flow ("Forecast") together with his report pursuant to Section 50.4(2)(c) of the Act, covering the period from March 28 to April 24, 2016, which included the major Assumptions used in the preparation of the Forecast. Concurrently therewith, the Trustee filed its Report on the reasonableness of the Forecast in accordance with Section 50.4(2)(b) of the Act, all of which have been annexed hereto as **Exhibit "C"**.
8. The Trustee has compared the actual results to the Forecast and the actual results to date have been consistent with the Forecast.
9. Since the closing of the Transaction, the Debtors and the Purchaser have been working towards transferring the business and operations in a manner which would allow such transition to appear seamless, to the extent possible, to the principal suppliers, clients and employees in order to reassure them of the Purchaser's intention in continuing the Debtors' business and operations and preserve the business relationship with such parties.
10. Amongst these parties are Shoppers Drug Mart and Loblaws, who were both, as at the closing of the Transaction, major clients of the Debtors, and with whom the Debtors and the Purchaser have and continue to spend considerable time in order to ensure that these clients will continue to do business with the Purchaser.
11. In addition to the foregoing, the Purchased Assets include a tax credit to which the Debtors were and remain entitled to pursuant to the Scientific Research and Experimental Development Tax Incentive Program (the "SR&ED Tax Credit") put in place by Canada Revenue Agency ("CRA"). However, since the SR&ED Tax Credit could not be assigned to the Purchaser, the Debtors and the Purchaser agreed that the filing of the required forms and supporting documentation allowing the Debtors to claim such SR&ED Tax Credit and remit it to the Purchaser upon reception would be made post-closing. As such, since the closing of the Transaction, the Debtors have taken various steps to complete and file the required forms with CRA, including the engagement of a third party consultant, in order to claim the SR&ED Tax Credit. The payment of the SR&ED Tax Credit will not only enable the Debtors to complete the Transaction but will also allow the Debtors to pay to the Centre d'aide aux entreprises de la rive-sud ("CAE") amounts owed to it (approx. \$208,000) pursuant to a Convention de Prêt (the "CAE Debt"). Since CAE holds a first ranking hypothec over the SR&ED Tax Credit, the Purchaser had agreed to assume the CAE Debt, on a limited recourse basis, up to the amount of the SR&ED Tax Credit.
12. The Debtors have filed a Motion to Extend the Delay for the Filing of a Proposal ("Motion") in order to facilitate the transfer of all of the Purchased Assets to the Purchaser.
13. Although progress has been made since the filing of the Notices of Intention, an additional period of time remains necessary to ensure that the transition of the Debtors' business to the Purchaser be completed as swiftly and seamlessly as possible.
14. The Debtors have prepared an additional Cash Flow Forecast for the period ending June 3, 2016. Annexed hereto as **Exhibit "D"** is the Statement of Projection Cash Flow covering the period from April 18, 2016 to June 3, 2016 which includes the major Assumptions used in the preparation of the aforementioned Forecast, the Trustee's Report on the reasonableness of the Forecast in accordance with Section 50.4(2)(b) of the Act and the Debtors' Report pursuant to Section 50.4(2)(c) of the Act.
15. If the extension is granted, we are not aware that any creditor will be materially prejudiced.

16. The Debtors' principal secured lender is Canadian Imperial Bank of Commerce ("CIBC"). CIBC has been advised of the Debtors' Motion and does not oppose the extension sought herein.
17. In the event that the extension is not granted and a Bankruptcy ensues, the transition of the Debtors' business and the transfer of the Purchased Assets would likely be disrupted.
18. That given the foregoing, the Trustee hereby recommends the granting of the extension by the Court to June 3, 2016.

DATED AT MONTRÉAL, this 15th day of April 2016.

Richter Advisory Group Inc.
Trustee

A handwritten signature in blue ink, appearing to read 'Stéphane DeBroux', with a long horizontal flourish extending to the right.

Stéphane DeBroux, CPA, CA, CIRP
Administrator

EXHIBIT A

District of:
Division No.
Court No.
Estate No.

- FORM 33 -
Notice of Intention To Make a Proposal
(Subsection 50.4(1) of the Act)

In the Matter of the Notice of Intention to Make a Proposal of
2806436 Canada Inc.
Of the City of Boisbriand
In the Province of Quebec

Take notice that:

1. I, 2806436 Canada Inc, an insolvent person, state, pursuant to subsection 50.4(1) of the Act, that I intend to make a proposal to my creditors.
2. Richter Advisory Group Inc/Richter Groupe Conseil inc of 1981 avenue McGill College, 12e étage, Montréal, QC, H3A 0G6, a licensed trustee, has consented to act as trustee under the proposal. A copy of the consent is attached.
3. A list of the names of the known creditors with claims of \$250 or more and the amounts of their claims is also attached.
4. Pursuant to section 69 of the Act, all proceedings against me are stayed as of the date of filing of this notice with the official receiver in my locality.

Dated at the City of Boisbriand in the Province of Quebec, this 22nd day of March 2016.



2806436 Canada Inc
Insolvent Person

To be completed by Official Receiver:

Filing Date

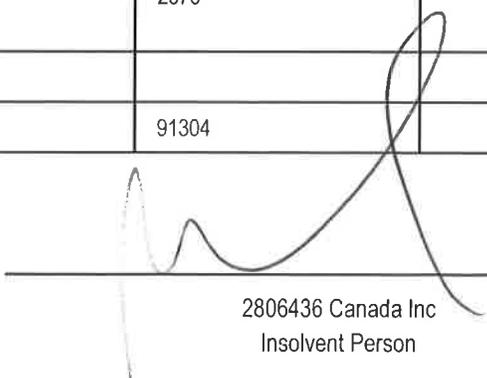
Official Receiver

District of:
Division No. -
Court No.
Estate No.

- FORM 33 -
Notice of Intention To Make a Proposal
(Subsection 50.4(1) of the Act)

In the Matter of the Notice of Intention to Make a Proposal of
2806436 Canada Inc.
Of the City of Boisbriand
In the Province of Quebec

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
3488390 CANADA INC.			625,000.00
AETNA FELT CORPORATION	2401 W. EMAUS AVENUE ALLENTOWN PA 18103 USA	2401	94,032.41
AETNA LIFE		900	9,015.24
BDC			900,000.00
CAE			208,314.02
CBSC CAPITAL INC	1 - 3450 SUPERIOR COURT OAKVILLE ON L6L0C6	91235	1,960.32
CCTFA	102 - 420 BRITANNIA ROAD E MISSISSAUGA ON L4Z3L5	90124	3,444.00
CIBC			3,874,767.00
COSMETICS IMPORT MARK GROUP		80527	273.60
EMPLOYEE EXPENSES			1,596.81
ERNST & YOUNG INC		92282	36,000.00
GXS CANADA INC	275 FRANK TOMPA DRIVE WATERLOO ON N2L0A1	315	2,317.43
H.W. HOLLINGER (CANADA) INC		2070	34,105.48
HEWITT	CONTRACT/AUTO PAYMENT		1,544.90
JIM SHUSTER		91304	2,076.80

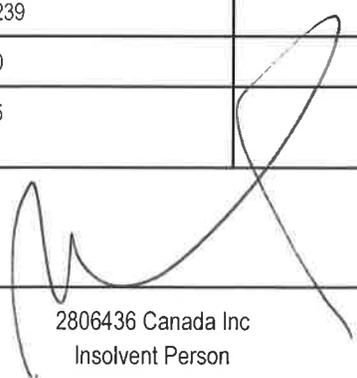

2806436 Canada Inc
Insolvent Person

District of:
Division No.
Court No.
Estate No.

- FORM 33 -
Notice of Intention To Make a Proposal
(Subsection 50.4(1) of the Act)

In the Matter of the Notice of Intention to Make a Proposal of
2806436 Canada Inc.
Of the City of Boisbriand
In the Province of Quebec

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
LE GROUPE SUMMUM SALES	5566 BLVD DES ROSSIGNOLS LAVAL QC H7L6W6	5566	13,758.87
LES ENTREPOT SAC2000 INC		91581	2,990.72
LOGISTIQUE CANAMEX INC	1933 LIONEL-BERTRAND BOISBRIAND QC J7H1N8	1933	4,128.11
MARK MASTRO STEFANO		91910	316.80
METRO CANADA LOGISTICS INC		500	101,340.00
PHARMASAVE NATIONAL		501	2,235.85
PSB BOISJOLI S.E.N.C.R.L. LLP	400 - 3333 GRAHAM Montreal, QC H3R3L5	91122	25,869.38
REVENU QUEBEC PENSION ALIMENTAIRE			567.72
REVENUS QUÉBEC TAXES			15,000.00
STIKEMAN		91724	29,382.96
THE LOGISTICS ALLIANCE INC	1 MARITIME ONTARIO BOUL BRAMPTON ON L6S6G4	90062	4,159.11
TIGER TRUCKING		90239	1,977.29
TRANSAMERICAN		700	1,410.99
TRAVELERS TRANSPORTATION		955	9,393.98


2806436 Canada Inc
Insolvent Person

District of:
Division No. -
Court No.
Estate No.

- FORM 33 -
Notice of Intention To Make a Proposal
(Subsection 50.4(1) of the Act)

In the Matter of the Notice of Intention to Make a Proposal of
2806436 Canada Inc.
Of the City of Boisbriand
In the Province of Quebec

Total			6,006,979.79
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2806436 Canada Inc
Insolvent Person

EXHIBIT B

CANADA
Province de Québec
District de Québec
No Division : 18-Terrebonne
No Cour : 700-11-016462-162
No Dossier : 41-2101868

COUR SUPÉRIEURE
En matière de faillite et d'insolvabilité

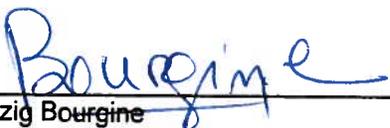
**Affidavit d'envoi
Avis aux créanciers de l'avis de l'intention de faire une proposition**

**Dans l'affaire de l'avis d'intention de faire une proposition de
2806436 Canada Inc.
de la ville de Boisbriand
en la province de Québec**

Je, soussignée, du cabinet de Richter Groupe Conseil Inc., 1981 McGill College, 12^e étage, Montréal, Québec, déclare et dis ce qui suit :

1. Que j'ai fait expédier, par courrier ordinaire dûment affranchi, du bureau de poste de la ville de Montréal, province de Québec, le 29 mars 2016, à tous les créanciers connus apparaissant à la liste de poste intitulée « **Liste d'envoi aux créanciers** » ci-jointe, ainsi qu'à toutes les parties apparaissant à liste de poste intitulée « **Liste de poste des envois supplémentaires** » ci-jointe, au dirigeant de la personne morale insolvable, ainsi qu'à la cour, un *Avis aux créanciers de l'intention de faire une proposition*, dont copie conforme dudit document est annexée au présent affidavit.
2. Qu'à cette même date, j'ai également fait expédier, par courriel, à toutes les personnes apparaissant à la liste de poste intitulée « **Liste des envois supplémentaires par courriel** » ci-jointe, une copie du Formulaire 01.1 et un *Avis aux créanciers de l'intention de faire une proposition*, dont copie conforme dudit document est annexée au présent affidavit.
3. Qu'à cette même date, j'ai également déposé électroniquement auprès du Bureau de division l'*Avis aux créanciers de l'intention de faire une proposition*, dont copie conforme de la confirmation dudit dépôt est annexée au présent affidavit.

Fait à Montréal, province de Québec, ce 29^e jour de mars 2016.


Soazig Bourgine

Assermentée dans la ville de Montréal, en la province de Québec, le 4 avril 2016


Commissaire à l'assermentation pour la province de Québec



- Liste d'envoi aux créanciers -

Dans l'affaire de l'avis d'intention de faire une proposition de
2806436 Canada Inc.
de la ville de Boisbriand
en la province de Québec

Type de créancier	Nom	Attention	Adresse
Directeur	Michael Korenberg		3532 av. de Vendôme Montréal QC H4A 3M7
Tribunal	Cour supérieure du Québec - St-Jérôme		25, rue de Martigny O. Saint-Jérôme QC J7Y 4Z1
Garanti	BDC		5 PLACE VILLE MARIE MONTREAL QC H3B 5E7
	CIBC		1155 RENÉ-LÉVESQUE O, #1400 MONTREAL QC H3B 3Z4
Non-garanti	3488390 CANADA INC.		1905 LIONEL-BERTRAND BLVD BOISBRIAND QC J7H 1N8
	9159-6957 QUEBECINC		1771 ANDRÉ LAVAL QC H7M 2W8
	AETNA FELT CORPORATION		2401 W EMAUS AVENUE ALLENTOWN PA 18103 USA
	AETNA LIFE		1255 GREENE AVENUE, STE 210 MONTREAL QC H3Z 2A4
	ALMA CONSULTING GROUP		4141 SHERBROOKE O, BUREAU 410 MONTREAL QC H3Z 1B8
	ATLANTIC PACKAGING		111 PROGRESS AVENUE SCARBOROUGH QC M1P 2Y9
	BLAKE, CASSELS & GRAYDON LLP		3000 - 1 PLACE VILLE MARIE MONTREAL QC H3B 4N8
	BMO LIFE ASSURANCE CO		PO BOX 57035, STATION A TORONTO ON M5W 5M5
	CAE		270 SIR WILFRID LAURIER, #200 BELOEIL QC J3G 4G7
	CBSC CAPITAL INC		1 - 3450 SUPERIOR COURT OAKVILLE ON L6L0C6
	CCTFA		102 - 420 BRITANNIA ROAD E MISSISSAUGA ON L4Z3L5
	DAVION INC, DBA HABA		2 PROGRESS ROAD NORTH BRUNSWICK NJ 8902 USA
	ERNST & YOUNG INC		57104 PO BOX POSTAL STATION A TORONTO ON M5W 5M5
	FEDERAL EXPRESS		PO BOX 4626, STATION A TORONTO ON M5W 5B4
	FIRST QUALITY INT'L CANADA		5460 PO BOX POSTAL STATION A NEW YORK NY 5460 USA
	FLAGSHIP COURIER SOLUTIONS		148 BRUNSWICK POINTE-CLAIRE QC H9R 5J9
	GOLD-TECH CONSULTING INC		1850 RIGAUD BROSSARD QC J7X2J8
	GRAPHCO LABELS		700 RUE COWIE GRANBY QC J2G 3X6

- Liste d'envoi aux créanciers -

Dans l'affaire de l'avis d'intention de faire une proposition de
2806436 Canada Inc.
de la ville de Boisbriand
en la province de Québec

Type de créancier	Nom	Attention	Adresse
Non-garanti	GREAT WEST RRSP		255 AVENUE DUFFERIN LONDON ON N6A 4K1
	GXS CANADA INC		275 FRANK TOMPA DRIVE WATERLOO ON N2L 0A1
	H.W. HOLLINGER (CANADA) INC		550 RUE SHERBROOKE O, SUITE 2070, TOUR WEST MONTREAL QC H3A 1B9
	HEWITT		CONTRACT/AUTO PAYMENT 4000 AUTOROUTE TRANSCANADIENNE POINTE-CLAIRE QC H9R 1B2
	IMPORTATIONS TRIVAGLINI INC		10351 RENAUDE LAPOINTE ANJOU QC H1J 2T4
	JIM SHUSTER		1985 MENDON ROAD CUMBERLAND RI 2864 USA
	LE GROUPE SUMMUM SALES		5566 BLVD DES ROSSIGNOLS LAVAL QC H7L6W6
	LES ALIMENTS TREY FOODS		924 BERLIER LAVAL QC H7L 4K5
	LES ENTREPOT SAC2000 INC		1805 INDUSTRIEL LAVAL QC H7S 1P5
	LES SYSTEMES VANTREE INC		100 ALEXIS-NIHON, SUITE 350 ST-LAURENT QC H4M 2P5
	LOGISTIQUE CANAMEX INC		1933 LIONEL-BERTRAND BOISBRIAND QC J7H1N8
	MANULIFE		PO BOX 1627 WATERLOO ON N2J 4P4
	METRO CANADA LOGISTICS INC		1002 SHERBROOKE OUEST, SUITE 2000 MONTREAL QC H3A 3L6
	MICHAEL GOODMAN		1350 SHERBROOKE O, SUITE 1110 MONTREAL QC H3G 1J1
	PHARMASAVE NATIONAL		SUITE 201 - 8411 - 200TH ST. LONGLEY BC V2Y 0E7
	PSB BOISJOLI S.E.N.C.R.L. LLP		400 - 3333 GRAHAM MONTREAL QC H3R3L5
	PUROLATOR COURIER LTD		1100 P.O. BOX, POSTAL STATION A ETOBICOKE ON M9C 5K2
	RBC LIFE		PO BOX 2691, POSTAL STATION A TORONTO ON M5W 2N7
	RIDOUT & MAYBEE LLP		250 UNIVERSITY AVE., 5TH FL TORONTO ON M5H 3E5
	STIKEMAN		1155 RENÉ-LÈVESQUE O MONTREAL QC H3B 3V2
	THE LOGISTICS ALLIANCE INC		1 MARITIME ONTARIO BOUL BRAMPTON ON L6S6G4
	TIGER TRUCKING		2480 WALKLEY ROAD OTTAWA ON K1G 6A9

- Liste d'envoi aux créanciers-

Dans l'affaire de l'avis d'intention de faire une proposition de
2806436 Canada Inc.
de la ville de Boisbriand
en la province de Québec

Type de créancier	Nom	Attention	Adresse
Non-garanti	TRANSAMERICAN		4902 N. AMERICA DRIVE BUFFALO NY 14224 USA
	TRAVELERS TRANSPORTATION		195 HEART LAKE ROAD SOUTH BRAMPTON ON L6W 3N6

Liste de poste des envois supplémentaires

**Dans l'affaire de l'avis d'intention de faire une proposition de
2806436 Canada Inc.
de la ville de Boisbriand
en la province de Québec**

AGENCE DU REVENU DU CANADA
CENTRE D'ARRIVAGE REGIONAL EN INSOLVABILITE
25, RUE DES FORGES, BUREAU 111
TROIS-RIVIERES QC G9A 2G4

COMMISSION DES NORMES DU TRAVAIL
A/S JEAN-GUY LABERGE, SERV. SURVEILLANCE
500, RENÉ-LÉVESQUE O., 26 ÉTAGE
MONTRÉAL (QUÉBEC) H2Z 2A5

CSST
1, COMPLEXE DESJARDINS
TOUR SUD, SUCC. DESJARDINS
MONTRÉAL QC H5B 1H1

DUN & BRADSTREET DU CANADA LTÉE
705-715 SQUARE VICTORIA
MONTRÉAL QC H2Y 2H7

EDC-EXPORT DEVELOPMENT CANADA
151 O'CONNOR
OTTAWA ON K1A 1K3

EULER HERMES
1155 RENÉ-LÉVESQUE O.
BUREAU 2810
MONTRÉAL QC H3B 2L2

GAZ MÉTROPOLITAIN
1717, RUE DU HAVRE
MONTRÉAL QC H2K 2X3

HYDRO-QUÉBEC
BUREAU DU RECOUVREMENT
140, CRÉMAZIE O., 1^{ER} ÉTAGE
MONTRÉAL QC H2P 1C3

REVENU QUÉBEC
DIRECTION RÉGIONALE DU RECOUVREMENT
DE LA CAPITALE-NATIONALE ET AUTRES RÉGIONS
1265 BOUL CHAREST OUEST - SECTEUR C65-6I
QUÉBEC QC G1N 4V5

REVENU QUÉBEC
DIRECTION RÉGIONALE DU RECOUVREMENT DE MONTRÉAL
1600 RENÉ-LÉVESQUE OUEST-3^e ÉTAGE
SECTEUR R23-CPF
MONTRÉAL QC H3H 2V2

RICHTER

CANADA

Province de Québec

District de : Québec

No division : 18-Terrebonne

No cour : 700-11-016462-162

No dossier : 41-2101868

COUR SUPÉRIEURE

En matière de faillite et d'insolvabilité

Avis aux créanciers de l'intention de faire une proposition (Paragraphe 50.4(6))

Dans l'affaire de l'avis d'intention de faire une proposition de 2806436 Canada Inc. de la ville de Boisbriand en la province de Québec

Avis est par la présente donné que, le 22 mars 2016, la débitrice susmentionnée a déposé un Avis de l'intention de faire une proposition en vertu de la *Loi sur la faillite et l'insolvabilité*, dont copie est ci-jointe.

Avis est de plus donné qu'en conformité avec l'article 69 de la *Loi sur la faillite et l'insolvabilité*, toute procédure engagée contre la débitrice est suspendue. En conséquence, aucun créancier n'a de recours contre la débitrice ou contre ses biens, ni ne peut tenter ou continuer une action, exécution ou autre procédure pour le recouvrement de sa réclamation.

Une liste des créanciers ayant des réclamations de 250 \$ ou plus et le montant de ces réclamations, reflétées aux livres ou connues de la débitrice, est annexée aux présentes. Cette liste ne constitue pas l'acceptation d'une réclamation ou de réclamations.

Lors du dépôt de la proposition envisagée, un autre avis sera envoyé aux créanciers comprenant :

- a) une copie de la proposition;
- b) les date, lieu et heure de la tenue de l'assemblée des créanciers visant à considérer la proposition;
- c) un état succinct des avoirs et obligations de la débitrice;
- d) les documents prescrits suivants à être complétés :
 - preuve de réclamation;
 - procuration;
 - formulaire de votation sur la proposition.

Si la débitrice n'est pas en mesure de déposer une proposition dans les délais prescrits, la faillite sera déclarée automatiquement, et le syndic convoquera immédiatement une assemblée des créanciers.

Fait à Montréal, province de Québec, le 29 mars 2016.

Richter Groupe Conseil Inc.
Syndic agissant *in re* la proposition de
2806436 Canada Inc.



Stéphane De Broux, CPA, CA, CIRP
Administrateur

T. 514.934.3400
F. 514.934.8603
reclamations@richter.ca

Richter Groupe Conseil Inc.
Richter Advisory Group Inc.
1981 McGill College
Montréal (QC) H3A 0G6

Montréal, Toronto

(English – Over)



RICHTER

CANADA

Province of Québec

District of: Québec

Division No.: 18-Terrebonne

Court No.: 700-11-016462-162

Estate No.: 41-2101868

SUPERIOR COURT
In Bankruptcy and Insolvency

Notice to Creditors of Intention to Make a Proposal (Subsection 50.4(6))

In the Matter of the Notice of Intention to Make a Proposal of 2806436 Canada Inc. Of the City of Boisbriand In the Province of Quebec

Notice is hereby given that, on March 22, 2016, the above-mentioned Debtor filed a Notice of Intention to Make a Proposal under the *Bankruptcy and Insolvency Act*, as per a copy attached hereto.

Notice is further given that in accordance with Section 69 of the *Bankruptcy and Insolvency Act*, all proceedings against the Debtor are hereby stayed. Accordingly, no creditor has any remedy against the Debtor or its assets, nor shall it commence or continue any action, execution, or other proceedings for the recovery of a claim.

A list of the creditors with claims amounting to \$250 or more and the amounts of their claims as known or shown by the Debtor's books is annexed hereto. The enclosure thereof does not constitute the acceptance of any claim or claims.

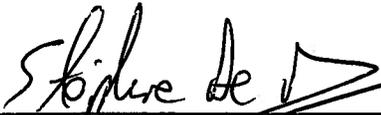
Upon the filing of the contemplated Proposal, a further notice shall be mailed to you providing you with the following:

- a) A copy of the Proposal;
- b) The date, time and place of a Meeting of Creditors to be held to consider the Proposal;
- c) A condensed statement of the assets and liabilities of the Debtor;
- d) The following prescribed forms, to be completed:
 - Proof of Claim;
 - Proxy;
 - Voting Letter on the Proposal.

Should the Debtor fail to file a Proposal within the prescribed delays, an automatic bankruptcy will ensue and the Trustee will forthwith convene a meeting of creditors.

Dated at Montréal, Province of Québec, March 29, 2016.

Richter Advisory Group Inc.
Trustee acting *in re* the proposal of
2806436 Canada Inc.


Stéphanie De Broux, CPA, CA, CIRP
Administrator

T. 514.934.3400
F. 514.934.8603
claims@richter.ca

Richter Groupe Conseil Inc.
Richter Advisory Group Inc.
1981 McGill College
Montréal, QC H3A 0G6

Montréal, Toronto

(français - recto)



District de:
No division:
No cour:
No dossier:

TRADUCTION

- FORMULAIRE 33 -
Avis de l'intention de faire une proposition
(paragraphe 50.4(1) de la Loi)

Dans l'affaire de l'avis d'intention de faire une proposition de
2806436 Canada Inc.
de la ville de Boisbriand
en la province de Québec

Avis est donné de ce qui suit :

1. Je, 2806436 Canada Inc, personne insolvable signifie mon intention de faire une proposition à mes créanciers conformément au paragraphe 50.4(1) de la Loi.
2. Richter Advisory Group Inc/Richter Groupe Conseil inc de 1981 avenue McGill College, 12e étage, Montréal, QC, H3A 0G6, syndic autorisé, a accepté d'exercer les fonctions de syndic dans le cadre de la proposition. Une copie de son acceptation est annexée au présent avis.
3. Une liste portant les noms des créanciers connus ayant des réclamations d'une valeur de 250 \$ ou plus ainsi que le montant de ces réclamations, est également annexée.
4. Conformément à l'article 69 de la Loi, les procédures engagées contre moi sont suspendues à compter de la date du dépôt du présent avis auprès du séquestre officiel de ma localité.

Daté le 22 mars 2016, à Boisbriand en la province de Québec.

(signé)

2806436 Canada Inc
Personne Insolvable

À remplir par le séquestre officiel:

Date du dépôt

Séquestre officiel

District of:
Division No.
Court No.
Estate No.

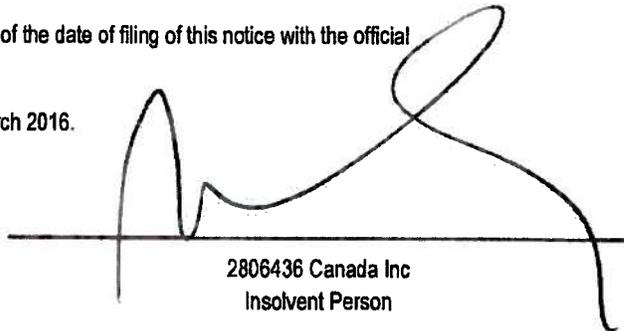
- FORM 33 -
Notice of Intention To Make a Proposal
(Subsection 50.4(1) of the Act)

In the Matter of the Notice of Intention to Make a Proposal of
2806436 Canada Inc.
Of the City of Boisbriand
In the Province of Quebec

Take notice that:

1. I, 2806436 Canada Inc, an insolvent person, state, pursuant to subsection 50.4(1) of the Act, that I intend to make a proposal to my creditors.
2. Richter Advisory Group Inc/Richter Groupe Conseil inc of 1981 avenue McGill College, 12e étage, Montréal, QC, H3A 0G6, a licensed trustee, has consented to act as trustee under the proposal. A copy of the consent is attached.
3. A list of the names of the known creditors with claims of \$250 or more and the amounts of their claims is also attached.
4. Pursuant to section 69 of the Act, all proceedings against me are stayed as of the date of filing of this notice with the official receiver in my locality.

Dated at the City of Boisbriand in the Province of Quebec, this 22nd day of March 2016.



2806436 Canada Inc
Insolvent Person

To be completed by Official Receiver:

Filing Date

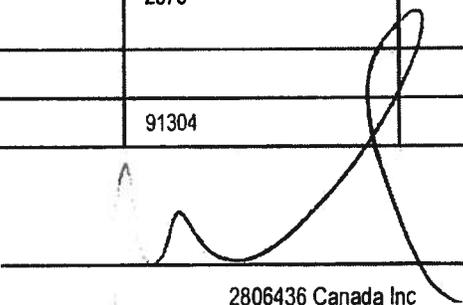
Official Receiver

District of:
Division No.
Court No.
Estate No.

- FORM 33 -
Notice of Intention To Make a Proposal
(Subsection 50.4(1) of the Act)

In the Matter of the Notice of Intention to Make a Proposal of
2806436 Canada Inc.
Of the City of Boisbriand
In the Province of Quebec

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
3488390 CANADA INC.			625,000.00
AETNA FELT CORPORATION	2401 W. EMAUS AVENUE ALLENTOWN PA 18103 USA	2401	94,032.41
AETNA LIFE		900	9,015.24
BDC			900,000.00
CAE			208,314.02
CBSC CAPITAL INC	1 - 3450 SUPERIOR COURT OAKVILLE ON L6L0C6	91235	1,960.32
CCTFA	102 - 420 BRITANNIA ROAD E MISSISSAUGA ON L4Z3L5	90124	3,444.00
CIBC			3,874,767.00
COSMETICS IMPORT MARK GROUP		80527	273.60
EMPLOYEE EXPENSES			1,596.81
ERNST & YOUNG INC		92282	36,000.00
GXS CANADA INC	275 FRANK TOMPA DRIVE WATERLOO ON N2L0A1	315	2,317.43
H.W. HOLLINGER (CANADA) INC		2070	34,105.48
HEWITT	CONTRACT/AUTO PAYMENT		1,544.90
JIM SHUSTER		91304	2,076.80

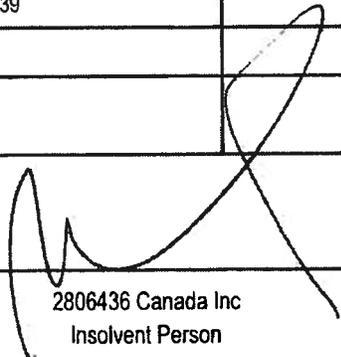

2806436 Canada Inc
Insolvent Person

District of:
Division No.
Court No.
Estate No.

- FORM 33 -
Notice of Intention To Make a Proposal
(Subsection 50.4(1) of the Act)

In the Matter of the Notice of Intention to Make a Proposal of
2806436 Canada Inc.
Of the City of Boisbriand
In the Province of Quebec

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
LE GROUPE SUMMUM SALES	5566 BLVD DES ROSSIGNOLS LAVAL QC H7L6W6	5566	13,758.87
LES ENTREPOT SAC2000 INC		91581	2,990.72
LOGISTIQUE CANAMEX INC	1933 LIONEL-BERTRAND BOISBRIAND QC J7H1N8	1933	4,128.11
MARK MASTRO STEFANO		91910	316.80
METRO CANADA LOGISTICS INC		500	101,340.00
PHARMASAVE NATIONAL		501	2,235.85
PSB BOISJOLI S.E.N.C.R.L. LLP	400 - 3333 GRAHAM Montreal, QC H3R3L5	91122	25,869.38
REVENU QUEBEC PENSION ALIMENTAIRE			567.72
REVENUS QUÉBEC TAXES			15,000.00
STIKEMAN		91724	29,382.96
THE LOGISTICS ALLIANCE INC	1 MARITIME ONTARIO BOUL BRAMPTON ON L6S6G4	90062	4,159.11
TIGER TRUCKING		90239	1,977.29
TRANSAMERICAN		700	1,410.99
TRAVELERS TRANSPORTATION		955	9,393.98

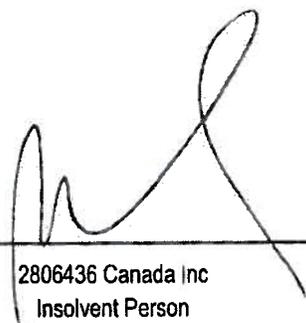

2806436 Canada Inc
Insolvent Person

District of:
Division No. -
Court No.
Estate No.

- FORM 33 -
Notice of Intention To Make a Proposal
(Subsection 50.4(1) of the Act)

In the Matter of the Notice of Intention to Make a Proposal of
2806436 Canada Inc.
Of the City of Boisbriand
In the Province of Quebec

Total			6,006,979.79
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2806436 Canada Inc
Insolvent Person

TRADUCTION

- Consentement -

Dans l'affaire de l'avis d'intention de faire une proposition de
2806436 Canada Inc.
de la ville de Boisbriand
en la province de Québec

À qui de droit,

Nous consentons par la présente, à agir comme syndic, d'après la Loi sur la faillite et l'insolvabilité, à la présente proposition de 2806436 Canada Inc.

Daté le 22 mars 2016, à Montréal en la province de Québec.

Richter Advisory Group Inc/Richter Groupe Conseil inc - Syndic
Par:

(signé)

Stéphane De Broux, CPA, CA, CIRP
1981 avenue McGill College, 12e étage
Montréal QC H3A 0G6
Téléphone: (514) 934-3400 Télécopieur: (514) 934-8603

- Proposal Consent -

In the Matter of the Notice of Intention to Make a Proposal of
2806436 Canada Inc.
Of the City of Boisbriand
In the Province of Quebec

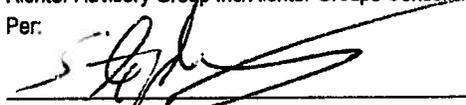
To whom it may concern,

This is to advise that we hereby consent to act as trustee under the Bankruptcy and Insolvency Act for the proposal of 2806436 Canada Inc.

Dated at the City of Montréal in the Province of Quebec, this 22nd day of March 2016.

Richter Advisory Group Inc/Richter Groupe Conseil inc - Trustée

Per:



Stéphane De Broux, CPA, CA, CIRP
1981 avenue McGill College, 12e étage
Montréal QC H3A 0G6
Phone: (514) 934-3400 Fax: (514) 934-8603



Industrie Canada
Bureau du surintendant
des faillites Canada

Industry Canada
Office of the Superintendent
of Bankruptcy Canada

District de Québec
No division : 18 - Terrebonne
No cour : 700-11-016462-162
No dossier : 41-2101868

Dans l'affaire de l'avis d'intention de faire une
proposition de :

2806436 Canada Inc
Personne insolvable

**RICHTER ADVISORY GROUP INC / RICHTER GROUPE
CONSEIL INC.**

Syndic autorisé en insolvabilité

Date de l'avis d'intention : 22 mars 2016

CERTIFICAT DE DÉPÔT D'UN AVIS D'INTENTION DE FAIRE UNE PROPOSITION
paragraphe 50.4(1)

Je soussigné, séquestre officiel pour ce district de faillite, certifie par les présentes que la personne insolvable susmentionnée a déposé un avis d'intention de faire une proposition en vertu du paragraphe 50.4(1) de la *Loi sur la faillite et l'insolvabilité*.

Conformément au paragraphe 69(1) de la Loi, toutes les procédures contre la personne insolvable susmentionnée sont suspendues à compter de la date du dépôt de l'avis d'intention.

Date: 22 mars 2016, 16:01

E-File/Dépôt Electronique

Séquestre officiel

Sun Life Building, 1155 Metcalfe Street, Suite 950, Montréal Canada, H3B2V6, (877)376-9902

Canada



Industry Canada
Office of the Superintendent
of Bankruptcy Canada

Industrie Canada
Bureau du surintendant
des faillites Canada

District of Québec
Division No. 18 - Terrebonne
Court No. 700-11-016462-162
Estate No. 41-2101868

In the Matter of the Notice of Intention to make a
proposal of:

2806436 Canada Inc
Insolvent Person

**RICHTER ADVISORY GROUP INC / RICHTER GROUPE
CONSEIL INC.**

Licensed Insolvency Trustee

Date of the Notice of Intention: March 22, 2016

CERTIFICATE OF FILING OF A NOTICE OF INTENTION TO MAKE A PROPOSAL
Subsection 50.4 (1)

I, the undersigned, Official Receiver in and for this bankruptcy district, do hereby certify that the aforementioned insolvent person filed a Notice of Intention to Make a Proposal under subsection 50.4 (1) of the *Bankruptcy and Insolvency Act*.

Pursuant to subsection 69(1) of the Act, all proceedings against the aforementioned insolvent person are stayed as of the date of filing of the Notice of Intention.

Date: March 22, 2016, 16:01

E-File/Dépôt Electronique

Official Receiver

Sun Life Building, 1155 Metcalfe Street, Suite 950, Montréal, Québec, Canada, H3B2V6, (877)376-9902

Canada

Liste des envois supplémentaires par courriel

**Dans l'affaire de l'avis d'intention de faire une proposition de
2806436 Canada Inc.
de la ville de Boisbriand
en la province de Québec**

Envoi à

Bell Canada F-88
Bell Mobility
Commission des normes
du travail
Commission des normes
du travail
Euler Hermes Canada

Gaz Métropolitain
Hydro Québec
Vidéotron
Kugler Kandestin
Kugler Kandestin
Stikeman Elliott
Stikeman Elliott
Lavery, de Billy
Davion Inc.
Richter Groupe Conseil
Inc.
Richter Groupe Conseil
Inc.
Richter Groupe Conseil
Inc.

À l'attention de

Groupe Insolvabilité – Affaires
Insolvency Team
Juan Manuel Diz Grana

Monique Bélanger

Antonio Sullo, Vice President,
Accts Mgt
Insolvabilité
Line Ducharme

Département de la perception

Gordon Levine

Jeremy Cuttler

Danny Duy Vu

Maria Sitaras

Jean Legault

Jimmy Placa

Stéphane De Broux

Sophie Latendresse

Patrick Ifergan

Adresse courriel

insolv@bell.ca;
bellmobilityinsolvencyteam@bell.ca;
Juan-Manuel.Diz-Grana@cnt.gouv.qc.ca;
Monique.belanger@cnt.gouv.qc.ca;

tony.sullo@eulerhermes.com;

Insolvabilite2@gazmetro.com;
Ducharme.Line@hydro.qc.ca;
Syndics@videotron.com;
glevine@kklex.com;
jcuttler@kklex.com;
ddvu@stikeman.com;
MSitaras@stikeman.com;
JLegault@lavery.ca;
james.placa3@davioninc.com;
sdebroux@richter.ca;

slatendresse@richter.ca;

pifergan@richter.ca;

District de: Québec
No division: 18 - Terrebonne
No cour: 700-11-016462-162
No dossier: 41-2101868

- FORMULAIRE 01.1 -

Identification générale de l'expéditeur pour copies de tous formulaires prescrits
envoyés au(x) créancier(s) par voie électronique

Dans l'affaire de l'avis d'intention de faire une proposition de
2806436 Canada Inc.
de la ville de Boisbriand
en la province de Québec

Daté le 29 mars 2016, à Montréal en la province de Québec.

Personne responsable (expéditeur) : Stéphane De Broux, CPA, CA, CIRP
(Syndic)

Dénomination sociale: Richter Advisory Group Inc/Richter Groupe Conseil inc

Adresse : 1981 avenue McGill College, 12e étage
Montréal QC H3A 0G6

Téléphone : (514) 934-3400

Télécopieur : (514) 934-8603

Courriel : reclamations@richter.ca

AVIS

Veillez prendre note que la personne susmentionnée est tenue de conserver la copie originale signée du
présent document dans les dossiers officiels de la présente procédure.



**Government
of Canada**

**Gouvernement
du Canada**

Update filing - update is confirmed

Welcome **Soazig Bourgine** | [Preferences](#) | [E-Filing helpdesk](#) | [Instructions](#) | [Logout](#)

Estate Information

Please Note: The following estate(s) were updated:

- **Estate Number:** 41-2101868
- **Estate Name:** 2806436 Canada Inc

Document(s) submitted

The following document(s) have been successfully submitted

- Notice to Creditors of Intention to Make a Proposal

Reference

- The Reference Number for this transaction is: **11871702**.
- Submitted by Soazig Bourgine.
- 2016-03-29 13:30 EDT

[Submit another document for this estate.](#)

If you would like to submit a document against a different estate, please click on the **Update** link in the left hand side menu.

Date modified:

2016-01-22

COUR SUPÉRIEURE
En matière de faillite et d'insolvabilité

Province de Québec
District de Québec
No Division : 18-Terrebonne
No Cour : 700-11-016462-162

Dans l'affaire de l'avis d'intention de faire une proposition de

2806436 Canada Inc.

Personne morale insolvable

- et -

Richter Groupe Conseil Inc.

Syndic

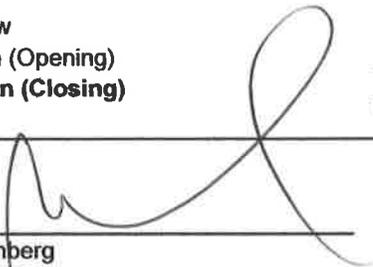
Affidavit d'envoi
Avis aux créanciers de l'intention
de faire une proposition

Richter Groupe Conseil Inc. - Syndic
Stéphane De Broux, CPA, CA, CIRP
1981 McGill College, 12^e étage
Montréal (Québec) H3A 0G6
Téléphone : 514.934.3400
Télécopieur : 514.934.3504

EXHIBIT C

2806436 Canada Inc.
 Projected Cash Flow Statement
 For the period March 28, 2016 to April 24, 2016

Week Ending:	April 3	April 10	April 17	April 24	Total
<u>Receipts</u>					
Collections	\$ -	\$ -	\$ -	\$ -	\$ -
<u>Disbursements</u>					
Wages and benefits	-	-	-	-	-
Purchases	-	-	-	-	-
Rent	-	-	-	-	-
Other	-	-	-	-	-
Total Disbursements	-	-	-	-	-
Net Cash Flow	-	-	-	-	-
Cash Position (Opening)	82,089	82,089	82,089	82,089	82,089
Cash Position (Closing)	\$ 82,089				


 Michael Korenberg
 President
 2806436 Canada Inc.



District of: Quebec
Division No. 18 - Terrebonne
Court No. 700-11-016462-162
Estate No. 41-2101868

-- FORM 29 --

Trustee's Report on Cash-Flow Statement
(Paragraphs 50(6)(b) and 50.4(2)(b) of the Act)

In the Matter of the Notice of Intention to Make a Proposal of
2806436 Canada Inc.
Of the City of Boisbriand
In the Province of Quebec

The attached statement of projected cash flow of 2806436 Canada Inc, as of the 31st day of March 2016, consisting of the period from March 28 to April 24, 2016, has been prepared by the management of the insolvent person for the purpose described in the notes attached, using the probable and hypothetical assumptions set out in the notes attached.

Our review consisted of inquiries, analytical procedures and discussion related to information supplied to us by: the management and employees of the insolvent person or the insolvent person. Since hypothetical assumptions need not be supported, our procedures with respect to them were limited to evaluating whether they were consistent with the purpose of the projection. We have also reviewed the support provided by: management or the insolvent person for the probable assumptions and preparation and presentation of the projection.

Based on our review, nothing has come to our attention that causes us to believe that, in all material respects,

- (a) the hypothetical assumptions are not consistent with the purpose of the projection;
- (b) as at the date of this report, the probable assumptions developed are not suitably supported and consistent with the plans of the insolvent person or do not provide a reasonable basis for the projection, given the hypothetical assumptions; or
- (c) the projection does not reflect the probable and hypothetical assumptions.

Since the projection is based on assumptions regarding future events, actual results will vary from the information presented even if the hypothetical assumptions occur, and the variations may be material. Accordingly, we express no assurance as to whether the projection will be achieved.

The projection has been prepared solely for the purpose described in the notes attached, and readers are cautioned that it may not be appropriate for other purposes.

Dated at the City of Montréal in the Province of Quebec, this 31st day of March 2016.

Richter Advisory Group Inc/Richter Groupe Conseil inc - Trustee

Per:



Stéphane De Broux, CPA, CA, CIRP
1981 avenue McGill College, 12e étage
Montréal QC H3A 0G6
Phone: (514) 934-3400 Fax: (514) 934-8603

District of: Quebec
Division No. 18 - Terrebonne
Court No. 700-11-016462-162
Estate No. 41-2101868

FORM 29 - Attachment
Trustee's Report on Cash-flow Statement
(Paragraphs 50(6)(b) and 50.4(2)(b) of the Act)

In the Matter of the Notice of Intention to Make a Proposal of
2806436 Canada Inc.
Of the City of Boisbriand
In the Province of Quebec

Purpose:

2806436 Canada Inc. filed a Notice of Intention to Make a Proposal on March 22, 2016. The purpose of this Statement of Projected Cash Flow is to present the estimated cash receipts and disbursements of 2806436 Canada Inc. (the "Company"), for the period from March 28 to April 24, 2016, relating to the filing of a Notice of Intention to Make a Proposal on March 22, 2016.

This Statement of Projected Cash Flow has been prepared by management on March 31, 2016, based on available financial information at that date in accordance with Section 50.4(2) of the Bankruptcy and Insolvency Act and should be read in conjunction with the Trustee's Report on the Cash Flow Statement. Readers are cautioned that this information may not be appropriate for other purposes.

Projection Notes:

The Statement of Projected Cash Flow has been prepared using probable assumptions supported and consistent with the plans of the Company for the period from March 28 to April 24, 2016, considering the economic conditions that are considered the most probable by management.

As the cash flow is based upon various assumptions regarding future events and circumstances, variances will exist and said variances may be material. Accordingly, we express no assurance as to whether the projections will be achieved.

Assumptions:

(a) Projected Cash Receipts

The projected cash receipts are estimated by management at NIL due to the sale of the Company's assets on March 24, 2016.

(b) Projected Cash Disbursements

The projected cash disbursements are estimated by management at NIL to reflect the current level of activity following the sale of the Company's assets on March 24, 2016;

The cash disbursements do not provide for the payment of arrears to unsecured creditors.

Dated at the City of Montréal in the Province of Quebec, this 31st day of March 2016.

Richter Advisory Group Inc/Richter Groupe Conseil inc - Trustee

Per:



Stéphane De Broux, CPA, CA, CIRP

1981 avenue McGill College, 12e étage

Montréal QC H3A 0G6

Phone: (514) 934-3400 Fax: (514) 934-8603

DISTRICT OF: Quebec
Division No. 18 - Terrebonne
Court No. 700-11-016462-162
Estate No. 41-2101868

- FORM 30 -

Report on Cash-Flow Statement by the Person Making the Proposal
(Paragraphs 50(6)(c) and 50.4(2)(c) of the Act)

In the Matter of the Notice of Intention to Make a Proposal of
2806436 Canada Inc.
Of the City of Boisbriand
In the Province of Quebec

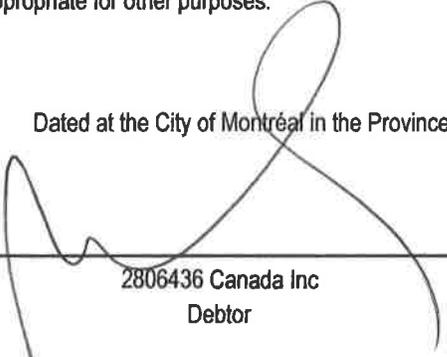
The management of 2806436 Canada Inc, has/have developed the assumptions and prepared the attached statement of projected cash flow of the insolvent person, as of the 31st day of March 2016, consisting of the period from March 28 to April 24, 2016.

The hypothetical assumptions are reasonable and consistent with the purpose of the projection described in the notes attached, and the probable assumptions are suitably supported and consistent with the plans of the insolvent person and provide a reasonable basis for the projection. All such assumptions are disclosed in the notes attached.

Since the projection is based on assumptions regarding future events, actual results will vary from the information presented, and the variations may be material.

The projection has been prepared solely for the purpose described in the notes attached, using a set of hypothetical and probable assumptions set out in the notes attached. Consequently, readers are cautioned that it may not be appropriate for other purposes.

Dated at the City of Montréal in the Province of Quebec, this 31st day of March 2016.



2806436 Canada Inc
Debtor

Michael Korenberg, President

Name and title of signing officer

Division No. 18 - Terrebonne
Court No. 700-11-016462-162
Estate No. 41-2101868

FORM 30 - Attachment
Report on Cash-Flow Statement by the Person Making the Proposal
(Paragraphs 50(6)(c) and 50.4(2)(c) of the Act)

In the Matter of the Notice of Intention to Make a Proposal of
2806436 Canada Inc.
Of the City of Boisbriand
In the Province of Quebec

Purpose:

2806436 Canada Inc. filed a Notice of Intention to Make a Proposal on March 22, 2016. The purpose of this Statement of Projected Cash Flow is to present the estimated cash receipts and disbursements of 2806436 Canada Inc. (the "Company"), for the period from March 28 to April 24, 2016, relating to the filing of a Notice of Intention to Make a Proposal on March 22, 2016.

This Statement of Projected Cash Flow has been prepared by management on March 31, 2016, based on available financial information at that date in accordance with Section 50.4(2) of the Bankruptcy and Insolvency Act and should be read in conjunction with the Trustee's Report on the Cash Flow Statement. Readers are cautioned that this information may not be appropriate for other purposes.

Projection Notes:

The Statement of Projected Cash Flow has been prepared using probable assumptions supported and consistent with the plans of the Company for the period from March 28 to April 24, 2016, considering the economic conditions that are considered the most probable by management.

As the cash flow is based upon various assumptions regarding future events and circumstances, variances will exist and said variances may be material. Accordingly, we express no assurance as to whether the projections will be achieved.

Assumptions:

(a) Projected Cash Receipts

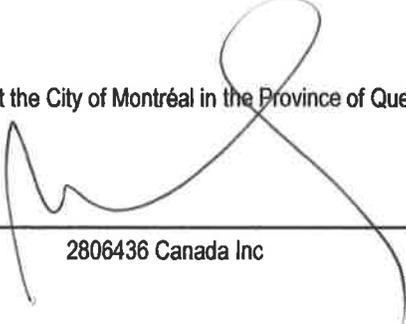
The projected cash receipts are estimated by management at NIL due to the sale of the Company's assets on March 24, 2016.

(b) Projected Cash Disbursements

The projected cash disbursements are estimated by management at NIL to reflect the current level of activity following the sale of the Company's assets on March 24, 2016;

The cash disbursements do not provide for the payment of arrears to unsecured creditors.

Dated at the City of Montréal in the Province of Quebec, this 31st day of March 2016.



2806436 Canada Inc

EXHIBIT D

2806436 Canada Inc.
 Projected Cash Flow Statement
 For the period April 18, 2016 to June 3, 2016

Week Ending:	April 24	May 1	May 8	May 15	May 22	May 29	June 3	Total
Receipts								
Collections	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Disbursements								
Wages and benefits	-	-	-	-	-	-	-	-
Purchases	-	-	-	-	-	-	-	-
Rent	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total Disbursements	-							
Net Cash Flow	-	-	-	-	-	-	-	-
Cash Position (Opening)	82,089	82,089	82,089	82,089	82,089	82,089	82,089	82,089
Cash Position (Closing)	\$ 82,089							

Michael Korenberg
 President
 2806436 Canada Inc.



District of: Quebec
Division No. 18 - Terrebonne
Court No. 700-11-016462-162
Estate No. 41-2101868

-- FORM 29 --
Trustee's Report on Cash-Flow Statement
(Paragraphs 50(6)(b) and 50.4(2)(b) of the Act)

In the Matter of the Notice of Intention to Make a Proposal of
2806436 Canada Inc.
Of the City of Boisbriand
In the Province of Quebec

The attached statement of projected cash flow of 2806436 Canada Inc, as of the 15th day of April 2016, consisting of for the period from April 18 to June 3, 2016, has been prepared by the management of the insolvent person for the purpose described in the notes attached, using the probable and hypothetical assumptions set out in the notes attached.

Our review consisted of inquiries, analytical procedures and discussion related to information supplied to us by: the management and employees of the insolvent person or the insolvent person. Since hypothetical assumptions need not be supported, our procedures with respect to them were limited to evaluating whether they were consistent with the purpose of the projection. We have also reviewed the support provided by: management or the insolvent person for the probable assumptions and preparation and presentation of the projection.

Based on our review, nothing has come to our attention that causes us to believe that, in all material respects,

- (a) the hypothetical assumptions are not consistent with the purpose of the projection;
- (b) as at the date of this report, the probable assumptions developed are not suitably supported and consistent with the plans of the insolvent person or do not provide a reasonable basis for the projection, given the hypothetical assumptions; or
- (c) the projection does not reflect the probable and hypothetical assumptions.

Since the projection is based on assumptions regarding future events, actual results will vary from the information presented even if the hypothetical assumptions occur, and the variations may be material. Accordingly, we express no assurance as to whether the projection will be achieved.

The projection has been prepared solely for the purpose described in the notes attached, and readers are cautioned that it may not be appropriate for other purposes.

Dated at the City of Montréal in the Province of Quebec, this 15th day of April 2016.

Richter Advisory Group Inc/Richter Groupe Conseil inc - Trustee

Per:


Stéphane De Broux, CPA, CA, CIRP
1981 avenue McGill College, 12e étage
Montréal QC H3A 0G6
Phone: (514) 934-3400 Fax: (514) 934-8603

District of: Quebec
Division No. 18 - Terrebonne
Court No. 700-11-016462-162
Estate No. 41-2101868

FORM 29 - Attachment
Trustee's Report on Cash-flow Statement
(Paragraphs 50(6)(b) and 50.4(2)(b) of the Act)

In the Matter of the Notice of Intention to Make a Proposal of
2806436 Canada Inc.
Of the City of Boisbriand
In the Province of Quebec

Purpose:

2806436 Canada Inc. filed a Notice of Intention to Make a Proposal on March 22, 2016. The purpose of this Statement of Projected Cash Flow is to present the estimated cash receipts and disbursements of 2806436 Canada Inc. (the "Company"), for the period from April 18 to June 3, 2016, relating to the filing of a Motion to extend the delay to make a proposal.

This Statement of Projected Cash Flow has been prepared by management on April 15, 2016 based on available financial information at that date in accordance with Section 50.4(2) of the Bankruptcy and Insolvency Act and should be read in conjunction with the Trustee's Report on the Cash Flow Statement. Readers are cautioned that this information may not be appropriate for other purposes.

Projection Notes:

The Statement of Projected Cash Flow has been prepared using probable assumptions supported and consistent with the plans of the Company for the period from April 18 to June 3, 2016, considering the economic conditions that are considered the most probable by management.

As the cash flow is based upon various assumptions regarding future events and circumstances, variances will exist and said variances may be material. Accordingly, we express no assurance as to whether the projections will be achieved.

Assumptions:

a) Projected Cash Receipts

The projected cash receipts are estimated by management at NIL due to the sale of the Company's assets on March 24, 2016.

(b) Projected Cash Disbursements

The projected cash disbursements are estimated by management at NIL to reflect the current level of activity following the sale of the Company's assets on March 24, 2016;

The cash disbursements do not provide for the payment of arrears to unsecured creditors.

Dated at the City of Montréal in the Province of Quebec, this 15th day of April 2016.

Richter Advisory Group Inc/Richter Groupe Conseil inc - Trustee

Per:



Stéphane De Broux, CPA, CA, CIRP
1981 avenue McGill College, 12e étage
Montréal QC H3A 0G6
Phone: (514) 934-3400 Fax: (514) 934-8603

Division No. 18 - Terrebonne
Court No. 700-11-016462-162
Estate No. 41-2101868

FORM 30 - Attachment
Report on Cash-Flow Statement by the Person Making the Proposal
(Paragraphs 50(6)(c) and 50.4(2)(c) of the Act)

In the Matter of the Notice of Intention to Make a Proposal of
2806436 Canada Inc.
Of the City of Boisbriand
In the Province of Quebec

Purpose:

2806436 Canada Inc. filed a Notice of Intention to Make a Proposal on March 22, 2016. The purpose of this Statement of Projected Cash Flow is to present the estimated cash receipts and disbursements of 2806436 Canada Inc. (the "Company"), for the period from April 18 to June 3, 2016, relating to the filing of a Motion to extend the delay to make a proposal.

This Statement of Projected Cash Flow has been prepared by management on April 15, 2016 based on available financial information at that date in accordance with Section 50.4(2) of the Bankruptcy and Insolvency Act and should be read in conjunction with the Trustee's Report on the Cash Flow Statement. Readers are cautioned that this information may not be appropriate for other purposes.

Projection Notes:

The Statement of Projected Cash Flow has been prepared using probable assumptions supported and consistent with the plans of the Company for the period from April 18 to June 3, 2016, considering the economic conditions that are considered the most probable by management.

As the cash flow is based upon various assumptions regarding future events and circumstances, variances will exist and said variances may be material. Accordingly, we express no assurance as to whether the projections will be achieved.

Assumptions:

a) Projected Cash Receipts

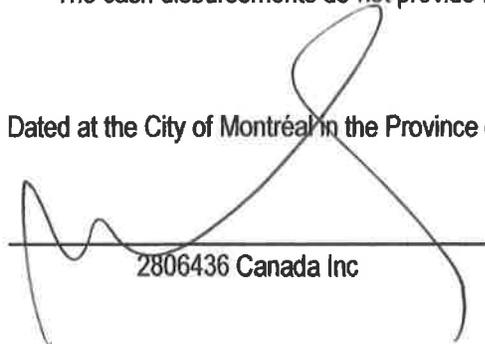
The projected cash receipts are estimated by management at NIL due to the sale of the Company's assets on March 24, 2016.

(b) Projected Cash Disbursements

The projected cash disbursements are estimated by management at NIL to reflect the current level of activity following the sale of the Company's assets on March 24, 2016;

The cash disbursements do not provide for the payment of arrears to unsecured creditors.

Dated at the City of Montréal in the Province of Quebec, this 15th day of April 2016.


2806436 Canada Inc

DISTRICT OF: QUEBEC
Division No. 18 - Terrebonne
Court No. 700-11-016462-162
Estate No. 41-2101868

- FORM 30 -

Report on Cash-Flow Statement by the Person Making the Proposal
(Paragraphs 50(6)(c) and 50.4(2)(c) of the Act)

In the Matter of the Notice of Intention to Make a Proposal of
2806436 Canada Inc.
Of the City of Boisbriand
In the Province of Quebec

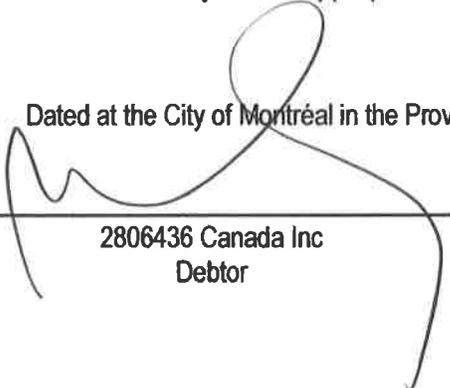
The management of 2806436 Canada Inc, has/have developed the assumptions and prepared the attached statement of projected cash flow of the insolvent person, as of the 15th day of April 2016, consisting of for the period from April 18 to June 3, 2016.

The hypothetical assumptions are reasonable and consistent with the purpose of the projection described in the notes attached, and the probable assumptions are suitably supported and consistent with the plans of the insolvent person and provide a reasonable basis for the projection. All such assumptions are disclosed in the notes attached.

Since the projection is based on assumptions regarding future events, actual results will vary from the information presented, and the variations may be material.

The projection has been prepared solely for the purpose described in the notes attached, using a set of hypothetical and probable assumptions set out in the notes attached. Consequently, readers are cautioned that it may not be appropriate for other purposes.

Dated at the City of Montréal in the Province of Quebec, this 15th day of April 2016.



2806436 Canada Inc
Debtor

Michael Korenberg

Name and title of signing officer