

CANADA
Province of Québec
District of: Québec
Division No.: 01-Montréal
Court No.: 500-11-039687-104
Estate No.: 41-342646

SUPERIOR COURT
(Commercial Division)
Bankruptcy and Insolvency Act

Final Report and Statement of Accounts of the Receiver
(Subsection 246(3) and Rule 127 of the Bankruptcy and Insolvency Act)

**In the Matter of the Receivership of
4425537 Canada Inc.
Of the City of Montréal
In the Province of Quebec**

The Receiver gives notice and declares that:

1. On October 6, 2010, Royal Bank of Canada ("RBC"), with the consent of HSBC Capital (Canada) Inc. ("HSBC"), filed a Motion for the Appointment of a Receiver to the Assets of the Debtor and, on October 7, 2010, the Court granted an Order appointing Richter Advisory Group Inc. (formerly RSM Richter Inc.) ("Richter") as Receiver to the assets of the Debtor (the "Receiver Order"), with the powers provided therein.
2. On February 11, 2011, as provided for in the Receiver Order, Richter, as Receiver, caused to have 4425537 Canada Inc. file an Assignment in Bankruptcy in accordance with Article 49 of the *Bankruptcy and Insolvency Act* and Richter was appointed Trustee to the Bankruptcy.
3. On October 13, 2010, the Receiver sent its Statement in accordance with s. 245(1) and s. 246(1) of the BIA and on May 9, 2011, October 3, 2012 and April 10, 2013, the Receiver filed its Interim Reports in accordance with s. 246(2) of the BIA.
4. The realization of assets has been completed and RBC, the first ranking creditor, was paid in full while HSBC, the second ranking secured creditor, was not paid in full.
5. The Receiver's Final Statement of Receipts and Disbursements dated December 6, 2013 is attached hereto.

Dated at Montréal, Province of Quebec, on December 19, 2013.

Richter Advisory Group Inc. - Receiver
(Formerly RSM Richter Inc.)

Per:



Yves Vincent, FCPA, FCA, CIRP
1981 McGill College
Montréal, Québec H3A 0G6
Telephone: 514.934.3454
Facsimile: 514.934.3504

CANADA
PROVINCE OF QUÉBEC
DISTRICT OF QUÉBEC
DIVISION NO.: 01-MONTRÉAL
COUR NO.: 500-11-039687-104
ESTATE NO.: 41-342646

SUPERIOR COURT
(Commercial Division)
Bankruptcy and Insolvency Act

IN THE MATTER OF THE RECEIVERSHIP OF 4425537 Canada Inc. (Manoir St-Bruno) a body politic and corporate, duly incorporated according to law and having its principal place of business at 5300 Côte Saint-Luc Blvd, Montréal, Québec.

Bankrupt

FINAL STATEMENT OF RECEIPTS AND DISBURSEMENTS (Note 1)

Receipts	
Cash in bank	\$ 132,587.27
Rental revenues	2,753,892.22
Other revenues	161,986.03
Advance of funds from RBC	166,824.50
Proceeds of sale (Note 3)	37,800,000.00
Interest and others	7,764.59
Insurance claim (water damages)	426,505.48
Reimbursement of prepaid expenses	14,909.00
	<u>41,464,469.09</u>
Disbursements	
Wages & levies	773,499.89
Management fees (Note 2)	147,274.41
Food	119,248.94
Insurance	12,385.70
Municipal and school taxes	333,357.55
Utilities	213,199.69
Marketing & commissions	16,516.89
Administration	110,074.34
Professional fees - General	11,613.28
Repairs & maintenance	162,750.78
Capex	24,015.42
Repair of water damages	443,796.90
Transfert of funds to Trustee's account	22,436.59
Total disbursements before Receiver and Legal fees	<u>2,390,170.38</u>
Receiver and Legal fees	
Professional fees - Receiver	410,940.72
Professional fees - Legal (re: Receivership)	102,874.00
Professional fees - Legal (re: construction claim) (Note 4)	44,676.36
Total disbursements	<u>558,491.08</u>
Funds available for distribution	<u>\$ 38,515,807.64</u>
Distribution	
Mortgage payments (RBC)	\$ 898,920.66
Mortgage payout (RBC)	30,480,350.52
Mortgage pay down (HSBC)	7,136,536.46
	<u>\$ 38,515,807.64</u>

**IN THE MATTER OF THE RECEIVERSHIP OF 4425537 Canada Inc. (Manoir St-Bruno)
FINAL STATEMENT OF RECEIPTS AND DISBURSEMENTS (Note 1)**

Note 1: On October 6, 2010, Royal Bank of Canada, the first ranking secured mortgage lender, filed a Motion for the Appointment of a Receiver to the assets of 4425537 Canada Inc. and on October 7, 2010, the Court granted an Order appointing Richter Advisory Group Inc. (formerly RSM Richter Inc.) ("Richter" or "Receiver") as Receiver (the "Receiver Order") with the powers provided therein.

On February 11, 2011, as provided for in the Receiver Order, Richter, as Receiver, caused to have 4425537 Canada Inc. file an assignment in bankruptcy in accordance with Article 49 of the *Bankruptcy and Insolvency Act* and RSM Richter Inc. was appointed Trustee to the Bankruptcy.

Note 2: Pursuant to the appointment of RSM Richter Inc. as Receiver, Cogir's mandate to manage the retirement home for the elderly, known as Manoir St-Bruno, ("Property") was confirmed. Cogir's responsibilities included overseeing the Property's "in-house" management teams and personnel, providing strategic assistance and guidance in the marketing of the residence and for maintaining the books and records of the Property.

Note 3: On March 7, 2011, a Court Order was granted authorizing the Receiver to sell the Property to 7657269 Canada Inc. and to take the necessary steps to do so. On March 16, 2011, pursuant to the sale order, the Receiver and the Purchaser concluded the sale transaction and the Deed of Sale was signed and subsequently registered on March 17, 2011. The cash portion of the sale proceeds was distributed to the mortgage lenders, Royal Bank of Canada ("RBC") and HSBC Capital (Canada) Inc. ("HSBC").

Note 4: Aecon and four construction creditors had registered liens on the Property in the aggregate amount of \$4.1M. On February 3rd, 2011, the Receiver, RBC and Aecon settled the claim, which was funded by RBC, for an amount of \$2.47M plus taxes (\$2.78M).

Richter Advisory Group Inc.
(formerly RSM Richter Inc.)
Receiver

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Date

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Per: Yves Vincent, FCPA, FCA, CIRP