

Clerk's Stamp

COURT FILE NUMBER 2301 – 03129  
COURT COURT OF KING'S BENCH OF ALBERTA  
JUDICIAL CENTRE CALGARY

APPLICANT ROYAL BANK OF CANADA

RESPONDENTS RAMBRIDGE STRUCTURE & DESIGN  
LTD., BRENT ANDREW PARKER and  
CHRISTIANA MAY PARKER

NB  
C120207

DOCUMENT **THIRD REPORT OF THE RECEIVER  
BDO CANADA LIMITED  
DECEMBER 4, 2023**

**RECEIVER**

BDO Canada Limited  
110, 5800 - 2nd Street SW  
Calgary, Alberta T2H 0H2

Attention: Kevin Meyler / Breanne Scott  
Phone: (403) 536-8526 / (403) 213-5432  
Fax: (403) 640-0591  
Email: kmeyler@bdo.ca / brscott@bdo.ca

**RECEIVER'S COUNSEL**

Borden Ladner Gervais  
1900, 520 – 3rd Ave. SW  
Calgary, AB, Canada T2P 0R3  
Attention: Jack R. Maslen / Tiffany E. Bennett  
Phone: (403) 232-9790 / (403) 232-9199  
Fax: (403) 266-1395  
Email: jmaslen@blg.com / TiBennett@blg.com

**THIRD REPORT OF THE RECEIVER  
BDO CANADA LIMITED  
DECEMBER 4, 2023**

**INDEX**

INTRODUCTION.....	3
TERMS OF REFERENCE.....	5
ACTIVITIES OF THE RECEIVER.....	6
UPDATE ON ASSET REALIZATIONS.....	7
CREDITOR INFORMATION.....	8
STATEMENT OF RECEIPTS AND DISBURSEMENTS.....	11
PROFESSIONAL FEES.....	11
PROPOSED DISTRIBUTUION.....	12
DISCHARGE OF THE RECEIVER.....	13
DESTRUCTION OF COMPANY RECORDS.....	13
RECOMMENDATIONS.....	14

**APPENDICES**

**APPENDIX A** – Correspondence to DLI, dated August 24, 2023

**APPENDIX B** – Final SRD

## **INTRODUCTION**

1. On March 17, 2023 (the “**Receivership Date**”), the Royal Bank of Canada (“**RBC**”) sought and obtained an Order (the “**Receivership Order**”) from the Court of King’s Bench of Alberta (the “**Court**”) appointing BDO Canada Limited as the Receiver and Manager (“the “**Receiver**”) of all the assets, undertakings and property of Rambridge Structure & Design Ltd. (o/a Rambridge Wholesale Supply) (“**Rambridge**” or the “**Company**”).
2. In addition to the property of the Company, the Receiver also became the Receiver of a strata residential property located in Sicamous, British Columbia (the “**Mara Lake Property**”) which was previously owned by Brent Parker (“**Mr. Parker**”) and Christiana Parker (collectively, the “**Parkers**”). The Parkers are personal guarantors of the RBC indebtedness owing by the Company. The Mara Lake Property is municipally described as 605, 326 Mara Lake Lane Sicamous, British Columbia, and legally described as follows:

PID: 027-956-504  
STRATA LOT 55 DISTRICT LOT 496 KAMLOOPS DIVISION YALE DISTRICT  
STRATA PLAN EPS104 TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V
3. On May 17, 2023, the Receiver submitted its First Report and Confidential Supplement to the First Report in connection with its application, scheduled for May 26, 2023, seeking Court approval of, among other things, the Auction Agreement and Proposed Quality Transaction (as defined and described in those reports).
4. On May 26, 2023, the Receiver submitted a Supplemental First Report, to provide the Court with additional information in relation to a May 25, 2023 request made by Dutch Lighting Innovations (“**DLI**”) to the Receiver for an adjournment of the Receiver’s application. DLI is a lighting manufacturer and supplier that is based in the Netherlands and is a creditor of Rambridge.

5. On May 26, 2023, the Court declined DLI's adjournment request and the Receiver's application proceeded, with this Honourable Court granting the following Orders:
  - (a) the Auction Approval and Vesting Order, which approved, among other things, the Auction Agreement and vesting of the assets to individual purchasers pursuant to a public auction, and directed that the Receiver hold the net sale proceeds from the sale of any unpaid DLI inventory in trust and to refrain from a distribution of any such amounts without further Order of the Court (the "**Auction SAVO**");
  - (b) the Approval and Vesting Order which approved, among other things, the Proposed Quality Transaction (the "**Quality SAVO**"); and
  - (c) the Order for Various Relief, which approved, among other things, the activities of the Receiver as outlined in the First Report and the sealing of the Confidential Supplement to the First Report.
6. On September 11, 2023, the Receiver submitted its Second Report and Confidential Supplement to the Second Report in connection with its application, scheduled for September 18, 2023, seeking Court approval of, among other things, a transaction for the sale of the Mara Lake Property (the "**Mara Lake Property Transaction**")
7. On September 18, 2023, the Court granted the following Orders:
  - (a) the Sale Approval and Vesting Order which approved the Mara Lake Property Transaction and partial distribution of the proceeds therefrom to RBC on account of the RBC First Mortgage (as defined in the Receiver's Second Report) (the "**Mara Lake Property SAVO**"); and
  - (b) the Order for Various Relief, which approved, among other things, the activities of the Receiver, the professional fees of the Receiver and its legal counsel as outlined in the Second Report, and the sealing of the Confidential Supplement to the Second Report.
8. The purpose of this report (the "**Third Report**") is to provide information to the Court in respect of:
  - (a) the material activities of the Receiver subsequent to the Second Report;

- (b) a status update on the further asset realization activities of the Receiver;
  - (c) an update on the creditors of the Company and details of the Receiver's Proposed Distribution (defined herein) to such creditors;
  - (d) a Final Statement of Receipts and Disbursements;
  - (e) details of the incremental professional fees incurred by the Receiver and its legal counsel subsequent to those previously approved, together with estimates to conclude the proceedings should the Court approve the Receiver's request below;
  - (f) the Receiver's request for the destruction of Company records as outlined herein,
  - (g) the Receiver's proposed discharge and request to terminate the proceedings; and
  - (h) the Receiver's recommendations in respect of the foregoing, as applicable.
9. Unless otherwise indicated, capitalized terms not defined in this Third Report are as defined in the Receivership Order or the Receiver's former reports to the Court. All references to currency are in Canadian dollars unless otherwise noted.
10. This Third Report, together with other information and filings regarding these proceedings, will be posted on the Receiver's website at: <https://www.bdo.ca/en-ca/extranets/rambridge>

### **TERMS OF REFERENCE**

11. In preparing this Third Report, the Receiver has relied upon unaudited financial information contained in the books and records of the Company, and discussions with employees and former management of the Company, among other sources of information (the "**Information**").
12. The Receiver has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Canadian Auditing Standards pursuant to the Chartered Professional Accountants Handbook. Accordingly, the Receiver expresses no opinion or any other form of assurance in respect of the Information referred to or used in the Third Report.

## **ACTIVITIES OF THE RECEIVER**

13. The Receiver's material activities subsequent to the Second Report have included, among other things:

- (a) obtaining the British Columbia Supreme Court's endorsement of the Mara Lake Property SAVO for the purpose of registering the same with the British Columbia Land Titles Office;
- (b) closing the Mara Lake Property Transaction on October 11, 2023, and filing the Receiver's Certificate with the Court confirming that the sale was completed by the Receiver;
- (c) issuing payment to RBC on account of its first mortgage on the Mara Lake Property, as approved by the Court and pursuant to paragraph 9(e) of the Mara Lake Property SAVO;
- (d) continuing collection efforts in respect of the Company's accounts receivable and facilitating other asset realizations (as more fully detailed below);
- (e) continuing to correspond with the Canada Revenue Agency (the "**CRA**") in relation to a trust audit conducted in respect of the Company's goods and services tax ("**GST**") and employee source deduction accounts with the CRA, the results of which are summarized herein;
- (f) continuing to investigate and/or confirming other potential priority, secured and/or trust claims, such as with Revenue Quebec;
- (g) corresponding with the various stakeholders of the Company, including but not limited to, former management, RBC, DLI, equipment lessors, creditors and/or respective legal counsel, as applicable;
- (h) engaging with the Receiver's independent legal counsel to assist with the foregoing activities, as applicable;
- (i) taking steps to conclude the administration of the receivership; and
- (j) attending to various other administrative items.

## **UPDATE ON ASSET REALIZATIONS**

14. As indicated in the Second Report, the Receiver completed its realization of the material assets of the Company, as subject to the previous approvals of this Honourable Court, the proceeds of which are included in the Final SRD (defined later).
15. The remaining, or potential additional, asset realizations of the Company relate to outstanding accounts receivable (“AR”) and the receipt of an anticipated income tax refund. An update to the comments included in the Second Report is provided below:
  - (a) Accounts Receivable –
    - i. an additional \$5,623 was collected by the Receiver subsequent to the date of the Second Report, for total collections of AR owing to the Company of \$17,201 which have been collected by the Receiver during the course of the receivership (plus an additional \$7,000 deposited into the Company’s former bank account with RBC), which is reflected on the Final SRD;
    - ii. as discussed in the Second Report, \$130,675 is owing from Rambridge Wholesale International LLC, a related U.S. entity. Mr. Parker is in process of delivering to the Receiver funds in the amount of \$14,032 USD, representing the balance of cash in this entity’s bank account (understood to be the only asset of this company). No further amounts are anticipated to be collected; and
    - iii. based on a review of the outstanding AR following the foregoing collections of the Receiver, the Receiver is in the process of sending a total of eight (8) customer accounts at a total of \$180,135 in AR to a collection agency for further collection efforts. It is uncertain whether any additional amounts will be collected as a result of these further efforts; and
  - (b) Income tax refund – the Receiver has now filed the final income tax return of the Company for its fiscal year ended July 31, 2023 and is awaiting an income tax refund. This refund is anticipated to amount to approximately \$42,000 to be received in due course

## **CREDITOR INFORMATION**

### **Trust and Secured Creditors – Rambridge**

16. The Receiver provides the following update in respect of identified trust and secured claims as against the net proceeds realized in the receivership of Rambridge:
- (a) based on the completion of CRA's trust audit, approximately \$4,926 is owed to CRA on account of unpaid pre-receivership GST owed by the Company, representing a deemed trust claim. The CRA's trust audit also confirmed that there are no outstanding source deductions owed;
  - (b) based on the books and records of the Company, approximately \$1,750 is owed to Revenue Quebec on account of unpaid Quebec Sale Tax ("**QST**"), relating to the final pre-receivership QST return, representing a deemed trust. While the Receiver has made several attempts to have Revenue Quebec confirm this amount in writing, as of the date of this Third Report, the Receiver has been unable to obtain such confirmation, although one representative verbally advised that absent the final return, there are no amounts outstanding;
  - (c) \$22,000 is owed to Service Canada on account of super priority wage claims paid to employees under the *Wage Earner Protection Program Act*, SC 2005, c 47, s 1 and secured pursuant to section 81.4 of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3;
  - (d) approximately \$9,775 is owed to Meridian on account of its secured claim against a forklift sold by the Receiver, which realized gross sale proceeds of \$17,000 at auction. The Receiver's legal counsel reviewed the security held by Meridian in respect of the forklift and advised that Meridian appeared to have a validly perfected security interest in the forklift; and



(e) approximately \$3,347,759 is owed to RBC as of December 1, 2023, on account of its secured Rambridge indebtedness. As indicated in the First and Second Report, the Receiver obtained a legal opinion from its independent legal counsel, confirming the validity and enforceability of RBC's security (with the exception of certain serial numbered goods), as against the collateral of the Company, subject to the standard and customary assumptions and qualifications of such opinions. As a result of the realizations outlined herein, there will be a significant deficiency on RBC's secured claim.

Secured Creditor – Mara Lake Property

17. As approved by the Court pursuant to the Mara Lake Property SAVO, and as discussed above, the Receiver issued payment to RBC on account of its first mortgage on the property. The Receiver advises that from the date of closing of the Mara Lake Property Transaction to the issuance of the payment to RBC, additional interest was charged to Mr. and Mrs. Parker. With approval and the consent of RBC, the Receiver reimbursed the Parkers for this amount directly, which is included in the Final SRD (defined below).
18. As discussed in the Second Report, the Initial Chan Affidavit describes that RBC also held a registered second mortgage on the Mara Lake Property for an amount of \$500,000 (the "**RBC Second Mortgage**"), which was pledged as additional and collateral security to RBC in respect of guarantees by the Parkers of Rambridge's indebtedness to RBC. The RBC Second Mortgage secures up \$500,000 in principal indebtedness.
19. As with the RBC First Mortgage, the Receiver did not obtain an independent legal opinion as to the validity of the RBC Second Mortgage but notes that it was duly registered on title to the Mara Lake Property as instrument as instrument CB219465.
20. Pursuant to the Mara Lake Property SAVO, the net proceeds from the completed sale transaction stand in the place and stead of the Mara Lake Property.
21. The approximate net proceeds available for the RBC Second Mortgage, before professional costs, is calculated in the table below:

Mara Lake Property Sale Proceeds	\$ 836,000
Less:	
RBC First Mortgage	405,939
Realtor commission	29,080
Property taxes	4,336
Strata fees	9,781
GST paid on above, as applicable	1,454
	450,589
Approximate net available funds for the RBC Second Mortgage	\$ 385,411

### Dutch Lighting Innovations

22. As described above, DLI sought an adjournment of the Receiver's prior application for, among other things, approval of the Auction Agreement. The Receiver understands that the basis for the adjournment request was for DLI to provide evidence or materials in support of a purported priority or property claim over inventory that was supplied by DLI to Rambridge, but unpaid as a result of Rambridge's insolvency.
23. Although the Court declined the adjournment request of DLI, in granting the Auction SAVO, the Court directed that a provision be included providing that net sale proceeds from the auction, arising from inventory supplied by DLI (which was not fully paid for by Rambridge), be held in trust pending further Order of this Honourable Court.
24. As outlined in the Second Report, based on the auction results, the Receiver has calculated that total net proceeds of DLI inventory that was unpaid for by the Company was approximately \$86,969 (the "**Net DLI Inventory Proceeds**"). Total net proceeds (net of commission) of DLI inventory realized at the auction were \$105,012, which was then prorated based on the amount owed to DLI relative to the total book value of DLI inventory, as recorded in the Company's unaudited books and records.
25. The Receiver confirms that it continues to hold the Net DLI Inventory Proceeds in trust (along with other net asset realizations), which are included in the Final SRD.

26. As outlined in the Second Report, on August 24, 2023, the Receiver (through legal counsel) sent correspondence to DLI's legal counsel, advising of the Net DLI Inventory Proceeds, and confirming that these funds are being held in trust by the Receiver, and further reiterating that the Receiver's position is that DLI's claim to these proceeds is unsecured, or in any event, is subordinate to the security of RBC. This correspondence is attached as **Appendix "A"** to this Third Report.
27. As of the date of this Third Report, DLI has not provided any response to the Receiver's August 24, 2023 correspondence.

#### Unsecured Creditors

28. Based on the Company's unaudited books and records, unsecured creditors are owed approximately \$2.1 million (inclusive of the amount owed to DLI). Based on the realizations outlined herein, there will be no distributions to unsecured creditors in this matter.

#### **STATEMENT OF RECEIPTS AND DISBURSEMENTS**

29. The Receiver has attached a Final Statement of Receipts and Disbursements as of December 1, 2023 (the "**Final SRD**") as **Appendix "B"** to this Third Report. As set out therein, the Receiver is holding approximately \$1,062,029 of cash in trust at of that date, including approximately \$385,000 (before professional costs associated with the Mara Lake Property) on account of the RBC Second Mortgage.
30. Included on the Final SRD are the additional and estimated professional fees, as well as estimated costs related to the proposed destruction of records to arrive at the Proposed Distribution (defined below).

#### **PROFESSIONAL FEES**

31. The Court previously approved professional fees of the Receiver and the Receiver's counsel in the amount of \$124,106 (plus GST) and \$95,216 (plus GST), respectively.

32. In addition to the professional fees already approved by the Court addressed above, the Receiver has incurred further professional fees in the amount of approximately \$32,600 (plus GST) for the period of September 1, 2023, to November 30, 2023, and the Receiver's legal counsel has incurred professional fees and disbursements of approximately \$32,642 (plus GST) for the period of September 6, 2023 to November 30, 2023 (the "**Additional Professional Fees**"). The Additional Professional Fees relate primarily to the activities outlined herein, including the preparation, and filing of the Second Receiver's Report and Court materials for attendance at the September 18, 2023 Court application.
33. In addition to Receiver's fees, BDO's tax professionals incurred professional fees totalling \$4,280 (plus GST) in relation to the preparation and filing of the Company's final income tax return on behalf of the Receiver. These professional fees are reflected on the Final SRD as a separate line item to the Receiver fees.
34. The Receiver and its counsel are estimating at this date further additional professional fees to conclude the administration of \$10,000 and \$15,000, respectively.
35. The Receiver believes that the foregoing additional professional fees of the Receiver (inclusive of the professional fees of BDO associated with the tax filing) and its legal counsel are fair and reasonable in the circumstances. Accordingly, the Receiver respectfully recommends that the Honourable Court approve same. Copies of the respective invoices are available and can be provided upon request by the Court, subject to potential redaction for items subject to solicitor client privilege, as applicable.

### **PROPOSED DISTRIBUTION**

36. As outlined on the Final SRD, the Receiver is currently holding \$1,062,029. Following the payment of any outstanding and estimated professional fees, the Receiver estimates that there will be approximately \$1,034,130 available for distribution ("**Distributable Proceeds**") to the trust and secured creditors addressed earlier.
37. Accordingly, the Receiver is proposing that the distribution of the Distributable Proceeds be authorized as follows (collectively, the "**Proposed Distribution**"): (a) \$4,926 to CRA for unpaid GST;

- (b) \$1,750 to Revenue Quebec, or such other amount as confirmed to the satisfaction of the Receiver in consultation with RBC;
- (c) \$22,000 to Service Canada;
- (d) \$9,775 to Meridian (plus any additional interest accrued from the date of the last statement provided to the Receiver); and
- (e) the balance of funds following payment of the foregoing amounts to RBC, which is currently estimated to total approximately \$995,679, together with further amounts that may be received by the Receiver, up to the amount of RBC's security.

38. The Receiver understands that RBC may consider making an application to adjudge Rambridge bankrupt in the event that the amount owing to Revenue Quebec warrants a bankruptcy proceeding to reverse Revenue Quebec's priority trust claim and increase the recoveries to RBC. Accordingly, RBC has asked that the Receiver refrain from issuing a full distribution until this amount is confirmed to the satisfaction of the Receiver in consultation with RBC.

#### **DISCHARGE OF THE RECEIVER**

39. Following the issuance of the Proposed Distribution, the Receiver will have substantially completed its administration. Therefore, it is seeking the Court's approval for its discharge as Receiver of the Company and termination of the proceedings upon the filing of a discharge certificate with the Court.

#### **DESTRUCTION OF COMPANY RECORDS**

40. The Receiver is holding certain books and records of the Company. The Receiver is proposing that it keep these records for a period of 30 days from the date of any related Order is posted to the Receiver's website, for any entitled party to claim possession and take transfer, after which the Receiver shall be entitled to destroy any of the books and records remaining in its possession or control. The costs estimated for the continued storage and eventual destruction are included in the Final SRD.

## **RECOMMENDATIONS**

41. The Receiver respectfully recommends that this Honourable Court approve:

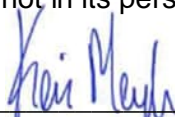
- (a) the Receiver's activities, as outlined in this Third Report, including the Final SRD;
- (b) the additional professional fees of the Receiver and the Receiver's legal counsel, inclusive of the estimates provided herein to conclude the matter;
- (c) the Proposed Distribution;
- (d) the destruction of Company records as outlined herein; and
- (e) the discharge of the Receiver and termination of the within receivership proceedings.


All of which is respectfully submitted this 4<sup>th</sup> day of December, 2023.

### **BDO Canada Limited**

In its capacity as Receiver of Rambridge Structure & Design Ltd.  
and not in its personal capacity.

Per:

  
\_\_\_\_\_  
Kevin Meyler, CA, CIRP, LIT  
Senior Vice President

  
\_\_\_\_\_  
Breanne Scott, CPA, CIRP, LIT  
Vice President

## APPENDIX “D”

**Jack R. Maslen**  
T: 403-232-9790  
E: jmaslen@blg.com

**Tiffany Bennett**  
T: 403-232-9199  
E: tibennett@blg.com

Borden Ladner Gervais LLP  
Centennial Place, East Tower  
1900, 520 - 3rd Ave SW  
Calgary AB T2P 0R3  
Canada  
T: 403-232-9500  
F: 403-266-1395  
blg.com



**File No. 440777.000013**

August 24, 2023

**DELIVERED VIA EMAIL (KOUYATE@CARSCALLEN.COM)**

**CARSCALLEN LLP**  
900, 332 6th Avenue SW  
Calgary, AB T2P 0B2

**Attention: Aicha L. Kouyate**

Dear Ms. Kouyate:

**Re: Royal Bank of Canada v Rambridge Structure & Design Ltd., Brent Andrew Parker and Christina May Parker, Court of King's Bench of Alberta Action No. 2301-03129;**

**In the Matter of the Receivership of Rambridge Structure & Design Ltd. ("Rambridge")**

**Inventory supplied by Dutch Lighting Innovations ("DLI") to Rambridge**

As you know, we are counsel to BDO Canada Limited, in its capacity as the Court-appointed receiver and manager of Rambridge (the "**Receiver**"), pursuant to a Receivership Order granted on March 17, 2023 in the above-referenced matter.

Further to our recent correspondence, we write to provide an accounting of the sale proceeds from the inventory supplied by DLI to Rambridge that were sold at auction. Specifically, as you know, Section 13 of the Auction Approval and Vesting Order, pronounced on May 26, 2023, states that "The Receiver is hereby to hold the net Sale Proceeds from any Sale of inventory supplied by DLI, for which DLI has not received payment in full prior to the date of the Receivership Order, in trust...".

The Receiver has now prepared a final accounting of the sale proceeds from the auction and we hereby advise that the sum of **\$86,969.42** is attributable to inventory supplied by DLI and unpaid by Rambridge (the "**Inventory Proceeds**"). The Receiver is holding this amount in trust pending further Order of the Court. This amount is calculated as \$105,012.73 of net sale proceeds multiplied by 82.8%, reflecting the proportion of the book value of DLI supplied inventory that was not paid by Rambridge (based on unaudited book values). We trust this information satisfies your recent requests.

With respect to your client's entitlement to the Inventory Proceeds, and further to the submissions made in Court on May 26, 2023, the Receiver's position is that (i) the retention of title provisions in the contracts between DLI and Rambridge, if anything, create a security interest, which (ii) was never registered and never perfected in Alberta, and is (iii) therefore an unperfected secured claim that is subordinate to Rambridge's other secured lenders, namely, the Royal Bank of Canada ("**RBC**") who holds a first ranking security interest over all of Rambridge's present and after acquired personal property duly registered with the Personal Property Registry.



In particular, we again draw your attention to section 5 of the *Personal Property Security Act*, RSA 2000, c P-7 (“PPSA”), which states (in relevant part):

5(1) Subject to this Act, the validity, perfection and effect of perfection or non-perfection of

- (a) a security interest in goods, and
- (b) a possessory security interest in chattel paper, a negotiable document of title, an instrument or money,

is governed by the law of the jurisdiction where the collateral is situated at the time the security interest attaches.

(2) A security interest in goods perfected under the law of the jurisdiction in which the goods are situated at the time the security interest attaches but before the goods are brought into the Province continues perfected in the Province if it is perfected in the Province

- (a) not later than 60 days after the goods are brought into the Province,
- (b) not later than 15 days after the day the secured party has knowledge that the goods have been brought into the Province, or
- (c) prior to the date that perfection ceases under the law of the jurisdiction in which the goods were situated when the security interest attached,

whichever is the earliest, ... [underlining and emphasis added]

Hence, even if your client had a valid security interest in the Netherlands, which is far from clear and has not been proved, that security interest became unperfected in Alberta as DLI never registered any security interest with the PPR in Alberta. This is a complete response to your client’s apparent priority claim.

We trust this is satisfactory to address any concerns DLI might have. Please be advised that the Receiver intends to seek the Court’s approval of proposed distributions to RBC at an application currently scheduled to be heard on September 18, 2023. DLI will be served with notice of the Receiver’s application in due course and will be able to make its submissions, if any, at the hearing.

In the event that proceedings are necessary to further address DLI’s purported entitlement to the Inventory Proceeds, the Receiver will seek costs from DLI. As you know, the Receiver did not seek costs in relation to DLI’s dismissed adjournment application.

Should you have any further questions or concerns, please do not hesitate to contact the undersigned.

Yours truly,

**BORDEN LADNER GERVAIS LLP**

  
**Jack R. Maslen**

JM/tb

cc: Breanne Scott, LIT, BDO Canada Limited, Receiver (via email: BRScott@bdo.ca)  
Jeffrey Oliver, Counsel to the Royal Bank of Canada (via email: JOliver@cassels.com)

## APPENDIX “B”

**In the Matter of the Receivership of**  
**Rambridge Structure & Design Ltd.**  
**Final Statement of Receipts and Disbursements**  
**From the date of the Receivership Order to Completion**

**Receipts** (Note 1)

Sale of inventory and equipment (Note 2)	\$ 924,779
Sale of Mara Lake Property	836,000
Prepaid deposits and other refunds	125,478
Sale of intellectual property	108,000
Receiver's borrowings	100,000
Accounts receivable	17,201
Interest allocation	16,443
GST collected	5,400
	2,133,301

**Disbursements**

Repayment of RBC First Mortgage (Note 3)	405,939
Rent, utilities and other occupancy costs	181,893
Receiver fees	124,106
Legal fees/disbursements	118,560
Repayment of receiver borrowings	100,000
Commission	79,286
Insurance	16,364
GST/QST paid on disbursements	15,325
Mara Lake Property strata fees	9,781
Disposal / transport costs	5,550
Contractor expenses	4,790
Property taxes	4,336
Professional fees re income taxes (BDO tax department)	4,280
Taking possession costs	940
Filing fees paid to Official Receiver	73
Bank charges	50
	1,071,272

**Cash in trust as at December 1, 2023**

**\$ 1,062,029**

**Projected Receipts**

Estimated income tax refund	42,000
AR collections	Unknown
	42,000

**Projected Disbursements (estimated and before GST, as applicable)**

Receiver fees	
Billed, but unpaid	32,600
Estimate to conclude	10,000
Legal fees	
Billed, but unpaid	9,299
Estimate to conclude	15,000
Storage and destruction of records	3,000
	69,899

Net Proceeds available for distribution (estimated)

**\$ 1,034,130**

Proposed Distribution

CRA	4,926
Revenue Quebec	1,750
Service Canada	22,000
Meridian	9,775
RBC (estimated)	995,679
	1,034,130

**Cash at conclusion of the receivership**

**\$ -**

**Notes**

- 1 Not included in the Final SRD is cash of approximately \$13,500 held in the Company's former bank account with RBC.
- 2 Sale of inventory and equipment includes the Net DLI Inventory Proceeds.
- 3 Repayment of RBC First Mortgage includes a \$2,518.84 reimbursement to the Parkers for additional interest charged following closing of the transaction.