

District of: Quebec
 Division No. 01 - Montréal
 Court No. 500-11-050205-166
 Estate No. 41-2089382

FORM 40
 Report of Trustee on Proposal
 (Section 59(1) and paragraph 58(d) of the Act)

In the Matter of the Proposal of
 Serico-Impro Inc.
 Of the City of Montréal
 In the Province of Québec

We, Richter Advisory Group Inc/Richter Groupe Conseil inc, the trustee acting in the proposal of Serico-Impro Inc, hereby report to the Court as follows:

1. That a proposal was filed with us on the 18th day of February 2016 a copy of which is attached and marked as Exhibit "A", and that we filed a copy of the proposal with the official receiver on the 18th day of February 2016.
2. That on the 7th day of March 2016, we gave notice to the debtor, to the division office and to every known creditor affected by the proposal, whose names and addresses are shown in Exhibit "B" to this report, of the calling of a meeting of creditors to be held on the 18th day of March 2016 to consider the proposal.
3. That with the notice was included a condensed statement of the assets and liabilities of the debtor, a list of the creditors affected by the proposal who have claims of \$250 or more and showing the amounts of their claims, a copy of the proposal, a form of proof of claim and proxy in blank and a voting letter. Copies of the notice, the condensed statement and the list of creditors are attached and marked as Exhibits "C1", "C2" and "C3", respectively.
4. That prior to the meeting of creditors we made a detailed and careful inquiry into the liabilities of the debtor, the debtor's assets and their value, the debtor's conduct and the causes of the debtor's insolvency.
5. That the meeting of creditors was held on the 18th day of March 2016, and was presided over by Trustee.
6. That the proposal was accepted by the required majority of creditors.
7. That a copy of the minutes of the meeting is attached and marked as Exhibit "D".
8. That we are of the opinion that:

(a) the assets of the debtor and their fair realizable value are as follows:

Property Name	Estimated \$	Realizable \$
Business Assets - Machinery - Equipments	16,500.00	0.00
Business Assets - Stock In Trade - Labels	2,900.00	0.00
Debts Due - Business - Accounts receivable - Accounts receivable	0.00	0.00
Total Property Value:	19,400.00	0.00

(b) the liabilities of the debtor are as follows:

Creditor Name	Secured \$		Preferred \$		Unsecured \$	
	SOA	Discrepancies	SOA	Discrepancies	SOA	Discrepancies

FORM 40 --- Continued

Creditor Name	Secured \$		Preferred \$		Unsecured \$	
	SOA	Discrepancies	SOA	Discrepancies	SOA	Discrepancies
BANQUE DE DEVELOPPEMENT DU CANADA	0.00	0.00	0.00	0.00	0.00	-56,784.94
PERREAULT, WOLMAN, GRZYWACZ	0.00	0.00	0.00	0.00	16,216.21	0.00
REVENU QUEBEC	0.00	0.00	0.00	0.00	2,420.09	2,420.09
SCOTIA MOMENTUM VISA CARD	0.00	0.00	0.00	0.00	76.97	76.97
SCOTIABANK	48,778.45	48,778.45	0.00	0.00	0.00	0.00
Total :	48,778.45	48,778.45	0.00	0.00	18,713.27	-54,287.88

9. That we are also of the opinion that:

(a) the causes of the insolvency of the debtor are as follows:

- Decrease in sales volume;
- Unfavorable economic conditions in the printing industry;
- General economic downturn;
- Highly competitive market;
- Fiscal authorities' assessments.

(b) the conduct of the debtor is subject to censure in the following respects:

N/A

(c) the following facts, mentioned in section 173 of the Act, may be proved against the debtor:

N/A

10. That we are further of the opinion that the debtor's proposal is an advantageous one for the creditors, for the following reasons:

That we are further of the opinion that the debtor's proposal is an advantageous one for the creditors, for the following reasons:

- It is estimated that the Proposal will provide recovery to the Unsecured Creditors of approximately 17% compared to NIL in the event of a bankruptcy;
- Employees will have continued employment;

11. That we forwarded a copy of this report to the official receiver on this day.

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

List of Creditors with claims of \$250 or more.			
Creditor	Address	Account#	Claim Amount
PERREAULT, WOLMAN, GRZYWACZ	814-5250 RUE FERRIER MONTREAL QC H4P 2N7		16,216.21
REVENU QUEBEC SERVICE DES FAILLITES ET PROPOSITIONS	1600, BOUL. RENE-LEVESQUE O SECTEUR R23CPF, 3e ETAGE MONTREAL QC H3H 2V2		2,420.09
SCOTIABANK	3064 BOUL ST-CHARLES KIRKLAND QC H9H 3B7		48,778.45
Total			67,414.75

CANADA
PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL
COURT NO.: 500-11-
ESTATE NO.: 41-

SUPERIOR COURT
Commercial Division
"In Matters of Bankruptcy and Insolvency"

IN THE MATTER OF THE PROPOSAL OF Serico-Impro Inc., an insolvent corporation duly incorporated according to law, having its head office at 10550 Secant Street, in the City of Montréal, Province of Québec, H1J 1S3.

PROPOSAL

We, Serico-Impro Inc. (the "**Debtor**") hereby submit the following proposal under the *Bankruptcy and Insolvency Act*:

1. **Definitions:** For all purposes relating to the present proposal, the following terms shall have the following meanings:
 - 1.1 "**Act**": The *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended;
 - 1.2 "**Approval Hearing**": the date of presentation of an application to the Court for the approval of the Proposal, being April 11, 2016;
 - 1.3 "**Cash Consideration**": means a total amount of \$125,000.00 to be paid to the Trustee by the Debtor and by Plastic Decorators Inc. 90 days following the approval of the Proposal by the Court. For greater certainty, there will be only one common Cash Consideration paid by the Debtor and by Plastic Decorators Inc. for both the Proposal and the Plastic Decorators Proposal;
 - 1.4 "**Court**": The Commercial Division of the Québec Superior Court for the District of Montréal;
 - 1.5 "**Creditors' Committee**": A committee of up to five individuals to be named by the creditors at the general meeting of creditors called to consider the Proposal;
 - 1.6 "**Crown Claims**": For all purposes herein, Crown Claims shall be limited to the claims of Her Majesty in right of Canada or of a province described in subsection 60(1.1) of the Act that were outstanding on the Date of the Proposal, and "**Crown Claim**" means any of them;
 - 1.7 "**Date of the Proposal**": For all purposes herein, the Date of the Proposal shall be deemed to be February 18, 2016;
 - 1.8 "**Employee Claims**": All amounts that employees or former employees would be qualified to receive under paragraph 136(1)(d) of the Act if the Debtor became bankrupt on the Date of the Proposal, and "**Employee Claim**" means any of them;

- 1.9 **"Landlords"**: All persons of whom the Debtor was a commercial tenant under a lease of real property, as acknowledged by the Debtor, and **"Landlord"** means any of them;
- 1.10 **"Landlord Claims"**: The Ordinary Unsecured Claims of the Landlords for the actual losses resulting from the disclaimers of leases in accordance with section 65.2(4)b) of the Act, which claims shall be treated as Ordinary Unsecured Claims in accordance with section 65.2(5) of the Act, and **"Landlord Claim"** means any of them;
- 1.11 **"Ordinary Unsecured Claims"**: The claims other than Secured Claims, Employee Claims, Crown Claims and Preferred Claims. For greater certainty, but without limiting the generality of the foregoing, the Ordinary Unsecured Claims shall include claims of any kind whatsoever, whether due or not for payment as at the Date of the Proposal, including contingent and unliquidated claims (once quantified) arising out of any transaction entered into by the Debtor prior to the Date of the Proposal as well as any Restructuring Claim. Furthermore, the Ordinary Unsecured Claims shall include claims for a breach of an obligation contracted before the Date of the Proposal, regardless of the date of the breach, to the extent that such breach occurred prior to the Date of the Proposal, and **"Ordinary Unsecured Claim"** means any of them;
- 1.12 **"Ordinary Unsecured Creditors"**: All persons having an Ordinary Unsecured Claim including, for greater certainty but without limiting the generality of the foregoing, the Related Creditors, and **"Ordinary Unsecured Creditor"** means any of them;
- 1.13 **"Plastic Decorators Proposal"**: The proposal made by Plastic Decorators Inc. pursuant to the Act as well as any amendment thereto;
- 1.14 **"Preferred Claims"**: The claims described in paragraphs 136(1)(a) to 136(1)(j) of the Act, being such claims directed by the Act to be paid in priority to all other claims in the distribution of the property of a bankrupt, excluding the Employee Claims, and **"Preferred Claim"** means any of them;
- 1.15 **"Preferred Creditors"**: All persons having a Preferred Claim, and **"Preferred Creditor"** means any of them;
- 1.16 **"Professional Fees"**: The proper fees, expenses, liabilities and obligations of the Trustee and all legal fees, accounting fees and consulting fees pertaining to the Debtor incurred since the Date of the Proposal;
- 1.17 **"Proposal"**: This proposal made pursuant to the Act as well as any amendment thereto, which amendments may be made at any time prior to a vote by the creditors on the Proposal, or by the Court at the time of approval of the Proposal;
- 1.18 **"Proven Claim"**: Any claim for which a proof of claim is filed with the Trustee in accordance with section 124 of the Act and that is proven in accordance with section 135 of the Act;

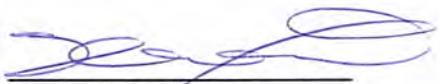
- 1.19 "**Related Creditors**": Goren Holdings Inc. and Jamie Goren , and "**Related Creditor**" means any of them;
- 1.20 "**Restructuring Claim**": Any right of any person against the Debtor in connection with any indebtedness, liability or obligation of any kind owed to such person arising out of the restructuring, the disclaimer or the termination of any contract, lease, employment agreement, collective agreement or any other agreement, whether written or oral, after the Date of the Proposal, including any right of any person who receives a notice of repudiation or termination from the Debtor. Without limiting the generality of the foregoing, a Restructuring Claim shall include the claim of a Landlord whose lease has been disclaimed or terminated, the claim of an employee whose employment has been terminated after the Date of the Proposal and the claim of any tax authority related directly or indirectly to the acceptance or the approval of the Proposal;
- 1.21 "**Secured Claims**": The claims of the Secured Creditors, and "**Secured Claim**" means any of them;
- 1.22 "**Secured Creditors**": As defined in section 2 of the Act, and "**Secured Creditor**" means any of them;
- 1.23 "**Trustee**": Richter Advisory Group Inc., a licensed trustee, having a place of business at 1981, McGill College Avenue, 11th floor, in the City of Montréal, Province of Québec, H3A 0G6.
2. **Condition**: The Proposal is conditional upon the acceptance by its creditors of the Plastic Decorators Proposal and to the approval thereof by the Court by no later than the date of the Approval Hearing.
- In the event of the non-occurrence and/or unfulfillment of this condition, the Proposal shall become null, void and inoperative for all intents and purposes. This condition shall inure solely to the benefit of the Debtor and may be extended, varied or waived by the Debtor in its absolute discretion.
3. **Employee Claims**: Employee Claims, if any, will be paid in full, immediately after the approval of the Proposal by the Court.
4. **Crown Claims**: Crown Claims shall be paid in full, within six months of the approval of the Proposal by the Court, or as may otherwise be arranged with the Crown.
5. **Professional Fees**: All Professional Fees, to the extent not already paid by the Debtor in the normal course of business, shall be paid in priority to the Preferred Claims and Ordinary Unsecured Claims.
6. **Secured Claims**: Secured Creditors shall be paid in accordance with the terms of the existing contracts, or as may otherwise be arranged with the Secured Creditors. For greater certainty, the Proposal is not addressed to the Secured Creditors and they shall not be bound by the Proposal in respect of their Secured Claim.

7. **Subsequent Claims:** The claims arising in respect of goods supplied, services rendered or other consideration given to the Debtor subsequent to the Date of the Proposal, if any, shall be paid in full by the Debtor in the normal course of business, and on regular trade terms.
8. **Preferred Claims:** Preferred Claims, if any, shall be paid, without interest or penalty, in full, in priority to all claims of Ordinary Unsecured Creditors within 30 days from the approval of the Proposal by the Court or as may be otherwise arranged with the Preferred Creditors.
9. **Ordinary Unsecured Creditors:** The Cash Consideration received by the Trustee shall be distributed as follows:
 - 9.1 In payment of the amounts provided in paragraphs 3 and 8 above, if any;
 - 9.2 The excess in payment of:
 - i. Each of the Ordinary Unsecured Creditors having a Proven Claim of less than \$500 will be paid the full amount of its Ordinary Unsecured Claim without interest or penalty, within 30 days after the payment by the Debtor of the Cash Consideration;
 - ii. Each of the Ordinary Unsecured Creditors having a Proven Claim of at least \$500 shall receive a minimum payment of \$500. For the balance of its Proven Claim, after the distribution mentioned in paragraphs 9.1 and 9.2i) herein and within 30 days after the payment by the Debtor of the Cash Consideration, each of the Ordinary Unsecured Creditors shall also receive, in full and final payment of its Ordinary Unsecured Claim, without interest or penalty, its *pro rata* share of any amount remaining from the Cash Consideration.
10. **Related Creditors:** Conditional upon the acceptance by its creditors of the Proposal and to the approval thereof by the Court by no later than the date of the Approval Hearing, the Related Creditors waive and renounce (i) to any right to prove in whole or in part any Ordinary Unsecured Claims they may have and (ii) to any dividend that is or could be payable to them under the Proposal.
11. **Release:** Upon the payment described in section 9 herein and the payment of the Professional Fees, the Debtor shall be completely released and discharged of any and all claims from the Ordinary Unsecured Creditors.
12. **Claims against Directors:** In accordance with section 50(13) of the Act, the acceptance of the Proposal by the creditors shall definitively, without further payment release the directors in office as at the Date of the Proposal from any and all liability or obligation for which they may be liable by law in their capacity as directors, respecting any claim that arose before the Date of the Proposal as provided for by section 50(13) of the Act or otherwise. It is understood however, that nothing herein shall be interpreted as an acknowledgement of any liability or obligation whatsoever on the part of the directors in office as at the Date of the Proposal, any such liability or obligation being specifically denied.

13. **Creditors' Committee:** The powers of the Creditors' Committee contemplated herein shall be limited to the following:
 - 11.1 To advise the Trustee in connection with the actions under the Proposal, as the Trustee may from time to time request;
 - 11.2 To advise the Trustee concerning any dispute which may arise as to the validity of claims under the Proposal; and
 - 11.3 To authorize the deferment of any payment under the terms of paragraphs 8 and 9 herein, either in whole or in part, and entirely at its discretion, providing that any such deferment is deemed by the Creditors' Committee to be in the interest of the Ordinary Unsecured Creditors and the Debtor.
14. **Reviewable Transactions, Preferential Payments, etc.:** The provisions of section 95 to 101 of the Act and any provision of provincial legislation having a similar objective shall not apply to the Proposal.
15. **Headings:** The headings or titles herein are provided solely for the convenience of the reader. They do not form part of the Proposal and have no authoritative meaning in interpreting the Proposal.

DATED AT MONTRÉAL, this 18th day of February 2016.

SERICO-IMPRO INC.



Per : Jamie Goren

CANADA
Province de Québec
District de : Québec
No Division : 01-Montréal
No Cour : 500-11-050205-166
No Dossier : 41-2089382

COUR SUPÉRIEURE
(Chambre commerciale)
Loi sur la faillite et l'insolvabilité

**Affidavit d'envoi
Avis de la proposition aux créanciers et
Avis d'audition de la demande d'approbation par le tribunal d'une proposition**

**Dans l'affaire de la proposition de
Serico-Impro Inc.
de la ville de Montréal
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 :

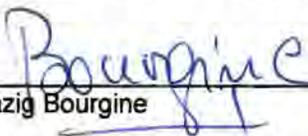
1. Que j'ai fait expédier, par courrier ordinaire dûment affranchi, du bureau de poste de la ville de Montréal, province de Québec, le 7 mars 2016, à tous les créanciers connus apparaissant à la Liste de poste intitulée « **Liste d'envoi aux créanciers** » et à la liste de poste intitulée « **Liste de poste des envois supplémentaires** » ci-jointes, au dirigeant de la personne morale insolvable, ainsi qu'à la cour, les documents suivants, soit :

- (a) l'*Avis de la proposition aux créanciers et Avis d'audition de la demande d'approbation par le tribunal d'une proposition*, auquel étaient joints :
 - i. une copie de la proposition;
 - ii. un état succinct de son actif et de son passif;
 - iii. une liste des créanciers visés par la proposition et dont les réclamations se chiffrent à 250 \$ ou plus;
 - iv. un formulaire de preuve de réclamation et de procuration; et
 - v. un formulaire de votation.

(b) le *Rapport du syndic sur la situation financière de la débitrice et sur la proposition*, et dont copies conformes desdits documents sont annexées au présent affidavit.

2. Qu'à cette même date, j'ai fait expédier, par courriel, à toutes les personnes apparaissant à la Liste des envois supplémentaires par courriel, une copie du formulaire 01.1, l'*Avis de la proposition aux créanciers et Avis d'audition de la demande d'approbation par le tribunal d'une proposition*, le *Rapport du syndic sur la situation financière de la débitrice et sur la proposition*, dont copie conforme desdits documents sont annexées au présent affidavit; et

3. Qu'à cette même date j'ai également déposé électroniquement auprès du Bureau de division l'*Avis de la proposition aux créanciers et Avis d'audition de la demande d'approbation par le tribunal d'une proposition*, le *Rapport du syndic sur la situation financière de la débitrice et sur la proposition*, dont copies des confirmations de dépôt sont jointes au présent affidavit.


Soazig Bourgine

Assermentée dans la ville de Montréal, en la province de Québec, le 7 mars 2016.


Commissaire à l'assermentation pour la province de Québec



Liste de poste des envois supplémentaires

**Dans l'affaire de la proposition de
Serico-Impro Inc.
de la ville de Montréal
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^È ÉTAGE
SECTEUR R23-CPF
MONTRÉAL QC H3H 2V2

RICHTER

CANADA
Province de Québec
District de : Québec
No division : 01-Montréal
No cour : 500-11-050205-166
No dossier : 41-2089382

COUR SUPÉRIEURE
(Chambre commerciale)
Loi sur la faillite et l'insolvabilité

**Avis de la proposition aux créanciers et
Avis d'audition de la demande d'approbation par le tribunal d'une proposition
(article 51 et alinéa 58(b) de la Loi)**

**Dans l'affaire de la proposition de
Serico-Impro Inc.
de la ville de Montréal
en la province de Québec**

Avis est donné que Serico-Impro Inc. de la ville de Montréal, en la province de Québec, a déposé une proposition entre nos mains, en vertu de la *Loi sur la faillite et l'insolvabilité*.

Ci-inclus vous trouverez une copie de la proposition, d'un état succinct de son actif et de son passif ainsi qu'une liste des créanciers visés par la proposition et dont les réclamations se chiffrent à 250 \$ ou plus.

Une assemblée générale des créanciers sera tenue au bureau de Richter Groupe Conseil Inc., 1981 McGill College, 11^e étage, Montréal QC H3A 0G6, le 18 mars 2016 à 9 h 30.

Les créanciers ou toute catégorie de créanciers ayant droit de voter à l'assemblée peuvent, au moyen d'une résolution, accepter la proposition, telle que formulée ou telle que modifiée à l'assemblée. Si la proposition est ainsi acceptée et si elle est approuvée par le tribunal, elle deviendra obligatoire pour tous les créanciers ou pour la catégorie de créanciers visés.

Avis est donné que, si la proposition est acceptée à l'assemblée générale des créanciers qui sera tenue le 18 mars 2016 à 9 h 30, une demande sera faite au tribunal, Cour Supérieure du Québec, Palais de justice de Montréal, 1, rue Notre-Dame E., salle 16.12, Montréal QC H2Y 1B6, le 11 avril 2016, à 8 h 45, en vue de faire approuver la proposition de Serico-Impro Inc.

Les preuves de réclamation, procurations et formulaires de votation dont l'usage est projeté à l'assemblée doivent nous être remis au préalable.

Daté le 7 mars 2016, à Montréal en la province de Québec.

Richter Groupe Conseil Inc.
Syndic agissant *in re* la proposition de
Serico-Impro Inc.



Stéphane De Broux, CPA, CA, CIRP

T. 514.934.3400
F. 514.934.8603
reclamations@richter.ca

Richter Groupe Conseil Inc.
1981 McGill College
Montréal, QC H3A 0G6
www.richter.ca

Montréal, Toronto

(English - over)



RICHTER

CANADA
Province of Quebec
District of: Quebec
Division No.: 01-Montréal
Court No.: 500-11-050205-166
Estate No.: 41-2089382

SUPERIOR COURT
(Commercial Division)
Bankruptcy and Insolvency Act

**Notice of Proposal to Creditors and
Notice of Hearing of Application for Court Approval of Proposal**
(Section 51 and Paragraph 58(b) of the Act)

**In the Matter of the Proposal of
Serico-Impro Inc.
Of the City of Montréal
In the Province of Québec**

Take notice that Serico-Impro Inc. of the City of Montréal, in the Province of Québec, has lodged with us a proposal under the Bankruptcy and Insolvency Act.

A copy of the proposal, a condensed statement of the debtor's assets and liabilities and a list of the creditors affected by the proposal and whose claims amount to \$250 or more are enclosed herewith.

A general meeting of the creditors will be held at the office of Richter Advisory Group Inc., 1981 McGill College, 11th Fl., Montréal QC H3A 0G6, at 9:30 AM on March 18, 2016.

The creditors or any class of creditors qualified to vote at the meeting may by resolution accept the proposal either as made or as altered or modified at the meeting. If so accepted and if approved by the court the proposal is binding on all the creditors or the class of creditors affected.

Take notice that, if the proposal is accepted by the creditors at a meeting held on March 18, 2016 at 9:30 AM., an application will be made to the court, Superior Court of Québec, Montréal Courthouse, 1, Notre-Dame St. E., Room 16.12, Montréal QC H2Y 1B6, at 8:45 AM on April 11, 2016 to approve the proposal of Serico-Impro Inc.

Proofs of claim, proxies and voting letters intended to be used at the meeting must be lodged with us prior to the commencement of the meeting.

Dated at Montréal in the Province of Québec, March 7, 2016.

Richter Advisory Group Inc.
Trustee acting *in re* the proposal of
Serico-Impro Inc.



Stéphane De Broux, CPA, CA, CIRP

T. 514.934.3400
F. 514.934.8603
claims@richter.ca

Richter Groupe Consell Inc.
1981 McGill College
Montréal, QC H3A 0G6
www.richter.ca

Montréal, Toronto

(Français - recto)



CANADA
PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL
COURT NO.: 500-11-
ESTATE NO.: 41-

SUPERIOR COURT
Commercial Division
"In Matters of Bankruptcy and Insolvency"

IN THE MATTER OF THE PROPOSAL OF Serico-Impro Inc., an insolvent corporation duly incorporated according to law, having its head office at 10550 Secant Street, in the City of Montréal, Province of Québec, H1J 1S3.

PROPOSAL

We, Serico-Impro Inc. (the "Debtor") hereby submit the following proposal under the *Bankruptcy and Insolvency Act*:

1. **Definitions:** For all purposes relating to the present proposal, the following terms shall have the following meanings:
 - 1.1 **"Act":** The *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended;
 - 1.2 **"Approval Hearing":** the date of presentation of an application to the Court for the approval of the Proposal, being April 11, 2016;
 - 1.3 **"Cash Consideration":** means a total amount of \$125,000.00 to be paid to the Trustee by the Debtor and by Plastic Decorators Inc. 90 days following the approval of the Proposal by the Court. For greater certainty, there will be only one common Cash Consideration paid by the Debtor and by Plastic Decorators Inc. for both the Proposal and the Plastic Decorators Proposal;
 - 1.4 **"Court":** The Commercial Division of the Québec Superior Court for the District of Montréal;
 - 1.5 **"Creditors' Committee":** A committee of up to five individuals to be named by the creditors at the general meeting of creditors called to consider the Proposal;
 - 1.6 **"Crown Claims":** For all purposes herein, Crown Claims shall be limited to the claims of Her Majesty in right of Canada or of a province described in subsection 60(1.1) of the Act that were outstanding on the Date of the Proposal, and "Crown Claim" means any of them;
 - 1.7 **"Date of the Proposal":** For all purposes herein, the Date of the Proposal shall be deemed to be February 18, 2016;
 - 1.8 **"Employee Claims":** All amounts that employees or former employees would be qualified to receive under paragraph 136(1)(d) of the Act if the Debtor became bankrupt on the Date of the Proposal, and "Employee Claim" means any of them;

- 1.9 **"Landlords"**: All persons of whom the Debtor was a commercial tenant under a lease of real property, as acknowledged by the Debtor, and **"Landlord"** means any of them;
- 1.10 **"Landlord Claims"**: The Ordinary Unsecured Claims of the Landlords for the actual losses resulting from the disclaimers of leases in accordance with section 65.2(4)b) of the Act, which claims shall be treated as Ordinary Unsecured Claims in accordance with section 65.2(5) of the Act, and **"Landlord Claim"** means any of them;
- 1.11 **"Ordinary Unsecured Claims"**: The claims other than Secured Claims, Employee Claims, Crown Claims and Preferred Claims. For greater certainty, but without limiting the generality of the foregoing, the Ordinary Unsecured Claims shall include claims of any kind whatsoever, whether due or not for payment as at the Date of the Proposal, including contingent and unliquidated claims (once quantified) arising out of any transaction entered into by the Debtor prior to the Date of the Proposal as well as any Restructuring Claim. Furthermore, the Ordinary Unsecured Claims shall include claims for a breach of an obligation contracted before the Date of the Proposal, regardless of the date of the breach, to the extent that such breach occurred prior to the Date of the Proposal, and **"Ordinary Unsecured Claim"** means any of them;
- 1.12 **"Ordinary Unsecured Creditors"**: All persons having an Ordinary Unsecured Claim including, for greater certainty but without limiting the generality of the foregoing, the Related Creditors, and **"Ordinary Unsecured Creditor"** means any of them;
- 1.13 **"Plastic Decorators Proposal"**: The proposal made by Plastic Decorators Inc. pursuant to the Act as well as any amendment thereto;
- 1.14 **"Preferred Claims"**: The claims described in paragraphs 136(1)(a) to 136(1)(j) of the Act, being such claims directed by the Act to be paid in priority to all other claims in the distribution of the property of a bankrupt, excluding the Employee Claims, and **"Preferred Claim"** means any of them;
- 1.15 **"Preferred Creditors"**: All persons having a Preferred Claim, and **"Preferred Creditor"** means any of them;
- 1.16 **"Professional Fees"**: The proper fees, expenses, liabilities and obligations of the Trustee and all legal fees, accounting fees and consulting fees pertaining to the Debtor incurred since the Date of the Proposal;
- 1.17 **"Proposal"**: This proposal made pursuant to the Act as well as any amendment thereto, which amendments may be made at any time prior to a vote by the creditors on the Proposal, or by the Court at the time of approval of the Proposal;
- 1.18 **"Proven Claim"**: Any claim for which a proof of claim is filed with the Trustee in accordance with section 124 of the Act and that is proven in accordance with section 135 of the Act;

1.19 **"Related Creditors"**: Goren Holdings Inc. and Jamie Goren , and **"Related Creditor"** means any of them;

1.20 **"Restructuring Claim"**: Any right of any person against the Debtor in connection with any indebtedness, liability or obligation of any kind owed to such person arising out of the restructuring, the disclaimer or the termination of any contract, lease, employment agreement, collective agreement or any other agreement, whether written or oral, after the Date of the Proposal, including any right of any person who receives a notice of repudiation or termination from the Debtor. Without limiting the generality of the foregoing, a Restructuring Claim shall include the claim of a Landlord whose lease has been disclaimed or terminated, the claim of an employee whose employment has been terminated after the Date of the Proposal and the claim of any tax authority related directly or indirectly to the acceptance or the approval of the Proposal;

1.21 **"Secured Claims"**: The claims of the Secured Creditors, and **"Secured Claim"** means any of them;

1.22 **"Secured Creditors"**: As defined in section 2 of the Act, and **"Secured Creditor"** means any of them;

1.23 **"Trustee"**: Richter Advisory Group Inc., a licensed trustee, having a place of business at 1981, McGill College Avenue, 11th floor, in the City of Montréal, Province of Québec, H3A 0G6.

2. **Condition**: The Proposal is conditional upon the acceptance by its creditors of the Plastic Decorators Proposal and to the approval thereof by the Court by no later than the date of the Approval Hearing.

In the event of the non-occurrence and/or unfulfillment of this condition, the Proposal shall become null, void and inoperative for all intents and purposes. This condition shall inure solely to the benefit of the Debtor and may be extended, varied or waived by the Debtor in its absolute discretion.

3. **Employee Claims**: Employee Claims, if any, will be paid in full, immediately after the approval of the Proposal by the Court.

4. **Crown Claims**: Crown Claims shall be paid in full, within six months of the approval of the Proposal by the Court, or as may otherwise be arranged with the Crown.

5. **Professional Fees**: All Professional Fees, to the extent not already paid by the Debtor in the normal course of business, shall be paid in priority to the Preferred Claims and Ordinary Unsecured Claims.

6. **Secured Claims**: Secured Creditors shall be paid in accordance with the terms of the existing contracts, or as may otherwise be arranged with the Secured Creditors. For greater certainty, the Proposal is not addressed to the Secured Creditors and they shall not be bound by the Proposal in respect of their Secured Claim.

7. **Subsequent Claims:** The claims arising in respect of goods supplied, services rendered or other consideration given to the Debtor subsequent to the Date of the Proposal, if any, shall be paid in full by the Debtor in the normal course of business, and on regular trade terms.
8. **Preferred Claims:** Preferred Claims, if any, shall be paid, without interest or penalty, in full, in priority to all claims of Ordinary Unsecured Creditors within 30 days from the approval of the Proposal by the Court or as may be otherwise arranged with the Preferred Creditors.
9. **Ordinary Unsecured Creditors:** The Cash Consideration received by the Trustee shall be distributed as follows:
 - 9.1 In payment of the amounts provided in paragraphs 3 and 8 above, if any;
 - 9.2 The excess in payment of:
 - i. Each of the Ordinary Unsecured Creditors having a Proven Claim of less than \$500 will be paid the full amount of its Ordinary Unsecured Claim without interest or penalty, within 30 days after the payment by the Debtor of the Cash Consideration;
 - ii. Each of the Ordinary Unsecured Creditors having a Proven Claim of at least \$500 shall receive a minimum payment of \$500. For the balance of its Proven Claim, after the distribution mentioned in paragraphs 9.1 and 9.2i) herein and within 30 days after the payment by the Debtor of the Cash Consideration, each of the Ordinary Unsecured Creditors shall also receive, in full and final payment of its Ordinary Unsecured Claim, without interest or penalty, its *pro rata* share of any amount remaining from the Cash Consideration.
10. **Related Creditors:** Conditional upon the acceptance by its creditors of the Proposal and to the approval thereof by the Court by no later than the date of the Approval Hearing, the Related Creditors waive and renounce (i) to any right to prove in whole or in part any Ordinary Unsecured Claims they may have and (ii) to any dividend that is or could be payable to them under the Proposal.
11. **Release:** Upon the payment described in section 9 herein and the payment of the Professional Fees, the Debtor shall be completely released and discharged of any and all claims from the Ordinary Unsecured Creditors.
12. **Claims against Directors:** In accordance with section 50(13) of the Act, the acceptance of the Proposal by the creditors shall definitively, without further payment release the directors in office as at the Date of the Proposal from any and all liability or obligation for which they may be liable by law in their capacity as directors, respecting any claim that arose before the Date of the Proposal as provided for by section 50(13) of the Act or otherwise. It is understood however, that nothing herein shall be interpreted as an acknowledgement of any liability or obligation whatsoever on the part of the directors in office as at the Date of the Proposal, any such liability or obligation being specifically denied.

13. **Creditors' Committee:** The powers of the Creditors' Committee contemplated herein shall be limited to the following:
- 11.1 To advise the Trustee in connection with the actions under the Proposal, as the Trustee may from time to time request;
 - 11.2 To advise the Trustee concerning any dispute which may arise as to the validity of claims under the Proposal; and
 - 11.3 To authorize the deferment of any payment under the terms of paragraphs 8 and 9 herein, either in whole or in part, and entirely at its discretion, providing that any such deferment is deemed by the Creditors' Committee to be in the interest of the Ordinary Unsecured Creditors and the Debtor.
14. **Reviewable Transactions, Preferential Payments, etc.:** The provisions of section 95 to 101 of the Act and any provision of provincial legislation having a similar objective shall not apply to the Proposal.
15. **Headings:** The headings or titles herein are provided solely for the convenience of the reader. They do not form part of the Proposal and have no authoritative meaning in interpreting the Proposal.

DATED AT MONTRÉAL, this 18th day of February 2016.

SERICO-IMPRO INC.



Per : Jamie Goren

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

Original Amended

-- Form 78 --
 Statement of Affairs (Business Proposal) made by an entity
 (Subsection 49(2) and Paragraph 158(d) of the Act / Subsections 50(2) and 62(1) of the Act)

In the Matter of the Proposal of
 Serico-Impro Inc.
 Of the City of Montréal
 In the Province of Québec

To the debtor:

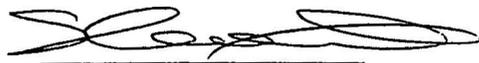
You are required to carefully and accurately complete this form and the applicable attachments showing the state of Serico-Impro Inc.'s affairs on the date of the filing of your proposal (or notice of intention, if applicable), on the 18th day of February 2016. When completed, this form and the applicable attachments will constitute the Statement of Affairs and must be verified by oath or solemn declaration.

LIABILITIES (as stated and estimated by the officer)	ASSETS (as stated and estimated by the officer)
1. Unsecured creditors as per list "A" 18,713.27	1. Inventory 2,900.00
Balance of secured claims as per list "B" 29,378.45	2. Trade fixtures, etc. 0.00
Total unsecured creditors 48,091.72	3. Accounts receivable and other receivables, as per list "E"
2. Secured creditors as per list "B" 19,400.00	Good 0.00
3. Preferred creditors as per list "C" 0.00	Doubtful 0.00
4. Contingent, trust claims or other liabilities as per list "D"	Bad 0.00
estimated to be reclaimable for 0.00	Estimated to produce 0.00
Total liabilities 67,491.72	4. Bills of exchange, promissory note, etc., as per list "F" ... 0.00
Surplus NIL	5. Deposits in financial institutions 0.00
	6. Cash 0.00
	7. Livestock 0.00
	8. Machinery, equipment and plant 16,500.00
	9. Real property or immovable as per list "G" 0.00
	10. Furniture 0.00
	11. RRSPs, RRIFs, life insurance, etc. 0.00
	12. Securities (shares, bonds, debentures, etc.) 0.00
	13. Interests under wills 0.00
	14. Vehicles 0.00
	15. Other property, as per list "H" 0.00
	If debtor is a corporation, add:
	Amount of subscribed capital 38,002.00
	Amount paid on capital 38,002.00
	Balance subscribed and unpaid 0.00
	Estimated to produce 0.00
	Total assets 19,400.00
	Deficiency 48,091.72

I, Jamie Goren, of the City of Dollard-Des-Ormeaux in the Province of Quebec, do swear (or solemnly declare) that this statement and the attached lists are to the best of my knowledge, a full, true and complete statement of Serico-Impro Inc.'s affairs on the 18th day of February 2016 and fully disclose all property of every description that is in Serico-Impro Inc.'s possession or that may devolve on me in accordance with the Act.

SWORN (or SOLEMNLY DECLARED)
 before me at the City of Montréal in the Province of Quebec, on this 18th day of February 2016.




 Jamie Goren



District de: Québec
 No division: 01 - Montréal
 No cour: 500-11-050205-166
 No dossier: 41-2089382

original modifié TRADUCTION

_ FORMULAIRE 78 _
 Bilan - proposition déposée par une entité
 (paragraphe 49(2), alinéa 158d) et paragraphes 50(2) et 62(1) de la Loi)

Dans l'affaire de la proposition de
 Serico-Impro Inc.
 de la ville de Montréal
 en la province de Québec

Au débiteur :

Vous êtes tenu de remplir avec soin et exactitude le présent formulaire et les annexes applicables indiquant la situation de vos affaires à la date du dépôt de votre proposition (ou de votre avis d'intention) le 18 février 2016. Une fois rempli, ce formulaire et les listes annexées, constituent votre bilan, qui doit être vérifié sous serment ou par une déclaration solennelle.

PASSIF (tel que déclaré et estimé par l'officier)		ACTIF (tel que déclaré et estimé par l'officier)	
1. Créanciers non garantis: voir liste A	18,713.27	1. Inventaire	2,900.00
Équilibre de réclamations garantis: voir liste "B".	29,378.45	2. Aménagements	0.00
Créanciers non garantis total.	48,091.72	3. Comptes à recevoir et autres créances: voir liste E	0.00
2. Créanciers garantis: voir liste B	19,400.00	Bonnes	0.00
3. Créanciers privilégiés: voir liste C	0.00	Douteuses	0.00
4. Dettes éventuelles, réclamations de fiduciaire ou autres (voir liste D) pouvant être réclamées pour une somme de, ..	0.00	Mauvaises	0.00
Total du passif	67,491.72	Estimation des créances qui peuvent être réalisées	0.00
Surplus	NIL	4. Lettres de change, billets à ordre, etc., voir liste F	0.00
		5. Dépôts en institutions financières	0.00
		6. Espèces	0.00
		7. Bétail	0.00
		8. Machines, outillage et installation	16,500.00
		9. Immeubles et biens réels: voir liste G	0.00
		10. Ameublement	0.00
		11. REER, FERR, Assurances-vie etc	0.00
		12. Valeurs mobilières (actions, obligations, débetures etc.	0.00
		13. Droits en vertu de testaments	0.00
		14. Véhicules	0.00
		15. Autres biens: voir liste H	0.00
		Si le débiteur est une personne morale, ajoutez:	
		Montant du capital souscrit	38,002.00
		Montant du capital payé	38,002.00
		Solde souscrit et impayé	0.00
		Estimation du solde qui peut être réalisé	0.00
		Total de l'actif	19,400.00
		Déficit	48,091.72

Je, Jamie Goren, de Dollard-Des-Ormeaux en la province de Québec, étant dûment assermenté (ou ayant déclaré solennellement) déclare que le bilan qui suit et les listes annexées sont, à ma connaissance, un relevé complet, véridique et entier des affaires de Serico-Impro Inc., en ce 18 février 2016, et indiquent au complet tous mes biens de quelque nature qu'ils soient, en la possession de Serico-Impro Inc. et réversibles, tels que définis par la Loi.

ASSERMENTÉ (ou déclaré solennellement)
 devant moi le 18 février 2016, à Montréal en la province de Québec.

(signé)

 Vicky Coupal, Commissaire à l'Assermentation
 pour la province de Québec
 Expire le 18 sep 2016

(signé)

 Jamie Goren

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

FORM 78 – Continued

List "A"
Unsecured Creditors

Serico-Impro Inc

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
1	PERREAULT, WOLMAN, GRZYWACZ	814-5250 RUE FERRIER MONTREAL QC H4P 2N7	16,216.21	0.00	16,216.21
2	REVENU QUEBEC Attn: SERVICE DES FAILLITES ET PROPOSITIONS	1600, BOUL. RENE-LEVESQUE O SECTEUR R23CPF, 3e ETAGE MONTREAL QC H3H 2V2	2,420.09	0.00	2,420.09
3	SCOTIA MOMENTUM VISA CARD	3064 BOUL ST-CHARLES KIRKLAND QC H9H 3B7	76.97	0.00	76.97
4	SCOTIABANK	3064 BOUL ST-CHARLES KIRKLAND QC H9H 3B7	0.00	29,378.45	29,378.45
Total:			18,713.27	29,378.45	48,091.72

18-Feb-2016

Date


Jamie Goren

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

FORM 78 - Continued

List "B"
 Secured Creditors

Serico-Impro Inc

No.	Name of creditor	Address	Amount of claim	Particulars of security	When given	Estimated value of security	Estimated surplus from security	Balance of claim
1	SCOTIABANK	3064 BOUL ST-CHARLES KIRKLAND QC H9H 3B7	48,778.45	Business Assets - Machinery - Equipments		16,500.00		
				Business Assets - Stock In Trade - Labels		2,900.00		
				Debts Due - Business - Accounts receivable - Accounts receivable		0.00		29,378.45
Total:			48,778.45			19,400.00	0.00	29,378.45

18-Feb-2016

Date


 Jamie Goren

RICHTER

CETTE FEUILLE DE RENSEIGNEMENTS EST FOURNIE AFIN DE VOUS AIDER À REMPLIR LE FORMULAIRE DE PREUVE DE RÉCLAMATION

- La preuve de réclamation doit être signée par l'individu qui la remplit.
- La signature du réclamant doit être attestée.
- Indiquer l'adresse complète (incluant le code postal) où tout avis et correspondance doivent être expédiés.
- Le montant sur le relevé de compte doit correspondre au montant réclamé sur la preuve de réclamation.

PARAGRAPHE 1 DE LA PREUVE DE RÉCLAMATION

- Si la personne qui complète la preuve de réclamation n'est pas le créancier lui-même, elle doit préciser son poste ou sa fonction.
- Le créancier doit déclarer la raison sociale complète de la compagnie ou du réclamant.

PARAGRAPHE 3 DE LA PREUVE DE RÉCLAMATION

- Un relevé de compte détaillé doit accompagner la preuve de réclamation et doit refléter les date, numéro de facture et montant de chaque facture ou charge, ainsi que les date, numéro et montant de tout crédit ou paiement. Un relevé de compte sera considéré comme incomplet si ce dernier commence avec un solde d'ouverture. Le créancier doit également indiquer ses adresse postale, numéro de téléphone, numéro de télécopieur et adresse électronique.

PARAGRAPHE 4 DE LA PREUVE DE RÉCLAMATION

- Un créancier non garanti (sous-paragraphe A) doit cocher ce qui s'applique en indiquant s'il revendique ou non un droit à un rang prioritaire en vertu de l'article 136 de la Loi sur la faillite et l'insolvabilité.
- Un créancier à titre de locateur suite à la résiliation d'un bail doit compléter le sous-paragraphe B et joindre tous les détails et les calculs.
- Un créancier garanti doit compléter le sous-paragraphe C et joindre les documents de garantie.
- Un agriculteur, un pêcheur ou un aquiculteur doit compléter le sous-paragraphe D.
- Un salarié doit compléter le sous-paragraphe E, le cas échéant.
- La partie F doit être complétée relativement à un régime de pension.
- Un créancier ayant une réclamation contre les administrateurs, lorsqu'une proposition le prévoit, doit compléter le sous-paragraphe G et y joindre tous les détails et les calculs.
- Un client d'un courtier en valeurs mobilières failli doit compléter le sous-paragraphe H.

PARAGRAPHE 5 DE LA PREUVE DE RÉCLAMATION

- Le réclamant doit indiquer s'il est ou n'est pas lié au débiteur, au sens de la définition de la Loi sur la faillite et l'insolvabilité, en rayant ce qui n'est pas applicable.

PARAGRAPHE 6 DE LA PREUVE DE RÉCLAMATION

- Le réclamant doit fournir une liste détaillée de tous les paiements reçus et/ou crédits accordés, soit :
 - a) au cours des **trois mois** précédant l'ouverture de la faillite, dans le cas où le réclamant et le débiteur **ne sont pas liés**;
 - b) au cours des **douze mois** précédant l'ouverture de la faillite, dans le cas où le réclamant et le débiteur **sont liés**.

PROCURATION

- a) un créancier peut voter en personne ou par procuration;
- b) une débitrice ne peut être nommée à titre de fondée de pouvoir pour voter à toute assemblée des créanciers;
- c) le syndic peut être désigné à titre de fondé de pouvoir pour le bénéfice de tout créancier;
- d) afin qu'une personne dûment autorisée ait le droit de voter, elle doit elle-même être créancière ou détentrice d'une procuration dûment exécutée. Le nom du créancier doit apparaître sur la procuration.

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

THIS INFORMATION SHEET IS SUPPLIED IN ORDER TO ASSIST YOU IN COMPLETING THE PROOF OF CLAIM FORM

- The proof of claim must be signed by the individual completing the form.
- The signature of the claimant must be witnessed.
- Give the complete address (including postal code) where all notices and correspondence are to be forwarded.
- The amount on the statement of account must agree with the amount claimed on the proof of claim.

PARAGRAPH 1 OF THE PROOF OF CLAIM

- If the individual completing the proof of claim is not the creditor himself, he must state his position or title.
- The creditor must state the full and complete legal name of the Company or the claimant.

PARAGRAPH 3 OF THE PROOF OF CLAIM

- A detailed statement of account must be attached to the proof of claim and must show the date, the invoice number and the dollar amount of all the invoices or charges, together with the date, the number and the amount of all credits or payments. A statement of account is not complete if it begins with an amount brought forward. In addition, a creditor must indicate his/her address, phone number, fax number and E-mail address.

PARAGRAPH 4 OF THE PROOF OF CLAIM

- An unsecured creditor (subparagraph (A)) must check and state whether or not a priority rank is claimed under Section 136 of the Bankruptcy and Insolvency Act.
- A claim of landlord (subparagraph (B)) for disclaim of lease must be completed with full particulars and calculations.
- A secured creditor must complete subparagraph (C) and attach a copy of the security documents.
- A farmer, fisherman or aquaculturist must complete subparagraph (D).
- A wage earner must complete subparagraph (E), if applicable.
- Section F must be completed with regard to a pension plan.
- A claim against director(s) (subparagraph (G)), in a proposal which compromises a creditor's claim, must contain full particulars and calculations.
- A customer of a bankrupt securities firm must complete subparagraph (H).

PARAGRAPH 5 OF THE PROOF OF CLAIM

- The claimant must indicate whether he/she is or is **not related** to the debtor, as defined in the Bankruptcy and Insolvency Act, by striking out that which is not applicable.

PARAGRAPH 6 OF THE PROOF OF CLAIM

- The claimant must attach a detailed list of all payments received and/or credits granted, as follows:
 - a) within the **three months** preceding the initial bankruptcy event, in the case where the claimant and the debtor are **not related**;
 - b) within the **twelve months** preceding the initial bankruptcy event, in the case where the claimant and the debtor are **related**.

PROXY

- a) A creditor may vote either in person or by proxy;
- b) A debtor may not be appointed as proxy to vote at any meeting of the creditors;
- c) The Trustee may be appointed as a proxy for any creditor;
- d) In order for a duly authorized person to have a right to vote he must himself be a creditor or be the holder of a properly executed proxy. The name of the creditor must appear in the proxy.

T. 514.934.3400
F. 514.934.8603
claims@richter.ca

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

Montréal, Toronto

(français – recto)



RICHTER

PREUVE DE RÉCLAMATION

(articles 50.1, 81.5 et 81.6, paragraphes 65.2(4), 81.2(1), 81.3(8), 81.4(8), 102(2), 124(2) et 128(1) et alinéas 51(1)e) et 66.14b) de la Loi)

Expédier tout avis ou toute correspondance concernant la présente réclamation à l'adresse suivante :

Dans l'affaire de la proposition de **Serico-Impro Inc.** de la ville de Montréal, province de Québec, et de la réclamation de _____, créancier.

Je soussigné, _____ (nom du créancier ou du représentant du créancier), de _____ (ville et province), certifie ce qui suit :

1. Je suis le créancier du débiteur susnommé (ou je suis _____ (préciser le poste ou la fonction) de _____ (nom du créancier ou de son représentant)).

2. Je suis au courant de toutes les circonstances entourant la réclamation visée par le présent formulaire.

3. Le débiteur était, à la date de la Proposition, soit le 18 février 2016, endetté envers le créancier et l'est toujours, pour la somme de _____ \$, comme l'indique l'état de compte (ou l'affidavit) ci-annexé et désigné comme l'annexe A, après déduction du montant de toute créance compensatoire à laquelle le débiteur a droit. (L'état de compte ou l'affidavit annexé doit faire mention des pièces justificatives ou de toute autre preuve à l'appui de la réclamation.)

4. (Cochez la catégorie qui s'applique et remplissez les parties requises.)

A. RÉCLAMATION NON GARANTIE AU MONTANT DE _____ \$
(Autre qu'une réclamation d'un client visée par l'article 262 de la Loi)

En ce qui concerne cette créance, je ne détiens aucun avoir du débiteur à titre de garantie et :
(Cochez ce qui s'applique.)

pour le montant de _____ \$, je ne revendique aucun droit à un rang prioritaire.
(« Créancier chirographaire »)

pour le montant de _____ \$, je revendique le droit à un rang prioritaire en vertu de l'article 136 de la Loi.
(« Créancier privilégié »)

(Indiquez sur une feuille annexée les renseignements à l'appui de la réclamation prioritaire.)

B. RÉCLAMATION DU LOCATEUR SUITE À LA RÉSILIATION D'UN BAIL, AU MONTANT DE _____ \$

J'ai une réclamation en vertu du paragraphe 65.2(4) de la Loi, dont les détails sont mentionnés ci-après.
(Donnez tous les détails de la réclamation, y compris les calculs s'y rapportant.)

C. RÉCLAMATION GARANTIE AU MONTANT DE _____ \$

En ce qui concerne la créance susmentionnée, je détiens des avoirs du débiteur à titre de garantie, dont la valeur estimative s'élève à _____ \$ et dont les détails sont mentionnés ci-après :

(Donnez des renseignements complets au sujet de la garantie, y compris la date à laquelle elle a été donnée et la valeur que vous lui attribuez, et annexez une copie des documents relatifs à la garantie.)

D. RÉCLAMATION D'UN AGRICULTEUR, D'UN PÊCHEUR OU D'UN AQUICULTEUR AU MONTANT DE _____ \$

J'ai une réclamation en vertu du paragraphe 81.2 (1) pour la somme impayée de _____ \$
(Veuillez joindre une copie de l'acte de vente et des reçus de livraison.)

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





- E. RÉCLAMATION D'UN SALARIÉ AU MONTANT DE _____ \$
 - J'ai une réclamation en vertu du paragraphe 81.3(8) de la Loi au montant de _____ \$
 - J'ai une réclamation en vertu du paragraphe 81.4(8) de la Loi au montant de _____ \$
- F. RÉCLAMATION D'UN EMPLOYÉ RELATIVE AU RÉGIME DE PENSION AU MONTANT DE _____ \$
 - J'ai une réclamation en vertu du paragraphe 81.5 de la Loi au montant de _____ \$
 - J'ai une réclamation en vertu du paragraphe 81.6 de la Loi au montant de _____ \$
- G. RÉCLAMATION CONTRE LES ADMINISTRATEURS AU MONTANT DE _____ \$
 (A remplir lorsque la proposition vise une transaction quant à une réclamation contre les administrateurs.)
 J'ai une réclamation en vertu du paragraphe 50(13) de la Loi, dont les détails sont mentionnés ci-après :
 (Donnez tous les détails de la réclamation, y compris les calculs s'y rapportant.)
- H. RÉCLAMATION D'UN CLIENT D'UN COURTIER EN VALEURS MOBILIÈRES FAILLI AU MONTANT DE _____ \$
 J'ai une réclamation en tant que client en conformité avec l'article 262 de la Loi pour des capitaux nets, dont les détails sont mentionnés ci-après :
 (Donnez tous les détails de la réclamation, y compris les calculs s'y rapportant.)

5. Au meilleur de ma connaissance, je suis lié (ou le créancier susnommé est lié) (ou je ne suis pas lié ou le créancier susnommé n'est pas lié) au débiteur selon l'article 4 de la Loi, et j'ai (ou le créancier susnommé a) (ou je n'ai pas ou le créancier susnommé n'a pas) un lien de dépendance avec le débiteur.

6. Les montants suivants constituent les paiements que j'ai reçus du débiteur, les crédits que j'ai attribués à celui-ci et les opérations sous-évaluées selon le paragraphe 2(1) de la Loi auxquelles j'ai contribué ou été partie intéressée au cours des trois mois (ou, si le créancier et le débiteur sont des « personnes liées » au sens du paragraphe 4 de la Loi ou ont un lien de dépendance, au cours des 12 mois) précédant immédiatement l'ouverture de la faillite, telle que définie au paragraphe 2(1) de la Loi. (Donnez les détails des paiements, des crédits et des opérations sous-évaluées.)

Daté le _____, à _____.

Signature du créancier

Signature du témoin

Numéro de téléphone : _____

Numéro de télécopieur : _____

Adresse électronique : _____

REMARQUE : Si un affidavit est joint au présent formulaire, il doit avoir été fait devant une personne autorisée à recevoir des affidavits.
 AVERTISSEMENTS : Le syndic peut, en vertu du paragraphe 128(3) de la Loi, racheter une garantie sur paiement au créancier garanti de la créance ou de la valeur de la garantie telle qu'elle a été fixée par le créancier garanti dans la preuve de garantie.
 Le paragraphe 201(1) de la Loi prévoit l'imposition de peines sévères en cas de présentation de réclamations, de preuves, de déclarations ou d'états de compte qui sont faux.

FORMULAIRE DE PROCURATION

(paragraphe 102(2) et alinéas 51(1)e) et 66.15(3)b) de la Loi)

Dans l'affaire de la proposition de **Serico-Impro Inc.**

Je, _____, de _____
 (nom du créancier) (nom du village ou de la ville)

créancier dans l'affaire susmentionnée, nomme _____ de _____,
 mon fondé de pouvoir à tous égards dans l'affaire susmentionnée, sauf la réception de dividendes, celui-ci _____
 (étant ou n'étant pas) habilité à nommer un autre fondé de pouvoir à sa place.

Daté le _____, à _____.

Signature du créancier

Par : _____
 Nom et titre du signataire autorisé

Signature du témoin

RICHTER

PROOF OF CLAIM

(Section 50.1, Subsections 65.2(4), 81.2(1), 81.3(8), 81.4(8), 81.5, 81.6, 102(2), 124(2), 128(1), and Paragraphs 51(1)(e) and 66.14(b) of the Act)

All notices or correspondence regarding this claim must be forwarded to the following address:

In the Matter of the Proposal of **Serico-Impro Inc.** of the City of Montréal, Province of Quebec, and the claim of _____, creditor.

I, _____ (name of creditor or representative of the creditor), of _____ (city and province), do hereby certify:

1. That I am a creditor of the above-named debtor (or that I am _____ (state position or title) of _____ (name of creditor or representative of the creditor).
2. That I have knowledge of all of the circumstances connected with the claim referred to below.
3. That the debtor was, at the date of the Proposal, namely February 18, 2016, and still is, indebted to the creditor in the sum of \$ _____, as specified in the statement of account (or affidavit) attached and marked Schedule "A" after deducting any counterclaims to which the debtor is entitled. (The attached statement of account or affidavit must specify the vouchers or other evidence in support of the claim.)

4. Check and complete appropriate category

- A. UNSECURED CLAIM OF \$ _____

(Other than as a customer contemplated by Section 262 of the Act)

That in respect of this debt, I do not hold any assets of the debtor as security and

(Check appropriate description)

- Regarding the amount of \$ _____, I do not claim a right to a priority.
("Ordinary Creditor")

- Regarding the amount of \$ _____, I claim a right to a priority under section 136 of the Act.
("Preferred Creditor")

(Set out on an attached sheet details to support priority claim)

- B. CLAIM OF LESSOR FOR DISCLAIMER OF A LEASE \$ _____

That I hereby make a claim under subsection 65.2(4) of the Act, particulars of which are as follows:
(Give full particulars of the claim, including the calculations upon which the claim is based)

- C. SECURED CLAIM OF \$ _____

That in respect of this debt, I hold assets of the debtor valued at \$ _____ as security, particulars of which are as follows:

(Give full particulars of the security, including the date on which the security was given and the value at which you assess the security, and attach a copy of the security documents.)

- D. CLAIM BY FARMER, FISHERMAN OR AQUACULTURIST OF \$ _____

That I hereby make a claim under subsection 81.2(1) of the Act for the unpaid amount of \$ _____
(Attach a copy of sales agreement and delivery receipts).

T. 514.934.3400
F. 514.934.8603
claims@richter.ca

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





- E. CLAIM BY WAGE EARNER OF \$ _____
 - That I hereby make a claim under subsection 81.3(8) of the Act in the amount of \$ _____
 - That I hereby make a claim under subsection 81.4(8) of the Act in the amount of \$ _____

- F. CLAIM BY EMPLOYEE FOR UNPAID AMOUNT REGARDING PENSION PLAN OF \$ _____
 - That I hereby make a claim under subsection 81.5 of the Act in the amount of \$ _____
 - That I hereby make a claim under subsection 81.6 of the Act in the amount of \$ _____

- G. CLAIM AGAINST DIRECTOR \$ _____
(To be completed when a proposal provides for the compromise of claims against directors.)

That I hereby make a claim under subsection 50(13) of the Act, particulars of which are as follows:
(Give full particulars of the claim, including the calculations upon which the claim is based.)

- H. CLAIM OF A CUSTOMER OF A BANKRUPT SECURITIES FIRM \$ _____
That I hereby make a claim as a customer for net equity as contemplated by section 262 of the Act, particulars of which are as follows:
(Give full particulars of the claim, including the calculations upon which the claim is based.)

5. That, to the best of my knowledge, I am (or the above-named creditor is) (or am not or is not) related to the debtor within the meaning of section 4 of the Act, and have (or has) (or have not or has not) dealt with the debtor in a non-arm's-length manner.

6. That the following are the payments that I have received from, the credits that I have allowed to, and the transfers at undervalue within the meaning of subsection 2(1) of the Act that I have been privy to or a party to with the debtor within the three months (or, if the creditor and the debtor are related within the meaning of section 4 of the Act or were not dealing with each other at arm's length, within the 12 months) immediately before the date of the initial bankruptcy event within the meaning of subsection 2(1) of the Act: (provide details of payments, credits and transfers at undervalue)

Dated at _____, this _____ day of _____

Signature of creditor

Signature of witness

Telephone number: _____ Fax number: _____

E-mail address: _____

NOTE: If an affidavit is attached, it must have been made before a person qualified to take affidavits.

WARNINGS: A trustee may, pursuant to subsection 128(3) of the Act, redeem a security on payment to the secured creditor of the debt or the value of the security as assessed, in a proof of security, by the secured creditor.

Subsection 201(1) of the Act provides severe penalties for making any false claim, proof, declaration or statement of account.

PROXY

(Subsection 102(2) and paragraphs 51(1)e) and 66.15(3)b) of the Act)

In the Matter of the Proposal of **Serico-Impro Inc.**

I, _____, of _____
(name of creditor) (name of town or city)

a creditor in the above matter, hereby appoint _____ of _____,
to be my proxyholder in the above matter, except as to the receipt of dividends, _____ (with or without) power to
appoint another proxyholder in his or her place.

Dated at _____, this _____ day of _____

Signature of creditor

Per: _____
Name and Title of Signing Officer

Signature of witness

RICHTER

CANADA

Province de Québec

District de : Québec

No division : 01-Montréal

No cour : 500-11-050205-166

No dossier : 41-2089382

COUR SUPÉRIEURE

(Chambre commerciale)

Loi sur la faillite et l'insolvabilité

FORMULAIRE DE VOTATION (proposition déposée en vertu de la section I) (alinéa 51(1)f) de la Loi)

Dans l'affaire de la proposition de
Serico-Impro Inc.

Je, _____, créancier
(ou Je, _____, représentant de _____ créancier)
de _____ (nom de la ville), créancier dans l'affaire susmentionnée à l'égard de la
somme de _____ \$, demande au syndic agissant relativement à la proposition de **Serico-
Impro Inc.**, de consigner mon vote _____ (en faveur de ou contre) l'acceptation de la
proposition faite le 18 février 2016.

Daté le ___ jour de _____ 201___, à _____

Nom du créancier (personne physique)
(Veuillez écrire en lettres moulées)

Signature du créancier (personne physique)

Signature du témoin

- OU -

Nom du créancier (personne morale)
(Veuillez écrire en lettres moulées)

Signature du créancier (personne morale)

Signature du témoin

Nom et titre du signataire autorisé
(Veuillez écrire en lettres moulées)

RICHTER

CANADA
Province of Québec
District of: Québec
Division No.: 01-Montréal
Court No.: 500-11-050205-166
Estate No.: 41-2089382

SUPERIOR COURT
(Commercial Division)
Bankruptcy and Insolvency Act

**VOTING LETTER
(Division 1 Proposal)
(Paragraph 51(1)f) of the Act)**

**In the Matter of the Proposal of
Serico-Impro Inc.**

I, _____, creditor
(or I, _____, representative of _____, creditor)
of _____ (name of city), a creditor in the above matter for the sum of
\$ _____, hereby request the trustee acting with respect to the proposal of **Serico-Impro Inc.** to
record my vote _____ (for or against) the acceptance of the proposal as made on February 18, 2016.

Dated at _____, this _____ day of _____ 201_____.

Name of Individual Creditor (Please print)

Signature of Individual Creditor

Signature of Witness

- OR -

Name of Corporate Creditor (Please print)

Signature of Corporate Creditor

Signature of Witness

Name and Title of Signing Officer (Please print)

CANADA
PROVINCE OF QUÉBEC
DISTRICT OF QUÉBEC
DIVISION NO.: 01-MONTREAL
COURT NO.: 500-11-050205-166
ESTATE NO.: 41-2089382

SUPERIOR COURT
(Commercial Division)
Bankruptcy and Insolvency Act

Serico-Impro Inc.
a legal person duly constituted, having its
registered office at 10550 Secant Street
Montreal QC H1J 1S3

Debtor

- and -

Richter Advisory Group Inc.

Trustee

**REPORT OF THE TRUSTEE ON THE FINANCIAL SITUATION
OF THE DEBTOR AND ON THE PROPOSAL
(Sections 50(10)(b) and 50(5) of the *Bankruptcy and Insolvency Act*)**

Pursuant to Sections 50(10)(b) and 50(5) of the *Bankruptcy and Insolvency Act*, and to assist the creditors in considering the Proposal, the Trustee is submitting its report on the financial situation of the Debtor and on the Proposal.

We caution the reader that we have neither conducted an audit nor a verification of the books and records of the Debtor. Consequently, we cannot render an opinion as to the accuracy of the information contained therein. The information discussed herein emanates from the books and records of the Debtor as well as from our discussions with the Management of the Debtor.

I. INTRODUCTION

In 2015, management of Serico-Impro Inc. (hereinafter "Serico", the "Debtor" or the "Company") initiated a process to seek the interest of potential investors. On July 21, 2015, a group of investors (the "Purchaser") submitted a letter of interest ("LOI") to acquire all the outstanding shares of the Debtor (the "Transaction"). The Transaction will only be finalized if and after the Proposal is accepted by the creditors and ratified by the Court.

In this context, on February 18, 2016, the Debtor filed a Proposal in accordance with the *Bankruptcy and Insolvency Act* (hereinafter referred to as the "Act" or "BIA"). We have enclosed herewith the Proposal made by the Debtor to its creditors, a proof of claim form, a voting form, a proxy, and a notice indicating the place and time of the Meeting of Creditors to address the Proposal.

The following summarizes the relevant information and key elements that may assist the creditors in evaluating the Debtor's affairs and the Proposal.

Take notice that, if the Proposal is accepted by the creditors at the meeting to be held on March 18, 2016, an application will be made to the Québec Superior Court, judicial district of Montréal, 1 Notre-Dame Street E., Room 16.12, Montréal, QC, H2Y 1B6 on April 11, 2016, at 8:45 AM to approve the proposal of the Debtor.

II. OVERVIEW OF THE COMPANY

Serico is a bottle decorator. Using the processes of screen printing, label application, hot stamping, pad printing (or a combination of the processes), Serico applies artwork bottles supplied to them by their clients.

In 2008, Serico was acquired by the parent company of Plastic Decorators Inc. (hereinafter "Plastic") and was moved into the same premises in February 2009.

III. CAUSES OF INSOLVENCY AND RECENT DEVELOPMENTS

After moving to larger premises in 2012, the Company and Plastic incurred financial losses due to an unforeseen sales decline. A number of clients, still reeling from the economic downturn in 2010 and 2011, either moved production overseas or shut down production of certain lines, causing a significant decline in sales in 2014 and 2015. During that period, Plastic lost two major customers who moved their production to Asia, and a third customer who converted their bottle decorating to application of labels. At the same time, moving expenses, coupled with the burden of ongoing debt repayment put the Company and Plastic in a very difficult financial position.

Furthermore, Plastic's SR&ED claim for fiscal 2014 was refused by Canada Revenue Agency (CRA) and Revenue Quebec. In addition, a GST/PST audit by Revenue Quebec in the early fall of 2015 concluded with a refund assessment. The financial difficulties coupled with fiscal authorities' assessments prevent the Company and Plastic to maintain normal operations in a satisfactory manner.

IV. TRANSACTION

The Purchaser (Mr. Martin Tessier, Mr. Mario Tremblay and Mr. Luc Poirier) submitted a letter of interest to the Debtor and Plastic on July 21, 2015. Pursuant to the LOI, the Purchaser shall acquire all the outstanding shares of the Debtor and Plastic.

As per the LOI, the Purchaser shall pay \$125,000 to the Debtor and Plastic in order to fund the proposal to its unsecured creditors if accepted.

V. FINANCIAL INFORMATION

The following financial data was extracted either from the books and records of the Debtor, the unaudited financial statements or from discussions held with Management. This information is submitted solely to assist the reader in assessing the current financial position of the Debtor.

The Trustee makes no representation or warranty as to the accuracy of said financial information.

A) Statement of Earnings (Deficit)

Serico-Impro Inc. Statement of Earnings			
	F2016 Unaudited (9 months ended Jan. 31, 2016)	F2015 Unaudited (April 30, 2015)	F2014 Unaudited (April 30, 2014)
Total sales	\$ 82,726	\$ 106,490	\$ 108,995
Operating expenses			
Factory salaries	9,519	27,116	24,358
Supervisor salaries	-	22,770	64,872
Office salaries and commissions	-	-	7,500
Management salaries	-	-	2,000
Vacation expense	-	1,093	4,227
Salaries benefits (DAS and group insurance)	-	3,688	6,934
Personnel Agencies	3,567	6,427	11,228
Commissions	6,626	10,649	10,520
Utilities	-	-	3,100
Rent and property taxes	-	-	6,483
Repairs and maintenance	-	-	2,900
Professional fees	-	-	4,212
Interest and bank charges	3,885	5,779	5,751
Entertainment and promotion	1,856	-	-
Depreciation and amortization	-	-	8,266
Other expenses	151	218	578
	<u>25,604</u>	<u>77,740</u>	<u>162,929</u>
Earnings Before Taxes	57,122	28,750	(53,934)
Taxes	-	-	-
Net Earnings (Deficit)	\$ 57,122	\$ 28,750	\$ (53,934)

B) Historical Balance Sheet

Serico-Impro Inc. Balance sheets Prepared by Management - UNAUDITED			
(in \$)	As at Jan. 31 2016	As at April 30 2015	As at April 30 2014
Assets			
Accounts receivable	\$ 1,844	\$ 5,392	\$ 11,150
Other receivable	18,000	18,000	
Inventory	14,653	14,653	14,653
Prepays and deposits	2,303	-	-
	<u>36,800</u>	<u>38,045</u>	<u>25,803</u>
Loan to related parties	280,402	306,606	280,306
Fixed assets	33,031	33,031	33,031
	<u>\$ 350,233</u>	<u>\$ 377,682</u>	<u>\$ 339,140</u>
Liabilities			
Line of credit - Scotia	\$ 69,902	\$ 61,398	\$ 47,396
Accounts payable	16,293	16,216	16,568
Other payable	-	87,604	91,050
Accrued liabilities	3,546	3,500	3,500
Sales taxes payable	2,420	4,071	4,716
Vacations payable	-	-	4,227
DAS payable	-	493	3,861
	<u>92,162</u>	<u>173,282</u>	<u>171,318</u>
Loan - Capital lease	-	3,451	13,624
	<u>92,162</u>	<u>176,733</u>	<u>184,942</u>
Shareholder's Equity			
Capital stock	38,002	38,002	20,002
Retained earnings	220,069	162,947	134,196
	<u>\$ 350,233</u>	<u>\$ 377,682</u>	<u>\$ 339,140</u>

C) Debtor's Statement of Affairs - Assets

Based on the Debtor's and Plastic's Statement of Affairs as of February 18, 2016, and certain additional information provided by Management, the Debtor's and Plastic's assets can be summarized as follows:

Plastic Decorators Inc. and Serico-Impro Inc.			
Assets			
	Plastic	Serico	Total
Cash in Bank	\$ -	\$ -	\$ -
Accounts Receivables - Collectible			
Accounts Receivables - Total	174,046	1,844	175,890
Accounts Receivables - Bad	(2,056)	-	(2,056)
Accounts Receivables - Doubtful	<u>(34,500)</u>	<u>(1,844)</u>	<u>(36,344)</u>
Equipment (estimate)	24,000	16,500	40,500
Inventory (estimate)	5,775	2,900	8,675
	<u>\$167,265</u>	<u>\$ 19,400</u>	<u>\$186,665</u>

Management's estimated gross realization amount is prior to consideration of the payment of post-filing obligations as well as professional fees.

Of the \$176K of receivables currently on the books, \$2K of receivables are considered uncollectible and \$36K are considered doubtful based on the age of the accounts. The Debtor estimates the recoverable accounts receivable balance at approximately \$137K.

Note that the loan to related parties (\$280K as at January 31, 2016) is considered unrecoverable by Management.

D) Debtor's Statement of Affairs - Liabilities

The Debtor has provided us with a list of its creditors. Notices have been sent to the known creditors and, to date, we are unable to determine if the Debtor's records agree with those of its creditors. As Proofs of Claim are received, we shall record the specific amounts claimed by the creditors, and prior to paying any dividend, we shall perform a variance analysis (where applicable).

Liabilities indicated below are based on the books and records of the Debtor and Plastic, the Statements of Affairs as of February 18, 2016 and Management's representations.

Plastic Decorators Inc. and Serico-Impro Inc. Liabilities			
	<u>Plastic</u>	<u>Serico</u>	<u>Total</u>
Secured Creditors			
Unrelated Creditors	\$ 118,978	\$ 48,778	\$ 167,756
Preferred Creditors	-	-	-
Unsecured Creditors			
Unrelated Creditors	703,477	18,714	722,191
	<u>\$ 822,455</u>	<u>\$ 67,492</u>	<u>\$ 889,948</u>

The secured liabilities are comprised of \$161K due to Scotia Bank and \$7K due on a capital lease. We caution that the liabilities amount may change as proofs of claim are received.

VI. PROPOSAL

A) Summary

The terms of the Proposal provide that a payment of \$125K less payment of Employee Claims and Preferred Claims to be remitted to the Trustee by the Debtor and by Plastic within 90 days following the approval of the Proposal by the Court for distribution to Ordinary Creditors. For greater certainty, there will be only one common payment paid by the Debtor and by Plastic for both the Proposal and Plastic's Proposal.

Conditional upon the acceptance by the creditors of the Proposal and to the approval thereof by the Court by no later than the date of the Approval Hearing, the Related Creditors waive and renounce (i) to any right to prove in whole or in part any Ordinary Unsecured Claims they may have and (ii) to any dividend that is or could be payable to them under the Proposal.

B) Amounts to be paid as a priority

According to the terms of the Proposal, the following amounts must be paid in priority:

- Crown Claims shall be paid in full, within six months of the approval of the Proposal by the Court, or as may otherwise be arranged with the Crown;
- Amounts owing to employees (past and present) and that they would have been entitled to receive under Section 136(1)(d) of the Act if the Debtor had been declared bankrupt on the date of the approval of the Proposal, shall be paid in their entirety immediately after the approval of the Proposal;
- The Preferred Claims, as described in paragraphs 136(1)(a) to 136(1)(j) of the Act, being such claims directed by the Act to be paid in priority to all other claims in the distribution of the property of a bankrupt, excluding the Employee Claims. The Preferred claims, without interest or penalty, shall be paid in their entirety in priority to Unsecured Claims within thirty (30) days of the approval of the Proposal by the Court or as may be otherwise arranged with the Preferred Creditors.

C) Amounts to be disbursed to Ordinary Creditors

The amount available after payment of the above-mentioned amounts ("Net Amount") shall be paid to the Trustee within 90 days of the Approval of the Proposal and shall be distributed to Ordinary Creditors as follows:

- Each of the Ordinary Creditors shall receive, in full and final payment of its Unsecured Claim, without interest or penalty:
 - a) Provided the creditor makes an election, the lesser of five hundred dollars (\$500) or the amount of its Unsecured Claim as set out in its proof of claim or an irrevocable and unconditional reduction of such Unsecured Claim to five hundred dollars (\$500);
 - b) A pro-rata share of the balance of the Net Amount after payment of the amount defined in a) above.

D) Creditors' Committee

The Debtor consents to the creation of a committee which shall be comprised of, at most, five (5) individuals (the "Committee") designated by the creditors at the Meeting of Creditors. The Committee shall have the following powers:

- To advise the Trustee in connection with the actions under the Proposal, as the Trustee may from time to time request;
- To advise the Trustee concerning any dispute which may arise as to the validity of claims under the Proposal; and
- To authorize the deferment of any payment under the terms of the Proposal, either in whole or in part, and entirely at its discretion, providing that any such deferment is deemed by the Creditors' Committee to be in the interest of the Ordinary Unsecured Creditors and the Debtor.

VII. ESTIMATE AS TO DISTRIBUTION TO CREDITORS

In the event that the creditors reject the Proposal, the Debtor will automatically be bankrupt and the net proceeds from the liquidation of the assets (after the payment of the Trustee's fees and expenses) will be distributed to the creditors in the order provided for under the Act. The following information is to inform the creditors on the estimate as to the distribution to creditors under the Proposal in comparison to the estimated distribution under a bankruptcy scenario.

A) Proposal

Based on the Claims reflected in the Debtor's and Plastic's Statements of Affairs, the amount of the Proposal (\$125,000) would be distributed as follows:

Plastic Decorators Inc. and Serico-Impro Inc. Proposal			
Proposal Amount		<u>\$ 125,000</u>	
	Estimated Claims	Estimated Distribution	
Secured creditors (Note 1)	\$ -	\$ -	
Crown Claims (Note 1)	-	-	
Unsecured Creditors	722,191	125,000	17.3%
		<u>\$ 125,000</u>	
Note 1: Per the Transaction LOI, the Purchaser will assume the liabilities related to the Secured Creditors and the Crown Claims.			

B) Bankruptcy

In a bankruptcy scenario, it has been estimated that the net realization value of the assets would be \$136,665. Therefore, the estimated net proceeds would be distributed as follows:

Plastic Decorators Inc. and Serico-Impro Inc. Estimated Distribution - Bankruptcy Scenario			
Net Realization of Assets (estimated)			
Cash on hand		\$ -	
Accounts Receivable		137,490	
Inventory		8,675	
Equipment		40,500	
Professional Fees		(50,000)	
		<u>\$ 136,665</u>	
	Estimated Claims	Estimated Distribution	
Crown Claims	\$ -	\$ -	0.0%
Secured Creditors	167,756	136,665	81.5%
Unsecured Creditors	703,477	-	0.0%
	<u>\$ 871,233</u>	<u>\$ 136,665</u>	

The estimated distribution under the Bankruptcy scenario shows that all the proceeds would be for the benefit of the Secured Creditors. Therefore, there would be no distribution to the unsecured creditors in a Bankruptcy scenario.

C) Other considerations

The following are additional elements to be considered:

- i. The Proposal provides for the payment of a dividend to Ordinary Creditors within ninety (90) days of the approval of the Proposal. In a bankruptcy, it is expected that there would be no distribution.
- ii. The Purchaser will continue operating the business and employees will remain employed. In addition, suppliers will also be able to continue their business relationship with the Debtor.
- iii. Sections 95 to 101 of the Act will not be applicable to the Proposal. The remedies pursuant to these provisions relate to the recovery of certain amounts under reviewable transactions, preferential treatments and asset disposals.

VIII. CONCLUSION & RECOMMENDATION

The funding of the Proposal is contingent on the Purchaser's ability to finalize the contemplated Transaction. To date, we have been informed that the Purchaser has secured the financing related to the Transaction.

The Trustee is of the opinion that if the Proposal is not approved by the creditors, it is unlikely that the Unsecured Creditors will realize any recovery of their debt in view of the significant prior ranking Crown and Secured Claims. It is estimated that the Proposal will provide recovery to the Unsecured Creditors of approximately 17%. **The Trustee therefore recommends to vote in favour of the Proposal.**

Dated at Montreal, Province of Quebec, this 4th day of March 2016.

Richter Advisory Group Inc.
(Trustee)



Stéphane De Broux, CPA, CA, CIRP

Liste des envois supplémentaires par courriel

**Dans l'affaire de la proposition de
Serico-Impro Inc.
de la ville de Montréal
en la province de Québec**

Envoi à

Serico-Impro Inc.
Bell Canada F-88
Bell Mobility
Commission des normes du travail
Commission des normes du travail
Euler Hermes Canada

Gaz Métropolitain
Hydro Québec
Vidéotron
Davies Ward Phillips &
Vineberg

Avocat de Amy Ressources
Richter Groupe Conseil Inc.
Richter Groupe Conseil Inc.

À l'attention de

Jamie Goren
Groupe Insolvabilité – Affaires
Insolvency Team
Juan Manuel Diz Grana

Monique Bélanger

Tony Sullo, VP, Accounts
Management
Insolvabilité
Line Ducharme
Département de la perception
Hugo Babos-Marchand

K. Balti
Stéphane de Broux
Patrick Ifergan

Adresse courriel

jaimie@plastideco.com;
Insolv@bell.ca;
Bellmobilityinsolvencyteam@bell.ca;
Juan-Manuel.Diz-Grana@cnt.qouv.qc.ca;

Monique.belanger@cnt.qouv.qc.ca;

Tony.sullo@eulerhermes.com;

Insolvabilite2@gazmetro.ca;
Ducharme.Line@hydro.qc.ca;
syndics@videotron.com;
hbabosmarchand@dwpv.com;

k.balti@yahoo.ca;
sdebroux@richter.ca;
pifergan@richter.ca;

District de: Québec
No division: 01 - Montréal
No cour: 500-11-050205-166
No dossier: 41-2089382

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 la proposition de
Serico-Impro Inc.
de la ville de Montréal
en la province de Québec

Daté le 7 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.



**Gouvernement
du Canada**

**Government
of Canada**

[Accueil \(https://www.ic.gc.ca/eic/site/icgc.nsf/fra/accueil\)](https://www.ic.gc.ca/eic/site/icgc.nsf/fra/accueil)

→ [Faillites \(https://www.ic.gc.ca/eic/site/icgc.nsf/fra/h_07043.html\)](https://www.ic.gc.ca/eic/site/icgc.nsf/fra/h_07043.html)

→ [Bureau du surintendant des faillites Canada \(https://www.ic.gc.ca/eic/site/bsf-osb.nsf/tpl-fra/./fra/accueil\)](https://www.ic.gc.ca/eic/site/bsf-osb.nsf/tpl-fra/./fra/accueil)

→ [Dépôt électronique \(home.jsp\)](#)

Mise à jour du dossier - confirmation de la mise à jour

[Bienvenue, Soazig Bourgine](#) | [Préférences \(trusteeProfile.jsp\)](#) | [Service d'assistance \(contactUs.jsp\)](#) | [Instructions \(https://www.ic.gc.ca/eic/site/bsf-osb.nsf/fra/h_br01287.html\)](https://www.ic.gc.ca/eic/site/bsf-osb.nsf/fra/h_br01287.html) | [Sortie \(logout.jsp\)](#)

Information sur le dossier

Les dossiers suivants ont été mis à jour :

- **Numéro de dossier** : 41-2089382
- **Nom du dossier** : Serico-Impro Inc

Document(s) déposé(s)

Les documents suivants ont été déposés avec succès :

- Avis de la proposition et Avis d'audition de la dde d'approbation

Référence

- Le numéro de référence de cette transaction est : **11802565**.
- Déposé par Soazig Bourgine.
- 2016-03-07 15:32 HNE

[Déposer un autre document relatif à ce dossier \(selectDocument.jsp\)](#)

Si vous souhaitez déposer un document relatif à un autre dossier, appuyez sur le lien **Mise à jour** à partir de la barre de navigation du menu de gauche.

Date de modification :

2016-01-22



**Gouvernement
du Canada**

**Government
of Canada**

[Accueil \(https://www.ic.gc.ca/eic/site/icgc.nsf/fra/accueil\)](https://www.ic.gc.ca/eic/site/icgc.nsf/fra/accueil)

[Faillites \(https://www.ic.gc.ca/eic/site/icgc.nsf/fra/h_07043.html\)](https://www.ic.gc.ca/eic/site/icgc.nsf/fra/h_07043.html)

[Bureau du surintendant des faillites Canada \(https://www.ic.gc.ca/eic/site/bsf-osb.nsf/tpl-fra/./fra/accueil\)](https://www.ic.gc.ca/eic/site/bsf-osb.nsf/tpl-fra/./fra/accueil)

[Dépôt électronique \(home.jsp\)](#)

Mise à jour du dossier - confirmation de la mise à jour

[Bienvenue, Soazig Bourgine](#) | [Préférences \(trusteeProfile.jsp\)](#) | [Service d'assistance \(contactUs.jsp\)](#) | [Instructions \(https://www.ic.gc.ca/eic/site/bsf-osb.nsf/fra/h_br01287.html\)](https://www.ic.gc.ca/eic/site/bsf-osb.nsf/fra/h_br01287.html) | [Sortie \(logout.jsp\)](#)

Information sur le dossier

Les dossiers suivants ont été mis à jour :

- **Numéro de dossier** : 41-2089382
- **Nom du dossier** : Serico-Impro Inc

Document(s) déposé(s)

Les documents suivants ont été déposés avec succès :

- Rapport du syndic sur la situation fin.de la déb.et pro.

Référence

- Le numéro de référence de cette transaction est : **11802589**.
- Déposé par Soazig Bourgine.
- 2016-03-07 15:34 HNE

[Déposer un autre document relatif à ce dossier \(selectDocument.jsp\)](#)

Si vous souhaitez déposer un document relatif à un autre dossier, appuyez sur le lien **Mise à jour** à partir de la barre de navigation du menu de gauche.

Date de modification :

2016-01-22

COUR SUPÉRIEURE
(Chambre commerciale)
Loi sur la faillite et l'insolvabilité

Province de Québec
No Division : 01-Montréal
No Cour : 500-11-050205-166

Dans l'affaire de la proposition de
Serico-Impro Inc.

Débitrice

- et -

Richter Groupe Conseil Inc.

Syndic

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

CANADA
Province de Québec
District de : Québec
No division : 01-Montréal
No cour : 500-11-050205-166
No dossier : 41-2089382

COUR SUPÉRIEURE
(Chambre commerciale)
Loi sur la faillite et l'insolvabilité

**Avis de la proposition aux créanciers et
Avis d'audition de la demande d'approbation par le tribunal d'une proposition
(article 51 et alinéa 58(b) de la Loi)**

**Dans l'affaire de la proposition de
Serico-Impro Inc.
de la ville de Montréal
en la province de Québec**

Avis est donné que Serico-Impro Inc. de la ville de Montréal, en la province de Québec, a déposé une proposition entre nos mains, en vertu de la *Loi sur la faillite et l'insolvabilité*.

Ci-inclus vous trouverez une copie de la proposition, d'un état succinct de son actif et de son passif ainsi qu'une liste des créanciers visés par la proposition et dont les réclamations se chiffrent à 250 \$ ou plus.

Une assemblée générale des créanciers sera tenue au bureau de Richter Groupe Conseil Inc., 1981 McGill College, 11^e étage, Montréal QC H3A 0G6, le 18 mars 2016 à 9 h 30.

Les créanciers ou toute catégorie de créanciers ayant droit de voter à l'assemblée peuvent, au moyen d'une résolution, accepter la proposition, telle que formulée ou telle que modifiée à l'assemblée. Si la proposition est ainsi acceptée et si elle est approuvée par le tribunal, elle deviendra obligatoire pour tous les créanciers ou pour la catégorie de créanciers visés.

Avis est donné que, si la proposition est acceptée à l'assemblée générale des créanciers qui sera tenue le 18 mars 2016 à 9 h 30, une demande sera faite au tribunal, Cour Supérieure du Québec, Palais de justice de Montréal, 1, rue Notre-Dame E., salle 16.12, Montréal QC H2Y 1B6, le 11 avril 2016, à 8 h 45, en vue de faire approuver la proposition de Serico-Impro Inc.

Les preuves de réclamation, procurations et formulaires de votation dont l'usage est projeté à l'assemblée doivent nous être remis au préalable.

Daté le 7 mars 2016, à Montréal en la province de Québec.

Richter Groupe Conseil Inc.
Syndic agissant *in re* la proposition de
Serico-Impro Inc.



Stéphane De Broux, CPA, CA, CIRP

T. 514.934.3400
F. 514.934.8603
reclamations@richter.ca

Richter Groupe Conseil Inc.
1981 McGill College
Montréal, QC H3A 0G6
www.richter.ca

Montréal, Toronto

(English – over)



RICHTER

CANADA
Province of Quebec
District of: Quebec
Division No.: 01-Montréal
Court No.: 500-11-050205-166
Estate No.: 41-2089382

SUPERIOR COURT
(Commercial Division)
Bankruptcy and Insolvency Act

**Notice of Proposal to Creditors and
Notice of Hearing of Application for Court Approval of Proposal**
(Section 51 and Paragraph 58(b) of the Act)

**In the Matter of the Proposal of
Serico-Impro Inc.
Of the City of Montréal
In the Province of Québec**

Take notice that Serico-Impro Inc. of the City of Montréal, in the Province of Québec, has lodged with us a proposal under the Bankruptcy and Insolvency Act.

A copy of the proposal, a condensed statement of the debtor's assets and liabilities and a list of the creditors affected by the proposal and whose claims amount to \$250 or more are enclosed herewith.

A general meeting of the creditors will be held at the office of Richter Advisory Group Inc., 1981 McGill College, 11th Fl., Montréal QC H3A 0G6, at 9:30 AM on March 18, 2016.

The creditors or any class of creditors qualified to vote at the meeting may by resolution accept the proposal either as made or as altered or modified at the meeting. If so accepted and if approved by the court the proposal is binding on all the creditors or the class of creditors affected.

Take notice that, if the proposal is accepted by the creditors at a meeting held on March 18, 2016 at 9:30 AM., an application will be made to the court, Superior Court of Québec, Montréal Courthouse, 1, Notre-Dame St. E., Room 16.12, Montréal QC H2Y 1B6, at 8:45 AM on April 11, 2016 to approve the proposal of Serico-Impro Inc.

Proofs of claim, proxies and voting letters intended to be used at the meeting must be lodged with us prior to the commencement of the meeting.

Dated at Montréal in the Province of Québec, March 7, 2016.

Richter Advisory Group Inc.
Trustee acting *in re* the proposal of
Serico-Impro Inc.



Stéphane De Broux, CPA, CA, CIRP

T. 514.934.3400
F. 514.934.8603
claims@richter.ca

Richter Groupe Conseil Inc.
1981 McGill College
Montréal, QC H3A 0G6
www.richter.ca

Montréal, Toronto

(Français – recto)



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

Original Amended

-- Form 78 --
 Statement of Affairs (Business Proposal) made by an entity
 (Subsection 49(2) and Paragraph 158(d) of the Act / Subsections 50(2) and 62(1) of the Act)
 In the Matter of the Proposal of
 Serico-Impro Inc.
 Of the City of Montréal
 In the Province of Québec

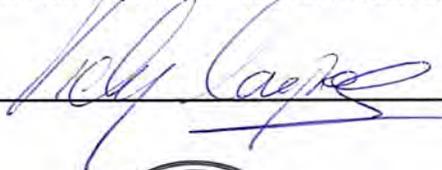
To the debtor:
 You are required to carefully and accurately complete this form and the applicable attachments showing the state of Serico-Impro Inc.'s affairs on the date of the filing of your proposal (or notice of intention, if applicable), on the 18th day of February 2016. When completed, this form and the applicable attachments will constitute the Statement of Affairs and must be verified by oath or solemn declaration.

LIABILITIES (as stated and estimated by the officer)	
1. Unsecured creditors as per list "A"	18,713.27
Balance of secured claims as per list "B"	29,378.45
Total unsecured creditors	48,091.72
2. Secured creditors as per list "B"	19,400.00
3. Preferred creditors as per list "C"	0.00
4. Contingent, trust claims or other liabilities as per list "D" estimated to be reclaimable for	0.00
Total liabilities	67,491.72
Surplus	NIL

ASSETS (as stated and estimated by the officer)	
1. Inventory	2,900.00
2. Trade fixtures, etc.	0.00
3. Accounts receivable and other receivables, as per list "E"	
Good	0.00
Doubtful	0.00
Bad	0.00
Estimated to produce	0.00
4. Bills of exchange, promissory note, etc., as per list "F"	0.00
5. Deposits in financial institutions	0.00
6. Cash	0.00
7. Livestock	0.00
8. Machinery, equipment and plant	16,500.00
9. Real property or immovable as per list "G"	0.00
10. Furniture	0.00
11. RRSPs, RRIFs, life insurance, etc.	0.00
12. Securities (shares, bonds, debentures, etc.)	0.00
13. Interests under wills	0.00
14. Vehicles	0.00
15. Other property, as per list "H"	0.00
If debtor is a corporation, add:	
Amount of subscribed capital	38,002.00
Amount paid on capital	38,002.00
Balance subscribed and unpaid	0.00
Estimated to produce	0.00
Total assets	19,400.00
Deficiency	48,091.72

I, Jamie Goren, of the City of Dollard-Des-Ormeaux in the Province of Quebec, do swear (or solemnly declare) that this statement and the attached lists are to the best of my knowledge, a full, true and complete statement of Serico-Impro Inc.'s affairs on the 18th day of February 2016 and fully disclose all property of every description that is in Serico-Impro Inc.'s possession or that may devolve on me in accordance with the Act.

SWORN (or SOLEMNLY DECLARED)
 before me at the City of Montréal in the Province of Quebec, on this 18th day of February 2016.




 Jamie Goren



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

FORM 78 – Continued

List "A"
Unsecured Creditors

Serico-Impro Inc

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
1	PERREAULT, WOLMAN, GRZYWACZ	814-5250 RUE FERRIER MONTREAL QC H4P 2N7	16,216.21	0.00	16,216.21
2	REVENU QUEBEC Attn: SERVICE DES FAILLITES ET PROPOSITIONS	1600, BOUL. RENE-LEVESQUE O SECTEUR R23CPF, 3e ETAGE MONTREAL QC H3H 2V2	2,420.09	0.00	2,420.09
3	SCOTIA MOMENTUM VISA CARD	3064 BOUL ST-CHARLES KIRKLAND QC H9H 3B7	76.97	0.00	76.97
4	SCOTIABANK	3064 BOUL ST-CHARLES KIRKLAND QC H9H 3B7	0.00	29,378.45	29,378.45
Total:			18,713.27	29,378.45	48,091.72

18-Feb-2016

Date



Jamie Goren

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

FORM 78 -- Continued

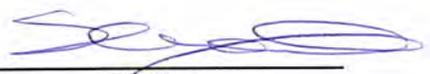
List "B"
 Secured Creditors

Serico-Impro Inc

No.	Name of creditor	Address	Amount of claim	Particulars of security	When given	Estimated value of security	Estimated surplus from security	Balance of claim
1	SCOTIABANK	3064 BOUL ST-CHARLES KIRKLAND QC H9H 3B7	48,778.45	Business Assets - Machinery - Equipments Business Assets - Stock In Trade - Labels Debts Due - Business - Accounts receivable - Accounts receivable		16,500.00 2,900.00 0.00		29,378.45
Total:			48,778.45			19,400.00	0.00	29,378.45

18-Feb-2016

Date



Jamie Goren

CANADA
Province of Quebec
District of: Quebec
Division No.: 01-Montreal
Court No.: 500-11-050205-166
Estate No.: 41-2089382

SUPERIOR COURT
(Commercial Role)
In Bankruptcy and Insolvency

MINUTES OF THE FIRST MEETING OF CREDITORS

In the Matter of the Proposal of :
Serico-Impro Inc.

Location of the meeting:

- Trustee's Office
Richter Advisory Group Inc.
1981 McGill College
Montréal QC H3B 2G2

Chair of the meeting:

Stéphane De Broux, CPA, CA, CIRP

Date and Time of the meeting:

March 18, 2016 at 9:32 A.M.

I. ATTENDANCE

As per attached attendance sheet signed by all parties present.

II. QUORUM

The president examines the proofs of claim and the proof of calling the meeting.

- confirms that the meeting is validly constituted and can proceed.
 declares that after 30 minutes, quorum has not been met for ___ time and communicate his instructions to the attendees (see VIII).

III. TRUSTEE'S REPORT AND QUESTION PERIOD

The president confirms that the trustee has mailed the Notice of Proposal to Creditors and Notice of Hearing of Application for Court Approval of Proposal to all known creditors of the debtor. The mailing included the Proposal, the trustee's report on the state of affairs and finances of the debtor and on the Proposal, a proof of claim and proxy form and a voting letter.

The assembly acknowledged receipt of the Trustee's report on the state of affairs and finances of the debtor and on the proposal. The purpose of this meeting is to vote on the proposal.

For these reasons, the trustee recommends the approval of the proposal.

IV. QUESTION PERIOD

No questions asked.

V. VOTE ON THE PROPOSAL

<i>Compilation of the creditors votation</i>				
	<i>In value</i>		<i>In number</i>	
	<u>\$</u>	<u>%</u>	<u>#</u>	<u>%</u>
In favour	73,001.15	100	2	100
Against	0	0	0	0

The Trustee informs the creditors that the proposal has been accepted by the required majority.

VI. CONFIRMATION OF TRUSTEE APPOINTMENT

The appointment of Richter Advisory Group Inc., as trustee of the bankruptcy, is confirmed by the creditors.

VII. APPOINTMENT OF INSPECTORS

Pursuant to Article 56 of the Act, the creditors confirm the appointment of 1 person as inspector.

Inspector: **Ben Cohen*** Representing: **7859139 Canada Inc.**

**The Trustee having a Proxy for Perreault, Wolman, Grzywacz has accepted Ben Cohen as an inspector in both companies, however they do not have a claim in Serico-Impro Inc.*

VIII. INSTRUCTIONS TO THE TRUSTEE

The Creditors give the following directions to the Trustee:

- _____
- _____
- None.

IX. BOND

There is to be no bond requested in this file.

X. ADJOURNMENT OF MEETING

- The Trustee was deemed affirmed pursuant to section 106(2) of the Bankruptcy and Insolvency Act (check if the trustee is not substituted)
- The meeting was adjourned at the offices of • on • day of • 20• at • A.M./P.M.
- The debtor or the officer of the debtor company was • required to attend at the adjournment of the first meeting of creditors.
- There being no further items to discuss, the meeting was ended at 9:36 A.M.


Stéphane De Broux, President

- Appendices :**
- Proof of calling for meeting
 - Attendance sheet
 - Trustee's report to the first meeting of creditors

CANADA
Province de Québec
District de : Québec
No Division : 01-Montréal
No Cour : 500-11-050205-166
No Dossier : 41-2089382

COUR SUPÉRIEURE
(Chambre commerciale)
Loi sur la faillite et l'insolvabilité

**Affidavit d'envoi
Avis de la proposition aux créanciers et
Avis d'audition de la demande d'approbation par le tribunal d'une proposition**

**Dans l'affaire de la proposition de
Serico-Impro Inc.
de la ville de Montréal
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 :

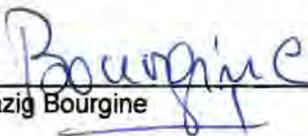
1. Que j'ai fait expédier, par courrier ordinaire dûment affranchi, du bureau de poste de la ville de Montréal, province de Québec, le 7 mars 2016, à tous les créanciers connus apparaissant à la Liste de poste intitulée « **Liste d'envoi aux créanciers** » et à la liste de poste intitulée « **Liste de poste des envois supplémentaires** » ci-jointes, au dirigeant de la personne morale insolvable, ainsi qu'à la cour, les documents suivants, soit :

- (a) l'*Avis de la proposition aux créanciers et Avis d'audition de la demande d'approbation par le tribunal d'une proposition*, auquel étaient joints :
 - i. une copie de la proposition;
 - ii. un état succinct de son actif et de son passif;
 - iii. une liste des créanciers visés par la proposition et dont les réclamations se chiffrent à 250 \$ ou plus;
 - iv. un formulaire de preuve de réclamation et de procuration; et
 - v. un formulaire de votation.

(b) le *Rapport du syndic sur la situation financière de la débitrice et sur la proposition*, et dont copies conformes desdits documents sont annexées au présent affidavit.

2. Qu'à cette même date, j'ai fait expédier, par courriel, à toutes les personnes apparaissant à la Liste des envois supplémentaires par courriel, une copie du formulaire 01.1, l'*Avis de la proposition aux créanciers et Avis d'audition de la demande d'approbation par le tribunal d'une proposition*, le *Rapport du syndic sur la situation financière de la débitrice et sur la proposition*, dont copie conforme desdits documents sont annexées au présent affidavit; et

3. Qu'à cette même date j'ai également déposé électroniquement auprès du Bureau de division l'*Avis de la proposition aux créanciers et Avis d'audition de la demande d'approbation par le tribunal d'une proposition*, le *Rapport du syndic sur la situation financière de la débitrice et sur la proposition*, dont copies des confirmations de dépôt sont jointes au présent affidavit.


Soazig Bourgine

Assermentée dans la ville de Montréal, en la province de Québec, le 7 mars 2016.


Commissaire à l'assermentation pour la province de Québec



Liste de poste des envois supplémentaires

**Dans l'affaire de la proposition de
Serico-Impro Inc.
de la ville de Montréal
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^È ÉTAGE
SECTEUR R23-CPF
MONTRÉAL QC H3H 2V2

RICHTER

CANADA
Province de Québec
District de : Québec
No division : 01-Montréal
No cour : 500-11-050205-166
No dossier : 41-2089382

COUR SUPÉRIEURE
(Chambre commerciale)
Loi sur la faillite et l'insolvabilité

**Avis de la proposition aux créanciers et
Avis d'audition de la demande d'approbation par le tribunal d'une proposition
(article 51 et alinéa 58(b) de la Loi)**

**Dans l'affaire de la proposition de
Serico-Impro Inc.
de la ville de Montréal
en la province de Québec**

Avis est donné que Serico-Impro Inc. de la ville de Montréal, en la province de Québec, a déposé une proposition entre nos mains, en vertu de la *Loi sur la faillite et l'insolvabilité*.

Ci-inclus vous trouverez une copie de la proposition, d'un état succinct de son actif et de son passif ainsi qu'une liste des créanciers visés par la proposition et dont les réclamations se chiffrent à 250 \$ ou plus.

Une assemblée générale des créanciers sera tenue au bureau de Richter Groupe Conseil Inc., 1981 McGill College, 11^e étage, Montréal QC H3A 0G6, le 18 mars 2016 à 9 h 30.

Les créanciers ou toute catégorie de créanciers ayant droit de voter à l'assemblée peuvent, au moyen d'une résolution, accepter la proposition, telle que formulée ou telle que modifiée à l'assemblée. Si la proposition est ainsi acceptée et si elle est approuvée par le tribunal, elle deviendra obligatoire pour tous les créanciers ou pour la catégorie de créanciers visés.

Avis est donné que, si la proposition est acceptée à l'assemblée générale des créanciers qui sera tenue le 18 mars 2016 à 9 h 30, une demande sera faite au tribunal, Cour Supérieure du Québec, Palais de justice de Montréal, 1, rue Notre-Dame E., salle 16.12, Montréal QC H2Y 1B6, le 11 avril 2016, à 8 h 45, en vue de faire approuver la proposition de Serico-Impro Inc.

Les preuves de réclamation, procurations et formulaires de votation dont l'usage est projeté à l'assemblée doivent nous être remis au préalable.

Daté le 7 mars 2016, à Montréal en la province de Québec.

Richter Groupe Conseil Inc.
Syndic agissant *in re* la proposition de
Serico-Impro Inc.



Stéphane De Broux, CPA, CA, CIRP

T. 514.934.3400
F. 514.934.8603
reclamations@richter.ca

Richter Groupe Conseil Inc.
1981 McGill College
Montréal, QC H3A 0G6
www.richter.ca

Montréal, Toronto

(English - over)



RICHTER

CANADA
Province of Quebec
District of: Quebec
Division No.: 01-Montréal
Court No.: 500-11-050205-166
Estate No.: 41-2089382

SUPERIOR COURT
(Commercial Division)
Bankruptcy and Insolvency Act

**Notice of Proposal to Creditors and
Notice of Hearing of Application for Court Approval of Proposal**
(Section 51 and Paragraph 58(b) of the Act)

**In the Matter of the Proposal of
Serico-Impro Inc.
Of the City of Montréal
In the Province of Québec**

Take notice that Serico-Impro Inc. of the City of Montréal, in the Province of Québec, has lodged with us a proposal under the Bankruptcy and Insolvency Act.

A copy of the proposal, a condensed statement of the debtor's assets and liabilities and a list of the creditors affected by the proposal and whose claims amount to \$250 or more are enclosed herewith.

A general meeting of the creditors will be held at the office of Richter Advisory Group Inc., 1981 McGill College, 11th Fl., Montréal QC H3A 0G6, at 9:30 AM on March 18, 2016.

The creditors or any class of creditors qualified to vote at the meeting may by resolution accept the proposal either as made or as altered or modified at the meeting. If so accepted and if approved by the court the proposal is binding on all the creditors or the class of creditors affected.

Take notice that, if the proposal is accepted by the creditors at a meeting held on March 18, 2016 at 9:30 AM., an application will be made to the court, Superior Court of Québec, Montréal Courthouse, 1, Notre-Dame St. E., Room 16.12, Montréal QC H2Y 1B6, at 8:45 AM on April 11, 2016 to approve the proposal of Serico-Impro Inc.

Proofs of claim, proxies and voting letters intended to be used at the meeting must be lodged with us prior to the commencement of the meeting.

Dated at Montréal in the Province of Québec, March 7, 2016.

Richter Advisory Group Inc.
Trustee acting *in re* the proposal of
Serico-Impro Inc.



Stéphane De Broux, CPA, CA, CIRP

T. 514.934.3400
F. 514.934.8603
claims@richter.ca

Richter Groupe Consell Inc.
1981 McGill College
Montréal, QC H3A 0G6
www.richter.ca

Montréal, Toronto

(Français - recto)



CANADA
PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL
COURT NO.: 500-11-
ESTATE NO.: 41-

SUPERIOR COURT
Commercial Division
"In Matters of Bankruptcy and Insolvency"

IN THE MATTER OF THE PROPOSAL OF Serico-Impro Inc., an insolvent corporation duly incorporated according to law, having its head office at 10550 Secant Street, in the City of Montréal, Province of Québec, H1J 1S3.

PROPOSAL

We, Serico-Impro Inc. (the "Debtor") hereby submit the following proposal under the *Bankruptcy and Insolvency Act*:

1. **Definitions:** For all purposes relating to the present proposal, the following terms shall have the following meanings:
 - 1.1 **"Act":** The *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended;
 - 1.2 **"Approval Hearing":** the date of presentation of an application to the Court for the approval of the Proposal, being April 11, 2016;
 - 1.3 **"Cash Consideration":** means a total amount of \$125,000.00 to be paid to the Trustee by the Debtor and by Plastic Decorators Inc. 90 days following the approval of the Proposal by the Court. For greater certainty, there will be only one common Cash Consideration paid by the Debtor and by Plastic Decorators Inc. for both the Proposal and the Plastic Decorators Proposal;
 - 1.4 **"Court":** The Commercial Division of the Québec Superior Court for the District of Montréal;
 - 1.5 **"Creditors' Committee":** A committee of up to five individuals to be named by the creditors at the general meeting of creditors called to consider the Proposal;
 - 1.6 **"Crown Claims":** For all purposes herein, Crown Claims shall be limited to the claims of Her Majesty in right of Canada or of a province described in subsection 60(1.1) of the Act that were outstanding on the Date of the Proposal, and "Crown Claim" means any of them;
 - 1.7 **"Date of the Proposal":** For all purposes herein, the Date of the Proposal shall be deemed to be February 18, 2016;
 - 1.8 **"Employee Claims":** All amounts that employees or former employees would be qualified to receive under paragraph 136(1)(d) of the Act if the Debtor became bankrupt on the Date of the Proposal, and "Employee Claim" means any of them;

- 1.9 **"Landlords"**: All persons of whom the Debtor was a commercial tenant under a lease of real property, as acknowledged by the Debtor, and **"Landlord"** means any of them;
- 1.10 **"Landlord Claims"**: The Ordinary Unsecured Claims of the Landlords for the actual losses resulting from the disclaimers of leases in accordance with section 65.2(4)b) of the Act, which claims shall be treated as Ordinary Unsecured Claims in accordance with section 65.2(5) of the Act, and **"Landlord Claim"** means any of them;
- 1.11 **"Ordinary Unsecured Claims"**: The claims other than Secured Claims, Employee Claims, Crown Claims and Preferred Claims. For greater certainty, but without limiting the generality of the foregoing, the Ordinary Unsecured Claims shall include claims of any kind whatsoever, whether due or not for payment as at the Date of the Proposal, including contingent and unliquidated claims (once quantified) arising out of any transaction entered into by the Debtor prior to the Date of the Proposal as well as any Restructuring Claim. Furthermore, the Ordinary Unsecured Claims shall include claims for a breach of an obligation contracted before the Date of the Proposal, regardless of the date of the breach, to the extent that such breach occurred prior to the Date of the Proposal, and **"Ordinary Unsecured Claim"** means any of them;
- 1.12 **"Ordinary Unsecured Creditors"**: All persons having an Ordinary Unsecured Claim including, for greater certainty but without limiting the generality of the foregoing, the Related Creditors, and **"Ordinary Unsecured Creditor"** means any of them;
- 1.13 **"Plastic Decorators Proposal"**: The proposal made by Plastic Decorators Inc. pursuant to the Act as well as any amendment thereto;
- 1.14 **"Preferred Claims"**: The claims described in paragraphs 136(1)(a) to 136(1)(j) of the Act, being such claims directed by the Act to be paid in priority to all other claims in the distribution of the property of a bankrupt, excluding the Employee Claims, and **"Preferred Claim"** means any of them;
- 1.15 **"Preferred Creditors"**: All persons having a Preferred Claim, and **"Preferred Creditor"** means any of them;
- 1.16 **"Professional Fees"**: The proper fees, expenses, liabilities and obligations of the Trustee and all legal fees, accounting fees and consulting fees pertaining to the Debtor incurred since the Date of the Proposal;
- 1.17 **"Proposal"**: This proposal made pursuant to the Act as well as any amendment thereto, which amendments may be made at any time prior to a vote by the creditors on the Proposal, or by the Court at the time of approval of the Proposal;
- 1.18 **"Proven Claim"**: Any claim for which a proof of claim is filed with the Trustee in accordance with section 124 of the Act and that is proven in accordance with section 135 of the Act;

1.19 **"Related Creditors"**: Goren Holdings Inc. and Jamie Goren , and **"Related Creditor"** means any of them;

1.20 **"Restructuring Claim"**: Any right of any person against the Debtor in connection with any indebtedness, liability or obligation of any kind owed to such person arising out of the restructuring, the disclaimer or the termination of any contract, lease, employment agreement, collective agreement or any other agreement, whether written or oral, after the Date of the Proposal, including any right of any person who receives a notice of repudiation or termination from the Debtor. Without limiting the generality of the foregoing, a Restructuring Claim shall include the claim of a Landlord whose lease has been disclaimed or terminated, the claim of an employee whose employment has been terminated after the Date of the Proposal and the claim of any tax authority related directly or indirectly to the acceptance or the approval of the Proposal;

1.21 **"Secured Claims"**: The claims of the Secured Creditors, and **"Secured Claim"** means any of them;

1.22 **"Secured Creditors"**: As defined in section 2 of the Act, and **"Secured Creditor"** means any of them;

1.23 **"Trustee"**: Richter Advisory Group Inc., a licensed trustee, having a place of business at 1981, McGill College Avenue, 11th floor, in the City of Montréal, Province of Québec, H3A 0G6.

2. **Condition**: The Proposal is conditional upon the acceptance by its creditors of the Plastic Decorators Proposal and to the approval thereof by the Court by no later than the date of the Approval Hearing.

In the event of the non-occurrence and/or unfulfillment of this condition, the Proposal shall become null, void and inoperative for all intents and purposes. This condition shall inure solely to the benefit of the Debtor and may be extended, varied or waived by the Debtor in its absolute discretion.

3. **Employee Claims**: Employee Claims, if any, will be paid in full, immediately after the approval of the Proposal by the Court.

4. **Crown Claims**: Crown Claims shall be paid in full, within six months of the approval of the Proposal by the Court, or as may otherwise be arranged with the Crown.

5. **Professional Fees**: All Professional Fees, to the extent not already paid by the Debtor in the normal course of business, shall be paid in priority to the Preferred Claims and Ordinary Unsecured Claims.

6. **Secured Claims**: Secured Creditors shall be paid in accordance with the terms of the existing contracts, or as may otherwise be arranged with the Secured Creditors. For greater certainty, the Proposal is not addressed to the Secured Creditors and they shall not be bound by the Proposal in respect of their Secured Claim.

7. **Subsequent Claims:** The claims arising in respect of goods supplied, services rendered or other consideration given to the Debtor subsequent to the Date of the Proposal, if any, shall be paid in full by the Debtor in the normal course of business, and on regular trade terms.
8. **Preferred Claims:** Preferred Claims, if any, shall be paid, without interest or penalty, in full, in priority to all claims of Ordinary Unsecured Creditors within 30 days from the approval of the Proposal by the Court or as may be otherwise arranged with the Preferred Creditors.
9. **Ordinary Unsecured Creditors:** The Cash Consideration received by the Trustee shall be distributed as follows:
 - 9.1 In payment of the amounts provided in paragraphs 3 and 8 above, if any;
 - 9.2 The excess in payment of:
 - i. Each of the Ordinary Unsecured Creditors having a Proven Claim of less than \$500 will be paid the full amount of its Ordinary Unsecured Claim without interest or penalty, within 30 days after the payment by the Debtor of the Cash Consideration;
 - ii. Each of the Ordinary Unsecured Creditors having a Proven Claim of at least \$500 shall receive a minimum payment of \$500. For the balance of its Proven Claim, after the distribution mentioned in paragraphs 9.1 and 9.2i) herein and within 30 days after the payment by the Debtor of the Cash Consideration, each of the Ordinary Unsecured Creditors shall also receive, in full and final payment of its Ordinary Unsecured Claim, without interest or penalty, its *pro rata* share of any amount remaining from the Cash Consideration.
10. **Related Creditors:** Conditional upon the acceptance by its creditors of the Proposal and to the approval thereof by the Court by no later than the date of the Approval Hearing, the Related Creditors waive and renounce (i) to any right to prove in whole or in part any Ordinary Unsecured Claims they may have and (ii) to any dividend that is or could be payable to them under the Proposal.
11. **Release:** Upon the payment described in section 9 herein and the payment of the Professional Fees, the Debtor shall be completely released and discharged of any and all claims from the Ordinary Unsecured Creditors.
12. **Claims against Directors:** In accordance with section 50(13) of the Act, the acceptance of the Proposal by the creditors shall definitively, without further payment release the directors in office as at the Date of the Proposal from any and all liability or obligation for which they may be liable by law in their capacity as directors, respecting any claim that arose before the Date of the Proposal as provided for by section 50(13) of the Act or otherwise. It is understood however, that nothing herein shall be interpreted as an acknowledgement of any liability or obligation whatsoever on the part of the directors in office as at the Date of the Proposal, any such liability or obligation being specifically denied.

13. **Creditors' Committee:** The powers of the Creditors' Committee contemplated herein shall be limited to the following:
 - 11.1 To advise the Trustee in connection with the actions under the Proposal, as the Trustee may from time to time request;
 - 11.2 To advise the Trustee concerning any dispute which may arise as to the validity of claims under the Proposal; and
 - 11.3 To authorize the deferment of any payment under the terms of paragraphs 8 and 9 herein, either in whole or in part, and entirely at its discretion, providing that any such deferment is deemed by the Creditors' Committee to be in the interest of the Ordinary Unsecured Creditors and the Debtor.
14. **Reviewable Transactions, Preferential Payments, etc.:** The provisions of section 95 to 101 of the Act and any provision of provincial legislation having a similar objective shall not apply to the Proposal.
15. **Headings:** The headings or titles herein are provided solely for the convenience of the reader. They do not form part of the Proposal and have no authoritative meaning in interpreting the Proposal.

DATED AT MONTRÉAL, this 18th day of February 2016.

SERICO-IMPRO INC.



Per : Jamie Goren

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

Original Amended

-- Form 78 --
 Statement of Affairs (Business Proposal) made by an entity
 (Subsection 49(2) and Paragraph 158(d) of the Act / Subsections 50(2) and 62(1) of the Act)

In the Matter of the Proposal of
 Serico-Impro Inc.
 Of the City of Montréal
 In the Province of Québec

To the debtor:

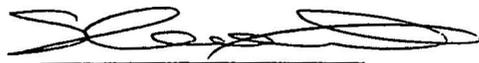
You are required to carefully and accurately complete this form and the applicable attachments showing the state of Serico-Impro Inc.'s affairs on the date of the filing of your proposal (or notice of intention, if applicable), on the 18th day of February 2016. When completed, this form and the applicable attachments will constitute the Statement of Affairs and must be verified by oath or solemn declaration.

LIABILITIES (as stated and estimated by the officer)	ASSETS (as stated and estimated by the officer)
1. Unsecured creditors as per list "A" 18,713.27	1. Inventory 2,900.00
Balance of secured claims as per list "B" 29,378.45	2. Trade fixtures, etc. 0.00
Total unsecured creditors 48,091.72	3. Accounts receivable and other receivables, as per list "E"
2. Secured creditors as per list "B" 19,400.00	Good 0.00
3. Preferred creditors as per list "C" 0.00	Doubtful 0.00
4. Contingent, trust claims or other liabilities as per list "D"	Bad 0.00
estimated to be reclaimable for 0.00	Estimated to produce 0.00
Total liabilities 67,491.72	4. Bills of exchange, promissory note, etc., as per list "F" ... 0.00
Surplus NIL	5. Deposits in financial institutions 0.00
	6. Cash 0.00
	7. Livestock 0.00
	8. Machinery, equipment and plant 16,500.00
	9. Real property or immovable as per list "G" 0.00
	10. Furniture 0.00
	11. RRSPs, RRIFs, life insurance, etc. 0.00
	12. Securities (shares, bonds, debentures, etc.) 0.00
	13. Interests under wills 0.00
	14. Vehicles 0.00
	15. Other property, as per list "H" 0.00
	If debtor is a corporation, add:
	Amount of subscribed capital 38,002.00
	Amount paid on capital 38,002.00
	Balance subscribed and unpaid 0.00
	Estimated to produce 0.00
	Total assets 19,400.00
	Deficiency 48,091.72

I, Jamie Goren, of the City of Dollard-Des-Ormeaux in the Province of Quebec, do swear (or solemnly declare) that this statement and the attached lists are to the best of my knowledge, a full, true and complete statement of Serico-Impro Inc.'s affairs on the 18th day of February 2016 and fully disclose all property of every description that is in Serico-Impro Inc.'s possession or that may devolve on me in accordance with the Act.

SWORN (or SOLEMNLY DECLARED)
 before me at the City of Montréal in the Province of Quebec, on this 18th day of February 2016.




 Jamie Goren



District de: Québec
 No division: 01 - Montréal
 No cour: 500-11-050205-166
 No dossier: 41-2089382

original modifié TRADUCTION

_ FORMULAIRE 78 _
 Bilan - proposition déposée par une entité
 (paragraphe 49(2), alinéa 158d) et paragraphes 50(2) et 62(1) de la Loi)

Dans l'affaire de la proposition de
 Serico-Impro Inc.
 de la ville de Montréal
 en la province de Québec

Au débiteur :

Vous êtes tenu de remplir avec soin et exactitude le présent formulaire et les annexes applicables indiquant la situation de vos affaires à la date du dépôt de votre proposition (ou de votre avis d'intention) le 18 février 2016. Une fois rempli, ce formulaire et les listes annexées, constituent votre bilan, qui doit être vérifié sous serment ou par une déclaration solennelle.

PASSIF (tel que déclaré et estimé par l'officier)		ACTIF (tel que déclaré et estimé par l'officier)	
1. Créanciers non garantis: voir liste A	18,713.27	1. Inventaire	2,900.00
Équilibre de réclamations garantis: voir liste "B".	29,378.45	2. Aménagements	0.00
Créanciers non garantis total.	48,091.72	3. Comptes à recevoir et autres créances: voir liste E	0.00
2. Créanciers garantis: voir liste B	19,400.00	Bonnes	0.00
3. Créanciers privilégiés: voir liste C	0.00	Douteuses	0.00
4. Dettes éventuelles, réclamations de fiduciaire ou autres (voir liste D) pouvant être réclamées pour une somme de, ..	0.00	Mauvaises	0.00
Total du passif	67,491.72	Estimation des créances qui peuvent être réalisées	0.00
Surplus	NIL	4. Lettres de change, billets à ordre, etc., voir liste F	0.00
		5. Dépôts en institutions financières	0.00
		6. Espèces	0.00
		7. Bétail	0.00
		8. Machines, outillage et installation	16,500.00
		9. Immeubles et biens réels: voir liste G	0.00
		10. Ameublement	0.00
		11. REER, FERR, Assurances-vie etc	0.00
		12. Valeurs mobilières (actions, obligations, débetures etc.	0.00
		13. Droits en vertu de testaments	0.00
		14. Véhicules	0.00
		15. Autres biens: voir liste H	0.00
		Si le débiteur est une personne morale, ajoutez:	
		Montant du capital souscrit	38,002.00
		Montant du capital payé	38,002.00
		Solde souscrit et impayé	0.00
		Estimation du solde qui peut être réalisé	0.00
		Total de l'actif	19,400.00
		Déficit	48,091.72

Je, Jamie Goren, de Dollard-Des-Ormeaux en la province de Québec, étant dûment assermenté (ou ayant déclaré solennellement) déclare que le bilan qui suit et les listes annexées sont, à ma connaissance, un relevé complet, véridique et entier des affaires de Serico-Impro Inc., en ce 18 février 2016, et indiquent au complet tous mes biens de quelque nature qu'ils soient, en la possession de Serico-Impro Inc. et réversibles, tels que définis par la Loi.

ASSERMENTÉ (ou déclaré solennellement)
 devant moi le 18 février 2016, à Montréal en la province de Québec.

(signé)

 Vicky Coupal, Commissaire à l'Assermentation
 pour la province de Québec
 Expire le 18 sep 2016

(signé)

 Jamie Goren

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

FORM 78 – Continued

List "A"
Unsecured Creditors

Serico-Impro Inc

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
1	PERREAULT, WOLMAN, GRZYWACZ	814-5250 RUE FERRIER MONTREAL QC H4P 2N7	16,216.21	0.00	16,216.21
2	REVENU QUEBEC Attn: SERVICE DES FAILLITES ET PROPOSITIONS	1600, BOUL. RENE-LEVESQUE O SECTEUR R23CPF, 3e ETAGE MONTREAL QC H3H 2V2	2,420.09	0.00	2,420.09
3	SCOTIA MOMENTUM VISA CARD	3064 BOUL ST-CHARLES KIRKLAND QC H9H 3B7	76.97	0.00	76.97
4	SCOTIABANK	3064 BOUL ST-CHARLES KIRKLAND QC H9H 3B7	0.00	29,378.45	29,378.45
Total:			18,713.27	29,378.45	48,091.72

18-Feb-2016

Date


Jamie Goren

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

FORM 78 - Continued

List "B"
 Secured Creditors

Serico-Impro Inc

No.	Name of creditor	Address	Amount of claim	Particulars of security	When given	Estimated value of security	Estimated surplus from security	Balance of claim
1	SCOTIABANK	3064 BOUL ST-CHARLES KIRKLAND QC H9H 3B7	48,778.45	Business Assets - Machinery - Equipments		16,500.00		
				Business Assets - Stock In Trade - Labels		2,900.00		
				Debts Due - Business - Accounts receivable - Accounts receivable		0.00		29,378.45
Total:			48,778.45			19,400.00	0.00	29,378.45

18-Feb-2016

Date


 Jamie Goren

RICHTER

CETTE FEUILLE DE RENSEIGNEMENTS EST FOURNIE AFIN DE VOUS AIDER À REMPLIR LE FORMULAIRE DE PREUVE DE RÉCLAMATION

- La preuve de réclamation doit être signée par l'individu qui la remplit.
- La signature du réclamant doit être attestée.
- Indiquer l'adresse complète (incluant le code postal) où tout avis et correspondance doivent être expédiés.
- Le montant sur le relevé de compte doit correspondre au montant réclamé sur la preuve de réclamation.

PARAGRAPHE 1 DE LA PREUVE DE RÉCLAMATION

- Si la personne qui complète la preuve de réclamation n'est pas le créancier lui-même, elle doit préciser son poste ou sa fonction.
- Le créancier doit déclarer la raison sociale complète de la compagnie ou du réclamant.

PARAGRAPHE 3 DE LA PREUVE DE RÉCLAMATION

- Un relevé de compte détaillé doit accompagner la preuve de réclamation et doit refléter les date, numéro de facture et montant de chaque facture ou charge, ainsi que les date, numéro et montant de tout crédit ou paiement. Un relevé de compte sera considéré comme incomplet si ce dernier commence avec un solde d'ouverture. Le créancier doit également indiquer ses adresse postale, numéro de téléphone, numéro de télécopieur et adresse électronique.

PARAGRAPHE 4 DE LA PREUVE DE RÉCLAMATION

- Un créancier non garanti (sous-paragraphe A) doit cocher ce qui s'applique en indiquant s'il revendique ou non un droit à un rang prioritaire en vertu de l'article 136 de la Loi sur la faillite et l'insolvabilité.
- Un créancier à titre de locateur suite à la résiliation d'un bail doit compléter le sous-paragraphe B et joindre tous les détails et les calculs.
- Un créancier garanti doit compléter le sous-paragraphe C et joindre les documents de garantie.
- Un agriculteur, un pêcheur ou un aquiculteur doit compléter le sous-paragraphe D.
- Un salarié doit compléter le sous-paragraphe E, le cas échéant.
- La partie F doit être complétée relativement à un régime de pension.
- Un créancier ayant une réclamation contre les administrateurs, lorsqu'une proposition le prévoit, doit compléter le sous-paragraphe G et y joindre tous les détails et les calculs.
- Un client d'un courtier en valeurs mobilières failli doit compléter le sous-paragraphe H.

PARAGRAPHE 5 DE LA PREUVE DE RÉCLAMATION

- Le réclamant doit indiquer s'il est ou n'est pas lié au débiteur, au sens de la définition de la Loi sur la faillite et l'insolvabilité, en rayant ce qui n'est pas applicable.

PARAGRAPHE 6 DE LA PREUVE DE RÉCLAMATION

- Le réclamant doit fournir une liste détaillée de tous les paiements reçus et/ou crédits accordés, soit :
 - a) au cours des **trois mois** précédant l'ouverture de la faillite, dans le cas où le réclamant et le débiteur **ne sont pas liés**;
 - b) au cours des **douze mois** précédant l'ouverture de la faillite, dans le cas où le réclamant et le débiteur **sont liés**.

PROCURATION

- a) un créancier peut voter en personne ou par procuration;
- b) une débitrice ne peut être nommée à titre de fondée de pouvoir pour voter à toute assemblée des créanciers;
- c) le syndic peut être désigné à titre de fondé de pouvoir pour le bénéfice de tout créancier;
- d) afin qu'une personne dûment autorisée ait le droit de voter, elle doit elle-même être créancière ou détentrice d'une procuration dûment exécutée. Le nom du créancier doit apparaître sur la procuration.

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

THIS INFORMATION SHEET IS SUPPLIED IN ORDER TO ASSIST YOU IN COMPLETING THE PROOF OF CLAIM FORM

- The proof of claim must be signed by the individual completing the form.
- The signature of the claimant must be witnessed.
- Give the complete address (including postal code) where all notices and correspondence are to be forwarded.
- The amount on the statement of account must agree with the amount claimed on the proof of claim.

PARAGRAPH 1 OF THE PROOF OF CLAIM

- If the individual completing the proof of claim is not the creditor himself, he must state his position or title.
- The creditor must state the full and complete legal name of the Company or the claimant.

PARAGRAPH 3 OF THE PROOF OF CLAIM

- A detailed statement of account must be attached to the proof of claim and must show the date, the invoice number and the dollar amount of all the invoices or charges, together with the date, the number and the amount of all credits or payments. A statement of account is not complete if it begins with an amount brought forward. In addition, a creditor must indicate his/her address, phone number, fax number and E-mail address.

PARAGRAPH 4 OF THE PROOF OF CLAIM

- An unsecured creditor (subparagraph (A)) must check and state whether or not a priority rank is claimed under Section 136 of the Bankruptcy and Insolvency Act.
- A claim of landlord (subparagraph (B)) for disclaim of lease must be completed with full particulars and calculations.
- A secured creditor must complete subparagraph (C) and attach a copy of the security documents.
- A farmer, fisherman or aquaculturist must complete subparagraph (D).
- A wage earner must complete subparagraph (E), if applicable.
- Section F must be completed with regard to a pension plan.
- A claim against director(s) (subparagraph (G)), in a proposal which compromises a creditor's claim, must contain full particulars and calculations.
- A customer of a bankrupt securities firm must complete subparagraph (H).

PARAGRAPH 5 OF THE PROOF OF CLAIM

- The claimant must indicate whether he/she is or is **not related** to the debtor, as defined in the Bankruptcy and Insolvency Act, by striking out that which is not applicable.

PARAGRAPH 6 OF THE PROOF OF CLAIM

- The claimant must attach a detailed list of all payments received and/or credits granted, as follows:
 - a) within the **three months** preceding the initial bankruptcy event, in the case where the claimant and the debtor are **not related**;
 - b) within the **twelve months** preceding the initial bankruptcy event, in the case where the claimant and the debtor are **related**.

PROXY

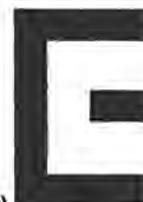
- a) A creditor may vote either in person or by proxy;
- b) A debtor may not be appointed as proxy to vote at any meeting of the creditors;
- c) The Trustee may be appointed as a proxy for any creditor;
- d) In order for a duly authorized person to have a right to vote he must himself be a creditor or be the holder of a properly executed proxy. The name of the creditor must appear in the proxy.

T. 514.934.3400
F. 514.934.8603
claims@richter.ca

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

Montréal, Toronto

(français – recto)



RICHTER

PREUVE DE RÉCLAMATION

(articles 50.1, 81.5 et 81.6, paragraphes 65.2(4), 81.2(1), 81.3(8), 81.4(8), 102(2), 124(2) et 128(1) et alinéas 51(1)e) et 66.14b) de la Loi)

Expédier tout avis ou toute correspondance concernant la présente réclamation à l'adresse suivante :

Dans l'affaire de la proposition de **Serico-Impro Inc.** de la ville de Montréal, province de Québec, et de la réclamation de _____, créancier.

Je soussigné, _____ (nom du créancier ou du représentant du créancier), de _____ (ville et province), certifie ce qui suit :

1. Je suis le créancier du débiteur susnommé (ou je suis _____ (préciser le poste ou la fonction) de _____ (nom du créancier ou de son représentant)).

2. Je suis au courant de toutes les circonstances entourant la réclamation visée par le présent formulaire.

3. Le débiteur était, à la date de la Proposition, soit le 18 février 2016, endetté envers le créancier et l'est toujours, pour la somme de _____ \$, comme l'indique l'état de compte (ou l'affidavit) ci-annexé et désigné comme l'annexe A, après déduction du montant de toute créance compensatoire à laquelle le débiteur a droit. (L'état de compte ou l'affidavit annexé doit faire mention des pièces justificatives ou de toute autre preuve à l'appui de la réclamation.)

4. (Cochez la catégorie qui s'applique et remplissez les parties requises.)

A. RÉCLAMATION NON GARANTIE AU MONTANT DE _____ \$
(Autre qu'une réclamation d'un client visée par l'article 262 de la Loi)

En ce qui concerne cette créance, je ne détiens aucun avoir du débiteur à titre de garantie et :
(Cochez ce qui s'applique.)

pour le montant de _____ \$, je ne revendique aucun droit à un rang prioritaire.
(« Créancier chirographaire »)

pour le montant de _____ \$, je revendique le droit à un rang prioritaire en vertu de l'article 136 de la Loi.
(« Créancier privilégié »)

(Indiquez sur une feuille annexée les renseignements à l'appui de la réclamation prioritaire.)

B. RÉCLAMATION DU LOCATEUR SUITE À LA RÉSILIATION D'UN BAIL, AU MONTANT DE _____ \$

J'ai une réclamation en vertu du paragraphe 65.2(4) de la Loi, dont les détails sont mentionnés ci-après.
(Donnez tous les détails de la réclamation, y compris les calculs s'y rapportant.)

C. RÉCLAMATION GARANTIE AU MONTANT DE _____ \$

En ce qui concerne la créance susmentionnée, je détiens des avoirs du débiteur à titre de garantie, dont la valeur estimative s'élève à _____ \$ et dont les détails sont mentionnés ci-après :

(Donnez des renseignements complets au sujet de la garantie, y compris la date à laquelle elle a été donnée et la valeur que vous lui attribuez, et annexez une copie des documents relatifs à la garantie.)

D. RÉCLAMATION D'UN AGRICULTEUR, D'UN PÊCHEUR OU D'UN AQUICULTEUR AU MONTANT DE _____ \$

J'ai une réclamation en vertu du paragraphe 81.2 (1) pour la somme impayée de _____ \$
(Veuillez joindre une copie de l'acte de vente et des reçus de livraison.)

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





- E. RÉCLAMATION D'UN SALARIÉ AU MONTANT DE _____ \$
 - J'ai une réclamation en vertu du paragraphe 81.3(8) de la Loi au montant de _____ \$
 - J'ai une réclamation en vertu du paragraphe 81.4(8) de la Loi au montant de _____ \$
- F. RÉCLAMATION D'UN EMPLOYÉ RELATIVE AU RÉGIME DE PENSION AU MONTANT DE _____ \$
 - J'ai une réclamation en vertu du paragraphe 81.5 de la Loi au montant de _____ \$
 - J'ai une réclamation en vertu du paragraphe 81.6 de la Loi au montant de _____ \$
- G. RÉCLAMATION CONTRE LES ADMINISTRATEURS AU MONTANT DE _____ \$
 (A remplir lorsque la proposition vise une transaction quant à une réclamation contre les administrateurs.)
 J'ai une réclamation en vertu du paragraphe 50(13) de la Loi, dont les détails sont mentionnés ci-après :
 (Donnez tous les détails de la réclamation, y compris les calculs s'y rapportant.)
- H. RÉCLAMATION D'UN CLIENT D'UN COURTIER EN VALEURS MOBILIÈRES FAILLI AU MONTANT DE _____ \$
 J'ai une réclamation en tant que client en conformité avec l'article 262 de la Loi pour des capitaux nets, dont les détails sont mentionnés ci-après :
 (Donnez tous les détails de la réclamation, y compris les calculs s'y rapportant.)

5. Au meilleur de ma connaissance, je suis lié (ou le créancier susnommé est lié) (ou je ne suis pas lié ou le créancier susnommé n'est pas lié) au débiteur selon l'article 4 de la Loi, et j'ai (ou le créancier susnommé a) (ou je n'ai pas ou le créancier susnommé n'a pas) un lien de dépendance avec le débiteur.

6. Les montants suivants constituent les paiements que j'ai reçus du débiteur, les crédits que j'ai attribués à celui-ci et les opérations sous-évaluées selon le paragraphe 2(1) de la Loi auxquelles j'ai contribué ou été partie intéressée au cours des trois mois (ou, si le créancier et le débiteur sont des « personnes liées » au sens du paragraphe 4 de la Loi ou ont un lien de dépendance, au cours des 12 mois) précédant immédiatement l'ouverture de la faillite, telle que définie au paragraphe 2(1) de la Loi. (Donnez les détails des paiements, des crédits et des opérations sous-évaluées.)

Daté le _____, à _____.

Signature du créancier

Signature du témoin

Numéro de téléphone : _____

Numéro de télécopieur : _____

Adresse électronique : _____

REMARQUE : Si un affidavit est joint au présent formulaire, il doit avoir été fait devant une personne autorisée à recevoir des affidavits.
 AVERTISSEMENTS : Le syndic peut, en vertu du paragraphe 128(3) de la Loi, racheter une garantie sur paiement au créancier garanti de la créance ou de la valeur de la garantie telle qu'elle a été fixée par le créancier garanti dans la preuve de garantie.
 Le paragraphe 201(1) de la Loi prévoit l'imposition de peines sévères en cas de présentation de réclamations, de preuves, de déclarations ou d'états de compte qui sont faux.

FORMULAIRE DE PROCURATION

(paragraphe 102(2) et alinéas 51(1)e) et 66.15(3)b) de la Loi)

Dans l'affaire de la proposition de **Serico-Impro Inc.**

Je, _____, de _____
 (nom du créancier) (nom du village ou de la ville)

créancier dans l'affaire susmentionnée, nomme _____ de _____,
 mon fondé de pouvoir à tous égards dans l'affaire susmentionnée, sauf la réception de dividendes, celui-ci _____
 (étant ou n'étant pas) habilité à nommer un autre fondé de pouvoir à sa place.

Daté le _____, à _____.

Signature du créancier

Par : _____
 Nom et titre du signataire autorisé

Signature du témoin

RICHTER

PROOF OF CLAIM

(Section 50.1, Subsections 65.2(4), 81.2(1), 81.3(8), 81.4(8), 81.5, 81.6, 102(2), 124(2), 128(1), and Paragraphs 51(1)(e) and 66.14(b) of the Act)

All notices or correspondence regarding this claim must be forwarded to the following address:

In the Matter of the Proposal of **Serico-Impro Inc.** of the City of Montréal, Province of Quebec, and the claim of _____, creditor.

I, _____ (name of creditor or representative of the creditor), of _____ (city and province), do hereby certify:

1. That I am a creditor of the above-named debtor (or that I am _____ (state position or title) of _____ (name of creditor or representative of the creditor).
2. That I have knowledge of all of the circumstances connected with the claim referred to below.
3. That the debtor was, at the date of the Proposal, namely February 18, 2016, and still is, indebted to the creditor in the sum of \$ _____, as specified in the statement of account (or affidavit) attached and marked Schedule "A" after deducting any counterclaims to which the debtor is entitled. (The attached statement of account or affidavit must specify the vouchers or other evidence in support of the claim.)

4. Check and complete appropriate category

- A. UNSECURED CLAIM OF \$ _____

(Other than as a customer contemplated by Section 262 of the Act)

That in respect of this debt, I do not hold any assets of the debtor as security and

(Check appropriate description)

- Regarding the amount of \$ _____, I do not claim a right to a priority.
("Ordinary Creditor")

- Regarding the amount of \$ _____, I claim a right to a priority under section 136 of the Act.
("Preferred Creditor")

(Set out on an attached sheet details to support priority claim)

- B. CLAIM OF LESSOR FOR DISCLAIMER OF A LEASE \$ _____

That I hereby make a claim under subsection 65.2(4) of the Act, particulars of which are as follows:
(Give full particulars of the claim, including the calculations upon which the claim is based)

- C. SECURED CLAIM OF \$ _____

That in respect of this debt, I hold assets of the debtor valued at \$ _____ as security, particulars of which are as follows:

(Give full particulars of the security, including the date on which the security was given and the value at which you assess the security, and attach a copy of the security documents.)

- D. CLAIM BY FARMER, FISHERMAN OR AQUACULTURIST OF \$ _____

That I hereby make a claim under subsection 81.2(1) of the Act for the unpaid amount of \$ _____
(Attach a copy of sales agreement and delivery receipts).

T. 514.934.3400
F. 514.934.8603
claims@richter.ca

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





- E. CLAIM BY WAGE EARNER OF \$ _____
 - That I hereby make a claim under subsection 81.3(8) of the Act in the amount of \$ _____
 - That I hereby make a claim under subsection 81.4(8) of the Act in the amount of \$ _____

- F. CLAIM BY EMPLOYEE FOR UNPAID AMOUNT REGARDING PENSION PLAN OF \$ _____
 - That I hereby make a claim under subsection 81.5 of the Act in the amount of \$ _____
 - That I hereby make a claim under subsection 81.6 of the Act in the amount of \$ _____

- G. CLAIM AGAINST DIRECTOR \$ _____
(To be completed when a proposal provides for the compromise of claims against directors.)

That I hereby make a claim under subsection 50(13) of the Act, particulars of which are as follows:
(Give full particulars of the claim, including the calculations upon which the claim is based.)

- H. CLAIM OF A CUSTOMER OF A BANKRUPT SECURITIES FIRM \$ _____
That I hereby make a claim as a customer for net equity as contemplated by section 262 of the Act, particulars of which are as follows:
(Give full particulars of the claim, including the calculations upon which the claim is based.)

5. That, to the best of my knowledge, I am (or the above-named creditor is) (or am not or is not) related to the debtor within the meaning of section 4 of the Act, and have (or has) (or have not or has not) dealt with the debtor in a non-arm's-length manner.

6. That the following are the payments that I have received from, the credits that I have allowed to, and the transfers at undervalue within the meaning of subsection 2(1) of the Act that I have been privy to or a party to with the debtor within the three months (or, if the creditor and the debtor are related within the meaning of section 4 of the Act or were not dealing with each other at arm's length, within the 12 months) immediately before the date of the initial bankruptcy event within the meaning of subsection 2(1) of the Act: (provide details of payments, credits and transfers at undervalue)

Dated at _____, this _____ day of _____

Signature of creditor

Signature of witness

Telephone number: _____ Fax number: _____

E-mail address: _____

NOTE: If an affidavit is attached, it must have been made before a person qualified to take affidavits.

WARNINGS: A trustee may, pursuant to subsection 128(3) of the Act, redeem a security on payment to the secured creditor of the debt or the value of the security as assessed, in a proof of security, by the secured creditor.

Subsection 201(1) of the Act provides severe penalties for making any false claim, proof, declaration or statement of account.

PROXY

(Subsection 102(2) and paragraphs 51(1)e) and 66.15(3)b) of the Act)

In the Matter of the Proposal of **Serico-Impro Inc.**

I, _____, of _____
(name of creditor) (name of town or city)

a creditor in the above matter, hereby appoint _____ of _____,
to be my proxyholder in the above matter, except as to the receipt of dividends, _____ (with or without) power to
appoint another proxyholder in his or her place.

Dated at _____, this _____ day of _____

Signature of creditor

Per: _____
Name and Title of Signing Officer

Signature of witness

RICHTER

CANADA

Province de Québec

District de : Québec

No division : 01-Montréal

No cour : 500-11-050205-166

No dossier : 41-2089382

COUR SUPÉRIEURE

(Chambre commerciale)

Loi sur la faillite et l'insolvabilité

FORMULAIRE DE VOTATION (proposition déposée en vertu de la section I) (alinéa 51(1)f) de la Loi)

Dans l'affaire de la proposition de
Serico-Impro Inc.

Je, _____, créancier
(ou Je, _____, représentant de _____ créancier)
de _____ (nom de la ville), créancier dans l'affaire susmentionnée à l'égard de la
somme de _____ \$, demande au syndic agissant relativement à la proposition de **Serico-
Impro Inc.**, de consigner mon vote _____ (en faveur de ou contre) l'acceptation de la
proposition faite le 18 février 2016.

Daté le ___ jour de _____ 201___, à _____

Nom du créancier (personne physique)
(Veuillez écrire en lettres moulées)

Signature du créancier (personne physique)

Signature du témoin

- OU -

Nom du créancier (personne morale)
(Veuillez écrire en lettres moulées)

Signature du créancier (personne morale)

Signature du témoin

Nom et titre du signataire autorisé
(Veuillez écrire en lettres moulées)

RICHTER

CANADA
Province of Québec
District of: Québec
Division No.: 01-Montréal
Court No.: 500-11-050205-166
Estate No.: 41-2089382

SUPERIOR COURT
(Commercial Division)
Bankruptcy and Insolvency Act

VOTING LETTER
(Division 1 Proposal)
(Paragraph 51(1)f) of the Act)

In the Matter of the Proposal of
Serico-Impro Inc.

I, _____, creditor
(or I, _____, representative of _____, creditor)
of _____ (name of city), a creditor in the above matter for the sum of
\$ _____, hereby request the trustee acting with respect to the proposal of **Serico-Impro Inc.** to
record my vote _____ (for or against) the acceptance of the proposal as made on February 18, 2016.

Dated at _____, this _____ day of _____ 201_____.

Name of Individual Creditor (Please print)

Signature of Individual Creditor

Signature of Witness

- OR -

Name of Corporate Creditor (Please print)

Signature of Corporate Creditor

Signature of Witness

Name and Title of Signing Officer (Please print)

CANADA
PROVINCE OF QUÉBEC
DISTRICT OF QUÉBEC
DIVISION NO.: 01-MONTREAL
COURT NO.: 500-11-050205-166
ESTATE NO.: 41-2089382

SUPERIOR COURT
(Commercial Division)
Bankruptcy and Insolvency Act

Serico-Impro Inc.
a legal person duly constituted, having its
registered office at 10550 Secant Street
Montreal QC H1J 1S3

Debtor

- and -

Richter Advisory Group Inc.

Trustee

**REPORT OF THE TRUSTEE ON THE FINANCIAL SITUATION
OF THE DEBTOR AND ON THE PROPOSAL
(Sections 50(10)(b) and 50(5) of the *Bankruptcy and Insolvency Act*)**

Pursuant to Sections 50(10)(b) and 50(5) of the *Bankruptcy and Insolvency Act*, and to assist the creditors in considering the Proposal, the Trustee is submitting its report on the financial situation of the Debtor and on the Proposal.

We caution the reader that we have neither conducted an audit nor a verification of the books and records of the Debtor. Consequently, we cannot render an opinion as to the accuracy of the information contained therein. The information discussed herein emanates from the books and records of the Debtor as well as from our discussions with the Management of the Debtor.

I. INTRODUCTION

In 2015, management of Serico-Impro Inc. (hereinafter "Serico", the "Debtor" or the "Company") initiated a process to seek the interest of potential investors. On July 21, 2015, a group of investors (the "Purchaser") submitted a letter of interest ("LOI") to acquire all the outstanding shares of the Debtor (the "Transaction"). The Transaction will only be finalized if and after the Proposal is accepted by the creditors and ratified by the Court.

In this context, on February 18, 2016, the Debtor filed a Proposal in accordance with the *Bankruptcy and Insolvency Act* (hereinafter referred to as the "Act" or "BIA"). We have enclosed herewith the Proposal made by the Debtor to its creditors, a proof of claim form, a voting form, a proxy, and a notice indicating the place and time of the Meeting of Creditors to address the Proposal.

The following summarizes the relevant information and key elements that may assist the creditors in evaluating the Debtor's affairs and the Proposal.

Take notice that, if the Proposal is accepted by the creditors at the meeting to be held on March 18, 2016, an application will be made to the Québec Superior Court, judicial district of Montréal, 1 Notre-Dame Street E., Room 16.12, Montréal, QC, H2Y 1B6 on April 11, 2016, at 8:45 AM to approve the proposal of the Debtor.

II. OVERVIEW OF THE COMPANY

Serico is a bottle decorator. Using the processes of screen printing, label application, hot stamping, pad printing (or a combination of the processes), Serico applies artwork bottles supplied to them by their clients.

In 2008, Serico was acquired by the parent company of Plastic Decorators Inc. (hereinafter "Plastic") and was moved into the same premises in February 2009.

III. CAUSES OF INSOLVENCY AND RECENT DEVELOPMENTS

After moving to larger premises in 2012, the Company and Plastic incurred financial losses due to an unforeseen sales decline. A number of clients, still reeling from the economic downturn in 2010 and 2011, either moved production overseas or shut down production of certain lines, causing a significant decline in sales in 2014 and 2015. During that period, Plastic lost two major customers who moved their production to Asia, and a third customer who converted their bottle decorating to application of labels. At the same time, moving expenses, coupled with the burden of ongoing debt repayment put the Company and Plastic in a very difficult financial position.

Furthermore, Plastic's SR&ED claim for fiscal 2014 was refused by Canada Revenue Agency (CRA) and Revenue Quebec. In addition, a GST/PST audit by Revenue Quebec in the early fall of 2015 concluded with a refund assessment. The financial difficulties coupled with fiscal authorities' assessments prevent the Company and Plastic to maintain normal operations in a satisfactory manner.

IV. TRANSACTION

The Purchaser (Mr. Martin Tessier, Mr. Mario Tremblay and Mr. Luc Poirier) submitted a letter of interest to the Debtor and Plastic on July 21, 2015. Pursuant to the LOI, the Purchaser shall acquire all the outstanding shares of the Debtor and Plastic.

As per the LOI, the Purchaser shall pay \$125,000 to the Debtor and Plastic in order to fund the proposal to its unsecured creditors if accepted.

V. FINANCIAL INFORMATION

The following financial data was extracted either from the books and records of the Debtor, the unaudited financial statements or from discussions held with Management. This information is submitted solely to assist the reader in assessing the current financial position of the Debtor.

The Trustee makes no representation or warranty as to the accuracy of said financial information.

A) Statement of Earnings (Deficit)

Serico-Impro Inc. Statement of Earnings			
	F2016 Unaudited (9 months ended Jan. 31, 2016)	F2015 Unaudited (April 30, 2015)	F2014 Unaudited (April 30, 2014)
Total sales	\$ 82,726	\$ 106,490	\$ 108,995
Operating expenses			
Factory salaries	9,519	27,116	24,358
Supervisor salaries	-	22,770	64,872
Office salaries and commissions	-	-	7,500
Management salaries	-	-	2,000
Vacation expense	-	1,093	4,227
Salaries benefits (DAS and group insurance)	-	3,688	6,934
Personnel Agencies	3,567	6,427	11,228
Commissions	6,626	10,649	10,520
Utilities	-	-	3,100
Rent and property taxes	-	-	6,483
Repairs and maintenance	-	-	2,900
Professional fees	-	-	4,212
Interest and bank charges	3,885	5,779	5,751
Entertainment and promotion	1,856	-	-
Depreciation and amortization	-	-	8,266
Other expenses	151	218	578
	<u>25,604</u>	<u>77,740</u>	<u>162,929</u>
Earnings Before Taxes	57,122	28,750	(53,934)
Taxes	-	-	-
Net Earnings (Deficit)	\$ 57,122	\$ 28,750	\$ (53,934)

B) Historical Balance Sheet

Serico-Impro Inc. Balance sheets Prepared by Management - UNAUDITED			
(in \$)	As at Jan. 31 2016	As at April 30 2015	As at April 30 2014
Assets			
Accounts receivable	\$ 1,844	\$ 5,392	\$ 11,150
Other receivable	18,000	18,000	
Inventory	14,653	14,653	14,653
Prepays and deposits	2,303	-	-
	<u>36,800</u>	<u>38,045</u>	<u>25,803</u>
Loan to related parties	280,402	306,606	280,306
Fixed assets	33,031	33,031	33,031
	<u>\$ 350,233</u>	<u>\$ 377,682</u>	<u>\$ 339,140</u>
Liabilities			
Line of credit - Scotia	\$ 69,902	\$ 61,398	\$ 47,396
Accounts payable	16,293	16,216	16,568
Other payable	-	87,604	91,050
Accrued liabilities	3,546	3,500	3,500
Sales taxes payable	2,420	4,071	4,716
Vacations payable	-	-	4,227
DAS payable	-	493	3,861
	<u>92,162</u>	<u>173,282</u>	<u>171,318</u>
Loan - Capital lease	-	3,451	13,624
	<u>92,162</u>	<u>176,733</u>	<u>184,942</u>
Shareholder's Equity			
Capital stock	38,002	38,002	20,002
Retained earnings	220,069	162,947	134,196
	<u>\$ 350,233</u>	<u>\$ 377,682</u>	<u>\$ 339,140</u>

C) Debtor's Statement of Affairs - Assets

Based on the Debtor's and Plastic's Statement of Affairs as of February 18, 2016, and certain additional information provided by Management, the Debtor's and Plastic's assets can be summarized as follows:

Plastic Decorators Inc. and Serico-Impro Inc.			
Assets			
	<u>Plastic</u>	<u>Serico</u>	<u>Total</u>
Cash in Bank	\$ -	\$ -	\$ -
Accounts Receivables - Collectible			
Accounts Receivables - Total	174,046	1,844	175,890
Accounts Receivables - Bad	(2,056)	-	(2,056)
Accounts Receivables - Doubtful	<u>(34,500)</u>	<u>(1,844)</u>	<u>(36,344)</u>
Equipment (estimate)	24,000	16,500	40,500
Inventory (estimate)	5,775	2,900	8,675
	<u>\$167,265</u>	<u>\$ 19,400</u>	<u>\$186,665</u>

Management's estimated gross realization amount is prior to consideration of the payment of post-filing obligations as well as professional fees.

Of the \$176K of receivables currently on the books, \$2K of receivables are considered uncollectible and \$36K are considered doubtful based on the age of the accounts. The Debtor estimates the recoverable accounts receivable balance at approximately \$137K.

Note that the loan to related parties (\$280K as at January 31, 2016) is considered unrecoverable by Management.

D) Debtor's Statement of Affairs - Liabilities

The Debtor has provided us with a list of its creditors. Notices have been sent to the known creditors and, to date, we are unable to determine if the Debtor's records agree with those of its creditors. As Proofs of Claim are received, we shall record the specific amounts claimed by the creditors, and prior to paying any dividend, we shall perform a variance analysis (where applicable).

Liabilities indicated below are based on the books and records of the Debtor and Plastic, the Statements of Affairs as of February 18, 2016 and Management's representations.

Plastic Decorators Inc. and Serico-Impro Inc. Liabilities			
	<u>Plastic</u>	<u>Serico</u>	<u>Total</u>
Secured Creditors			
Unrelated Creditors	\$ 118,978	\$ 48,778	\$ 167,756
Preferred Creditors	-	-	-
Unsecured Creditors			
Unrelated Creditors	703,477	18,714	722,191
	<u>\$ 822,455</u>	<u>\$ 67,492</u>	<u>\$ 889,948</u>

The secured liabilities are comprised of \$161K due to Scotia Bank and \$7K due on a capital lease. We caution that the liabilities amount may change as proofs of claim are received.

VI. PROPOSAL

A) Summary

The terms of the Proposal provide that a payment of \$125K less payment of Employee Claims and Preferred Claims to be remitted to the Trustee by the Debtor and by Plastic within 90 days following the approval of the Proposal by the Court for distribution to Ordinary Creditors. For greater certainty, there will be only one common payment paid by the Debtor and by Plastic for both the Proposal and Plastic's Proposal.

Conditional upon the acceptance by the creditors of the Proposal and to the approval thereof by the Court by no later than the date of the Approval Hearing, the Related Creditors waive and renounce (i) to any right to prove in whole or in part any Ordinary Unsecured Claims they may have and (ii) to any dividend that is or could be payable to them under the Proposal.

B) Amounts to be paid as a priority

According to the terms of the Proposal, the following amounts must be paid in priority:

- Crown Claims shall be paid in full, within six months of the approval of the Proposal by the Court, or as may otherwise be arranged with the Crown;
- Amounts owing to employees (past and present) and that they would have been entitled to receive under Section 136(1)(d) of the Act if the Debtor had been declared bankrupt on the date of the approval of the Proposal, shall be paid in their entirety immediately after the approval of the Proposal;
- The Preferred Claims, as described in paragraphs 136(1)(a) to 136(1)(j) of the Act, being such claims directed by the Act to be paid in priority to all other claims in the distribution of the property of a bankrupt, excluding the Employee Claims. The Preferred claims, without interest or penalty, shall be paid in their entirety in priority to Unsecured Claims within thirty (30) days of the approval of the Proposal by the Court or as may be otherwise arranged with the Preferred Creditors.

C) Amounts to be disbursed to Ordinary Creditors

The amount available after payment of the above-mentioned amounts ("Net Amount") shall be paid to the Trustee within 90 days of the Approval of the Proposal and shall be distributed to Ordinary Creditors as follows:

- Each of the Ordinary Creditors shall receive, in full and final payment of its Unsecured Claim, without interest or penalty:
 - a) Provided the creditor makes an election, the lesser of five hundred dollars (\$500) or the amount of its Unsecured Claim as set out in its proof of claim or an irrevocable and unconditional reduction of such Unsecured Claim to five hundred dollars (\$500);
 - b) A pro-rata share of the balance of the Net Amount after payment of the amount defined in a) above.

D) Creditors' Committee

The Debtor consents to the creation of a committee which shall be comprised of, at most, five (5) individuals (the "Committee") designated by the creditors at the Meeting of Creditors. The Committee shall have the following powers:

- To advise the Trustee in connection with the actions under the Proposal, as the Trustee may from time to time request;
- To advise the Trustee concerning any dispute which may arise as to the validity of claims under the Proposal; and
- To authorize the deferment of any payment under the terms of the Proposal, either in whole or in part, and entirely at its discretion, providing that any such deferment is deemed by the Creditors' Committee to be in the interest of the Ordinary Unsecured Creditors and the Debtor.

VII. ESTIMATE AS TO DISTRIBUTION TO CREDITORS

In the event that the creditors reject the Proposal, the Debtor will automatically be bankrupt and the net proceeds from the liquidation of the assets (after the payment of the Trustee's fees and expenses) will be distributed to the creditors in the order provided for under the Act. The following information is to inform the creditors on the estimate as to the distribution to creditors under the Proposal in comparison to the estimated distribution under a bankruptcy scenario.

A) Proposal

Based on the Claims reflected in the Debtor's and Plastic's Statements of Affairs, the amount of the Proposal (\$125,000) would be distributed as follows:

Plastic Decorators Inc. and Serico-Impro Inc. Proposal			
Proposal Amount		<u>\$ 125,000</u>	
	Estimated Claims	Estimated Distribution	
Secured creditors (Note 1)	\$ -	\$ -	
Crown Claims (Note 1)	-	-	
Unsecured Creditors	722,191	125,000	17.3%
		<u>\$ 125,000</u>	
Note 1: Per the Transaction LOI, the Purchaser will assume the liabilities related to the Secured Creditors and the Crown Claims.			

B) Bankruptcy

In a bankruptcy scenario, it has been estimated that the net realization value of the assets would be \$136,665. Therefore, the estimated net proceeds would be distributed as follows:

Plastic Decorators Inc. and Serico-Impro Inc. Estimated Distribution - Bankruptcy Scenario			
Net Realization of Assets (estimated)			
Cash on hand		\$ -	
Accounts Receivable		137,490	
Inventory		8,675	
Equipment		40,500	
Professional Fees		(50,000)	
		<u>\$ 136,665</u>	
	Estimated Claims	Estimated Distribution	
Crown Claims	\$ -	\$ -	0.0%
Secured Creditors	167,756	136,665	81.5%
Unsecured Creditors	703,477	-	0.0%
	<u>\$ 871,233</u>	<u>\$ 136,665</u>	

The estimated distribution under the Bankruptcy scenario shows that all the proceeds would be for the benefit of the Secured Creditors. Therefore, there would be no distribution to the unsecured creditors in a Bankruptcy scenario.

C) Other considerations

The following are additional elements to be considered:

- i. The Proposal provides for the payment of a dividend to Ordinary Creditors within ninety (90) days of the approval of the Proposal. In a bankruptcy, it is expected that there would be no distribution.
- ii. The Purchaser will continue operating the business and employees will remain employed. In addition, suppliers will also be able to continue their business relationship with the Debtor.
- iii. Sections 95 to 101 of the Act will not be applicable to the Proposal. The remedies pursuant to these provisions relate to the recovery of certain amounts under reviewable transactions, preferential treatments and asset disposals.

VIII. CONCLUSION & RECOMMENDATION

The funding of the Proposal is contingent on the Purchaser's ability to finalize the contemplated Transaction. To date, we have been informed that the Purchaser has secured the financing related to the Transaction.

The Trustee is of the opinion that if the Proposal is not approved by the creditors, it is unlikely that the Unsecured Creditors will realize any recovery of their debt in view of the significant prior ranking Crown and Secured Claims. It is estimated that the Proposal will provide recovery to the Unsecured Creditors of approximately 17%. **The Trustee therefore recommends to vote in favour of the Proposal.**

Dated at Montreal, Province of Quebec, this 4th day of March 2016.

Richter Advisory Group Inc.
(Trustee)



Stéphane De Broux, CPA, CA, CIRP

Liste des envois supplémentaires par courriel

**Dans l'affaire de la proposition de
Serico-Impro Inc.
de la ville de Montréal
en la province de Québec**

Envoi à

Serico-Impro Inc.
Bell Canada F-88
Bell Mobility
Commission des normes du travail
Commission des normes du travail
Euler Hermes Canada

Gaz Métropolitain
Hydro Québec
Vidéotron
Davies Ward Phillips &
Vineberg

Avocat de Amy Ressources
Richter Groupe Conseil Inc.
Richter Groupe Conseil Inc.

À l'attention de

Jamie Goren
Groupe Insolvabilité – Affaires
Insolvency Team
Juan Manuel Diz Grana

Monique Bélanger

Tony Sullo, VP, Accounts
Management
Insolvabilité
Line Ducharme
Département de la perception
Hugo Babos-Marchand

K. Balti
Stéphane de Broux
Patrick Ifergan

Adresse courriel

jaimie@plastideco.com;
Insolv@bell.ca;
Bellmobilityinsolvencyteam@bell.ca;
Juan-Manuel.Diz-Grana@cnt.qouv.qc.ca;

Monique.belanger@cnt.qouv.qc.ca;

Tony.sullo@eulerhermes.com;

Insolvabilite2@gazmetro.ca;
Ducharme.Line@hydro.qc.ca;
syndics@videotron.com;
hbabosmarchand@dwpv.com;

k.balti@yahoo.ca;
sdebroux@richter.ca;
pifergan@richter.ca;

District de: Québec
No division: 01 - Montréal
No cour: 500-11-050205-166
No dossier: 41-2089382

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 la proposition de
Serico-Impro Inc.
de la ville de Montréal
en la province de Québec

Daté le 7 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.



**Gouvernement
du Canada**

**Government
of Canada**

[Accueil \(https://www.ic.gc.ca/eic/site/icgc.nsf/fra/accueil\)](https://www.ic.gc.ca/eic/site/icgc.nsf/fra/accueil)

→ [Faillites \(https://www.ic.gc.ca/eic/site/icgc.nsf/fra/h_07043.html\)](https://www.ic.gc.ca/eic/site/icgc.nsf/fra/h_07043.html)

→ [Bureau du surintendant des faillites Canada \(https://www.ic.gc.ca/eic/site/bsf-osb.nsf/tpl-fra/./fra/accueil\)](https://www.ic.gc.ca/eic/site/bsf-osb.nsf/tpl-fra/./fra/accueil)

→ [Dépôt électronique \(home.jsp\)](#)

Mise à jour du dossier - confirmation de la mise à jour

[Bienvenue, Soazig Bourgine](#) | [Préférences \(trusteeProfile.jsp\)](#) | [Service d'assistance \(contactUs.jsp\)](#) | [Instructions \(https://www.ic.gc.ca/eic/site/bsf-osb.nsf/fra/h_br01287.html\)](https://www.ic.gc.ca/eic/site/bsf-osb.nsf/fra/h_br01287.html) | [Sortie \(logout.jsp\)](#)

Information sur le dossier

Les dossiers suivants ont été mis à jour :

- **Numéro de dossier** : 41-2089382
- **Nom du dossier** : Serico-Impro Inc

Document(s) déposé(s)

Les documents suivants ont été déposés avec succès :

- Avis de la proposition et Avis d'audition de la dde d'approbation

Référence

- Le numéro de référence de cette transaction est : **11802565**.
- Déposé par Soazig Bourgine.
- 2016-03-07 15:32 HNE

[Déposer un autre document relatif à ce dossier \(selectDocument.jsp\)](#)

Si vous souhaitez déposer un document relatif à un autre dossier, appuyez sur le lien **Mise à jour** à partir de la barre de navigation du menu de gauche.

Date de modification :

2016-01-22



**Gouvernement
du Canada**

**Government
of Canada**

[Accueil \(https://www.ic.gc.ca/eic/site/icgc.nsf/fra/accueil\)](https://www.ic.gc.ca/eic/site/icgc.nsf/fra/accueil)

[Faillites \(https://www.ic.gc.ca/eic/site/icgc.nsf/fra/h_07043.html\)](https://www.ic.gc.ca/eic/site/icgc.nsf/fra/h_07043.html)

[Bureau du surintendant des faillites Canada \(https://www.ic.gc.ca/eic/site/bsf-osb.nsf/tpl-fra/./fra/accueil\)](https://www.ic.gc.ca/eic/site/bsf-osb.nsf/tpl-fra/./fra/accueil)

[Dépôt électronique \(home.jsp\)](#)

Mise à jour du dossier - confirmation de la mise à jour

[Bienvenue, Soazig Bourgine](#) | [Préférences \(trusteeProfile.jsp\)](#) | [Service d'assistance \(contactUs.jsp\)](#) | [Instructions \(https://www.ic.gc.ca/eic/site/bsf-osb.nsf/fra/h_br01287.html\)](https://www.ic.gc.ca/eic/site/bsf-osb.nsf/fra/h_br01287.html) | [Sortie \(logout.jsp\)](#)

Information sur le dossier

Les dossiers suivants ont été mis à jour :

- **Numéro de dossier** : 41-2089382
- **Nom du dossier** : Serico-Impro Inc

Document(s) déposé(s)

Les documents suivants ont été déposés avec succès :

- Rapport du syndic sur la situation fin.de la déb.et pro.

Référence

- Le numéro de référence de cette transaction est : **11802589**.
- Déposé par Soazig Bourgine.
- 2016-03-07 15:34 HNE

[Déposer un autre document relatif à ce dossier \(selectDocument.jsp\)](#)

Si vous souhaitez déposer un document relatif à un autre dossier, appuyez sur le lien **Mise à jour** à partir de la barre de navigation du menu de gauche.

Date de modification :

2016-01-22

COUR SUPÉRIEURE
(Chambre commerciale)
Loi sur la faillite et l'insolvabilité

Province de Québec
No Division : 01-Montréal
No Cour : 500-11-050205-166

Dans l'affaire de la proposition de
Serico-Impro Inc.

Débitrice

- et -

Richter Groupe Conseil Inc.

Syndic

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

CANADA
PROVINCE OF QUÉBEC
DISTRICT OF QUÉBEC
DIVISION NO.: 01-MONTREAL
COURT NO.: 500-11-050205-166
ESTATE NO.: 41-2089382

SUPERIOR COURT
(Commercial Division)
Bankruptcy and Insolvency Act

Serico-Impro Inc.
a legal person duly constituted, having its
registered office at 10550 Secant Street
Montreal QC H1J 1S3

Debtor

- and -

Richter Advisory Group Inc.

Trustee

**REPORT OF THE TRUSTEE ON THE FINANCIAL SITUATION
OF THE DEBTOR AND ON THE PROPOSAL
(Sections 50(10)(b) and 50(5) of the *Bankruptcy and Insolvency Act*)**

Pursuant to Sections 50(10)(b) and 50(5) of the *Bankruptcy and Insolvency Act*, and to assist the creditors in considering the Proposal, the Trustee is submitting its report on the financial situation of the Debtor and on the Proposal.

We caution the reader that we have neither conducted an audit nor a verification of the books and records of the Debtor. Consequently, we cannot render an opinion as to the accuracy of the information contained therein. The information discussed herein emanates from the books and records of the Debtor as well as from our discussions with the Management of the Debtor.

I. INTRODUCTION

In 2015, management of Serico-Impro Inc. (hereinafter “Serico”, the “Debtor” or the “Company”) initiated a process to seek the interest of potential investors. On July 21, 2015, a group of investors (the “Purchaser”) submitted a letter of interest (“LOI”) to acquire all the outstanding shares of the Debtor (the “Transaction”). The Transaction will only be finalized if and after the Proposal is accepted by the creditors and ratified by the Court.

In this context, on February 18, 2016, the Debtor filed a Proposal in accordance with the *Bankruptcy and Insolvency Act* (hereinafter referred to as the “Act” or “BIA”). We have enclosed herewith the Proposal made by the Debtor to its creditors, a proof of claim form, a voting form, a proxy, and a notice indicating the place and time of the Meeting of Creditors to address the Proposal.

The following summarizes the relevant information and key elements that may assist the creditors in evaluating the Debtor's affairs and the Proposal.

Take notice that, if the Proposal is accepted by the creditors at the meeting to be held on March 18, 2016, an application will be made to the Québec Superior Court, judicial district of Montréal, 1 Notre-Dame Street E., Room 16.12, Montréal, QC, H2Y 1B6 on April 11, 2016, at 8:45 AM to approve the proposal of the Debtor.

II. OVERVIEW OF THE COMPANY

Serico is a bottle decorator. Using the processes of screen printing, label application, hot stamping, pad printing (or a combination of the processes), Serico applies artwork bottles supplied to them by their clients.

In 2008, Serico was acquired by the parent company of Plastic Decorators Inc. (hereinafter “Plastic”) and was moved into the same premises in February 2009.

III. CAUSES OF INSOLVENCY AND RECENT DEVELOPMENTS

After moving to larger premises in 2012, the Company and Plastic incurred financial losses due to an unforeseen sales decline. A number of clients, still reeling from the economic downturn in 2010 and 2011, either moved production overseas or shut down production of certain lines, causing a significant decline in sales in 2014 and 2015. During that period, Plastic lost two major customers who moved their production to Asia, and a third customer who converted their bottle decorating to application of labels. At the same time, moving expenses, coupled with the burden of ongoing debt repayment put the Company and Plastic in a very difficult financial position.

Furthermore, Plastic's SR&ED claim for fiscal 2014 was refused by Canada Revenue Agency (CRA) and Revenue Quebec. In addition, a GST/PST audit by Revenue Quebec in the early fall of 2015 concluded with a refund assessment. The financial difficulties coupled with fiscal authorities' assessments prevent the Company and Plastic to maintain normal operations in a satisfactory manner.

IV. TRANSACTION

The Purchaser (Mr. Martin Tessier, Mr. Mario Tremblay and Mr. Luc Poirier) submitted a letter of interest to the Debtor and Plastic on July 21, 2015. Pursuant to the LOI, the Purchaser shall acquire all the outstanding shares of the Debtor and Plastic.

As per the LOI, the Purchaser shall pay \$125,000 to the Debtor and Plastic in order to fund the proposal to its unsecured creditors if accepted.

V. FINANCIAL INFORMATION

The following financial data was extracted either from the books and records of the Debtor, the unaudited financial statements or from discussions held with Management. This information is submitted solely to assist the reader in assessing the current financial position of the Debtor.

The Trustee makes no representation or warranty as to the accuracy of said financial information.

A) Statement of Earnings (Deficit)

Serico-Impro Inc. Statement of Earnings			
	F2016 Unaudited (9 months ended Jan. 31, 2016)	F2015 Unaudited (April 30, 2015)	F2014 Unaudited (April 30, 2014)
Total sales	\$ 82,726	\$ 106,490	\$ 108,995
Operating expenses			
Factory salaries	9,519	27,116	24,358
Supervisor salaries	-	22,770	64,872
Office salaries and commissions	-	-	7,500
Management salaries	-	-	2,000
Vacation expense	-	1,093	4,227
Salaries benefits (DAS and group insurance)	-	3,688	6,934
Personnel Agencies	3,567	6,427	11,228
Commissions	6,626	10,649	10,520
Utilities	-	-	3,100
Rent and property taxes	-	-	6,483
Repairs and maintenance	-	-	2,900
Professional fees	-	-	4,212
Interest and bank charges	3,885	5,779	5,751
Entertainment and promotion	1,856	-	-
Depreciation and amortization	-	-	8,266
Other expenses	151	218	578
	<u>25,604</u>	<u>77,740</u>	<u>162,929</u>
Earnings Before Taxes	57,122	28,750	(53,934)
Taxes	-	-	-
Net Earnings (Deficit)	<u>\$ 57,122</u>	<u>\$ 28,750</u>	<u>\$ (53,934)</u>

B) Historical Balance Sheet

Serico-Impro Inc.			
Balance sheets			
Prepared by Management - UNAUDITED			
(in \$)	As at Jan. 31 2016	As at April 30 2015	As at April 30 2014
Assets			
Accounts receivable	\$ 1,844	\$ 5,392	\$ 11,150
Other receivable	18,000	\$ 18,000	
Inventory	14,653	14,653	14,653
Prepays and deposits	2,303	-	-
	<u>36,800</u>	<u>38,045</u>	<u>25,803</u>
Loan to related parties	280,402	306,606	280,306
Fixed assets	33,031	33,031	33,031
	<u>\$ 350,233</u>	<u>\$ 377,682</u>	<u>\$ 339,140</u>
Liabilities			
Line of credit - Scotia	\$ 69,902	\$ 61,398	\$ 47,396
Accounts payable	16,293	16,216	16,568
Other payable	-	87,604	91,050
Accrued liabilities	3,546	3,500	3,500
Sales taxes payable	2,420	4,071	4,716
Vacations payable	-	-	4,227
DAS payable	-	493	3,861
	<u>92,162</u>	<u>173,282</u>	<u>171,318</u>
Loan - Capital lease	-	3,451	13,624
	<u>92,162</u>	<u>176,733</u>	<u>184,942</u>
Shareholder's Equity			
Capital stock	38,002	38,002	20,002
Retained earnings	220,069	162,947	134,196
	<u>\$ 350,233</u>	<u>\$ 377,682</u>	<u>\$ 339,140</u>

C) Debtor's Statement of Affairs - Assets

Based on the Debtor's and Plastic's Statement of Affairs as of February 18, 2016, and certain additional information provided by Management, the Debtor's and Plastic's assets can be summarized as follows:

Plastic Decorators Inc. and Serico-Impro Inc.			
Assets			
	Plastic	Serico	Total
Cash in Bank	\$ -	\$ -	\$ -
Accounts Receivables - Collectible			
Accounts Receivables - Total	174,046	1,844	175,890
Accounts Receivables - Bad	(2,056)	-	(2,056)
Accounts Receivables - Doubtful	<u>(34,500)</u>	<u>(1,844)</u>	<u>(36,344)</u>
Equipment (estimate)	24,000	16,500	40,500
Inventory (estimate)	<u>5,775</u>	<u>2,900</u>	<u>8,675</u>
	<u>\$167,265</u>	<u>\$ 19,400</u>	<u>\$186,665</u>

Management's estimated gross realization amount is prior to consideration of the payment of post-filing obligations as well as professional fees.

Of the \$176K of receivables currently on the books, \$2K of receivables are considered uncollectible and \$36K are considered doubtful based on the age of the accounts. The Debtor estimates the recoverable accounts receivable balance at approximately \$137K.

Note that the loan to related parties (\$280K as at January 31, 2016) is considered unrecoverable by Management.

D) Debtor's Statement of Affairs - Liabilities

The Debtor has provided us with a list of its creditors. Notices have been sent to the known creditors and, to date, we are unable to determine if the Debtor's records agree with those of its creditors. As Proofs of Claim are received, we shall record the specific amounts claimed by the creditors, and prior to paying any dividend, we shall perform a variance analysis (where applicable).

Liabilities indicated below are based on the books and records of the Debtor and Plastic, the Statements of Affairs as of February 18, 2016 and Management's representations.

Plastic Decorators Inc. and Serico-Impro Inc.			
Liabilities			
	<u>Plastic</u>	<u>Serico</u>	<u>Total</u>
Secured Creditors			
Unrelated Creditors	\$ 118,978	\$ 48,778	\$ 167,756
Preferred Creditors	-	-	-
Unsecured Creditors			
Unrelated Creditors	703,477	18,714	722,191
	<u>\$ 822,455</u>	<u>\$ 67,492</u>	<u>\$ 889,948</u>

The secured liabilities are comprised of \$161K due to Scotia Bank and \$7K due on a capital lease. We caution that the liabilities amount may change as proofs of claim are received.

VI. PROPOSAL

A) Summary

The terms of the Proposal provide that a payment of \$125K less payment of Employee Claims and Preferred Claims to be remitted to the Trustee by the Debtor and by Plastic within 90 days following the approval of the Proposal by the Court for distribution to Ordinary Creditors. For greater certainty, there will be only one common payment paid by the Debtor and by Plastic for both the Proposal and Plastic's Proposal.

Conditional upon the acceptance by the creditors of the Proposal and to the approval thereof by the Court by no later than the date of the Approval Hearing, the Related Creditors waive and renounce (i) to any right to prove in whole or in part any Ordinary Unsecured Claims they may have and (ii) to any dividend that is or could be payable to them under the Proposal.

B) Amounts to be paid as a priority

According to the terms of the Proposal, the following amounts must be paid in priority:

- Crown Claims shall be paid in full, within six months of the approval of the Proposal by the Court, or as may otherwise be arranged with the Crown;
- Amounts owing to employees (past and present) and that they would have been entitled to receive under Section 136(1)(d) of the Act if the Debtor had been declared bankrupt on the date of the approval of the Proposal, shall be paid in their entirety immediately after the approval of the Proposal;
- The Preferred Claims, as described in paragraphs 136(1)(a) to 136(1)(j) of the Act, being such claims directed by the Act to be paid in priority to all other claims in the distribution of the property of a bankrupt, excluding the Employee Claims. The Preferred claims, without interest or penalty, shall be paid in their entirety in priority to Unsecured Claims within thirty (30) days of the approval of the Proposal by the Court or as may be otherwise arranged with the Preferred Creditors.

C) Amounts to be disbursed to Ordinary Creditors

The amount available after payment of the above-mentioned amounts (“Net Amount”) shall be paid to the Trustee within 90 days of the Approval of the Proposal and shall be distributed to Ordinary Creditors as follows:

- Each of the Ordinary Creditors shall receive, in full and final payment of its Unsecured Claim, without interest or penalty:
 - a) Provided the creditor makes an election, the lesser of five hundred dollars (\$500) or the amount of its Unsecured Claim as set out in its proof of claim or an irrevocable and unconditional reduction of such Unsecured Claim to five hundred dollars (\$500);
 - b) A pro-rata share of the balance of the Net Amount after payment of the amount defined in a) above.

D) Creditors' Committee

The Debtor consents to the creation of a committee which shall be comprised of, at most, five (5) individuals (the "Committee") designated by the creditors at the Meeting of Creditors. The Committee shall have the following powers:

- To advise the Trustee in connection with the actions under the Proposal, as the Trustee may from time to time request;
- To advise the Trustee concerning any dispute which may arise as to the validity of claims under the Proposal; and
- To authorize the deferment of any payment under the terms of the Proposal, either in whole or in part, and entirely at its discretion, providing that any such deferment is deemed by the Creditors' Committee to be in the interest of the Ordinary Unsecured Creditors and the Debtor.

VII. ESTIMATE AS TO DISTRIBUTION TO CREDITORS

In the event that the creditors reject the Proposal, the Debtor will automatically be bankrupt and the net proceeds from the liquidation of the assets (after the payment of the Trustee's fees and expenses) will be distributed to the creditors in the order provided for under the Act. The following information is to inform the creditors on the estimate as to the distribution to creditors under the Proposal in comparison to the estimated distribution under a bankruptcy scenario.

A) Proposal

Based on the Claims reflected in the Debtor's and Plastic's Statements of Affairs, the amount of the Proposal (\$125,000) would be distributed as follows:

Plastic Decorators Inc. and Serico-Impro Inc. Proposal			
Proposal Amount		\$	<u>125,000</u>
	Estimated Claims	Estimated Distribution	
Secured creditors (Note 1)	\$ -	\$ -	
Crown Claims (Note 1)	-	-	
Unsecured Creditors	722,191	<u>125,000</u>	17.3%
		\$	<u>125,000</u>
Note 1: Per the Transaction LOI, the Purchaser will assume the liabilities related to the Secured Creditors and the Crown Claims.			

B) Bankruptcy

In a bankruptcy scenario, it has been estimated that the net realization value of the assets would be \$136,665. Therefore, the estimated net proceeds would be distributed as follows:

Plastic Decorators Inc. and Serico-Impro Inc. Estimated Distribution - Bankruptcy Scenario			
Net Realization of Assets (estimated)			
Cash on hand		\$	-
Accounts Receivable			137,490
Inventory			8,675
Equipment			40,500
Professional Fees			<u>(50,000)</u>
		\$	<u>136,665</u>
	Estimated Claims	Estimated Distribution	
Crown Claims	\$ -	\$ -	0.0%
Secured Creditors	167,756	136,665	81.5%
Unsecured Creditors	<u>703,477</u>	-	0.0%
	\$	\$	
	<u>871,233</u>	<u>136,665</u>	

The estimated distribution under the Bankruptcy scenario shows that all the proceeds would be for the benefit of the Secured Creditors. Therefore, there would be no distribution to the unsecured creditors in a Bankruptcy scenario.

C) Other considerations

The following are additional elements to be considered:

- i. The Proposal provides for the payment of a dividend to Ordinary Creditors within ninety (90) days of the approval of the Proposal. In a bankruptcy, it is expected that there would be no distribution.
- ii. The Purchaser will continue operating the business and employees will remain employed. In addition, suppliers will also be able to continue their business relationship with the Debtor.
- iii. Sections 95 to 101 of the Act will not be applicable to the Proposal. The remedies pursuant to these provisions relate to the recovery of certain amounts under reviewable transactions, preferential treatments and asset disposals.

VIII. CONCLUSION & RECOMMENDATION

The funding of the Proposal is contingent on the Purchaser's ability to finalize the contemplated Transaction. To date, we have been informed that the Purchaser has secured the financing related to the Transaction.

The Trustee is of the opinion that if the Proposal is not approved by the creditors, it is unlikely that the Unsecured Creditors will realize any recovery of their debt in view of the significant prior ranking Crown and Secured Claims. It is estimated that the Proposal will provide recovery to the Unsecured Creditors of approximately 17%. **The Trustee therefore recommends to vote in favour of the Proposal.**

Dated at Montreal, Province of Quebec, this 4th day of March 2016.

Richter Advisory Group Inc.
(Trustee)



Stéphane De Broux, CPA, CA, CIRP