

Third Interim Report of the Receiver
(Subsection 246(2) of the *Bankruptcy and Insolvency Act* (“*BIA*”))

**In the Matter of the Receivership of
RBD Construction Ltd.**

INTRODUCTION

Pursuant to an Order (the “**Receivership Order**”) granted by the Court of Queen’s Bench of Alberta (the “**Court**”) on July 20, 2021, Hudson & Company Insolvency Trustees Inc. was appointed as receiver and manager (the “**Receiver**”) of RBD Construction Ltd (“**RBD**”).

A copy of the Receivership Order as well as further information with respect to the receivership can be found on our website at www.bankruptcycalgary.com/corporate-files.

ASSETS

The Receiver took possession and control of the RBD assets on July 20, 2021.

In our report dated July 26, 2021, a copy of which can be found on the above noted website, the Receiver outlined the intended plan of action for the receivership. The Receiver prepared the first interim report outlining the progress of the administration on January 19, 2022, and the second interim report on July 19, 2022. Copies of both the first and second interim reports can be found on the above noted website.

The Receiver has liquidated the physical assets of RBD and has been in ongoing discussions and negotiations with legal counsel with respect to the potential recovery of RBD lien claims for work completed on the various construction sites. The Receiver has settled lien claims on all applicable projects, excluding the claim against the general contractor of the Crowsnest Pass construction project, where attempts to collect outstanding amounts remain ongoing.

In addition, the Receiver completed the pre-filing GST returns and has held multiple discussions with the Canada Revenue Agency (“CRA”) regarding their GST audit. By letter dated October 19, 2022, the CRA issued an amended assessment for the pre-receivership period of approximately \$86,000 owing by RBD for GST. Of this approximately \$15,000 is considered the deemed trust portion, meaning that amount is payable in priority to other creditor classes, including amounts owing to secured creditors.

STATEMENT OF RECEIPTS AND DISBURSEMENTS

A Statement of Receipts and Disbursements for the period ending January 9, 2023, is attached as Appendix A.

NEXT STEPS

The Receiver will continue to work towards the collection of the amounts due from the general contractor of the Crowsnest Pass site. At the time of this report there have been no realizations from this action.

The Receiver, in discussion with secured creditors, has completed a cost-benefit analysis regarding the financial viability of filing the estate into bankruptcy. The Receiver is in the process of obtaining an independent legal opinion pursuant to section 13.4(1) of the BIA with the expectation of filing a concurrent bankruptcy.

HUDSON & COMPANY INSOLVENCY TRUSTEES INC.

In its capacity as Court-Appointed Receiver and Manager of
RBD Construction Ltd. and not in its personal capacity



Breanna Burkard-Smith, CIRP, LIT

**IN THE MATTER OF THE RECEIVERSHIP OF
RBD Construction Ltd.
Hudson & Company Insolvency Trustees Inc., Receiver
Statement of Receipts and Disbursements
For the period of July 20, 2021 to January 9, 2023**

RECEIPTS	Totals
Equipment sale - auction proceeds (net of auction costs)	\$ 113,144.34
Sale of 2016 Ford F550	38,375.00
Inventory Sale - Emcee Construction	15,000.00
Lien Claims Settled	12,500.00
Sale of 2018 F150 - net of lease buyout	11,815.65
Recovery of shares - (net 1/2 interest)	2,367.30
GST collected	2,300.00
Sale of used computers	2,000.00
Interest	919.92
TOTAL RECEIPTS	\$ 198,422.21
DISBURSEMENTS	
Legal Fees - BLG	\$ 47,711.88
Legal Fees - Parlee Law	21,996.39
CRA - Deemed trust payroll claim	18,524.77
Lease buyout Ford F550	9,671.01
GST Paid	3,462.77
Ascend License Fee	275.00
Streamline I.T (RBD network support)	236.70
Search Fees	194.00
Filing Fees	72.97
TOTAL DISBURSEMENTS	\$ 102,145.49
Funds on Hand -January 9, 2023	\$ 96,276.72
EXPECTED DISBURSEMENTS	
Receiver fees - Estimate	40,000.00
Legal fees - estimate (independent legal review, liens, discharge)	10,000.00
Trustee Fees - Estimate	5,000.00
WEPPA 81.4 - Priority Portion (balance to date)	3,341.41
	\$ 58,341.41
EXPECTED NET REALIZATIONS	\$ 37,935.31