

TRUSTEE'S REPORT ON PRELIMINARY ADMINISTRATION

IN THE MATTER OF THE BANKRUPTCY OF

PRIMA FOAM CORP.

BKY 25-3090068

HUDSON & COMPANY INSOLVENCY TRUSTEES INC.

Prima Foam Corp. (hereinafter referred to as the “**Company**”) filed a voluntary assignment in bankruptcy pursuant to Section 49(1) of the *Bankruptcy and Insolvency Act* (“**BIA**”) on June 7, 2024, with Hudson & Company Insolvency Trustees Inc. appointed as Licensed Insolvency Trustee (“**Trustee**”).

The Company was a spray foam insulation business and it last operated from leased premises at 2186 - 39 Ave NE, Calgary, Alberta.

SECTION A - The Trustee's duties under Section 16(3) of the Bankruptcy Act:

Class I - Stocks and Merchandise:

- The Company did not own any stock or inventory.

Class II - Machinery and Equipment:

- The Company had office furniture valued on the Statement of Affairs for a combined total of \$500.00.

Class III - Buildings and Real Estate:

- The Company did not own any buildings or real estate.

Class IV - Books and Records:

- The Trustee has obtained copies of various books and records of the Company pertinent to the administration of the estate.

Class V - Other Assets:

- The Company remitted its cash on hand balance of \$37,164.44 to the Trustee. The Trustee has deposited these funds in its trust account.

SECTION B - Conservatory and Protective Measures:

- None that the Trustee is aware of.

SECTION C - Legal Proceedings:

- None that the Trustee is aware of.

SECTION D - Provable Claims:

- At the time of preparing this report, the Trustee has received unsecured claims totalling \$440,727.64. A detailed claims register is attached to this report as **Exhibit “A”**.

SECTION E - Secured Creditors:

- Based on the Trustee’s review of the Company’s Personal Property Registry, the Workers’ Compensation Board has registered security on a 2010 GMC Sierra. However, this vehicle was not in the possession of the Company at the date of bankruptcy. The Workers’ Compensation Board has filed a secured claim with the Trustee in the amount of \$2,993.82.

SECTION F - Reviewable Transactions and Preference Payments:

- Prior to the bankruptcy, the Trustee understands that the ownership of the 2010 GMC Sierra was transferred from the Company to the director / shareholder of the Company personally. The vehicle was then sold for \$500.00, and the funds were retained by the director.
- Prior to the bankruptcy, the Company sold all equipment and machinery to an arm’s length party, the proceeds were paid into the Company’s bank account and formed the majority of the cash on hand at the date of bankruptcy.

SECTION G - Other Matters:

- The Trustee understands that Canada Revenue Agency (“**CRA**”) is owed funds by the Company related to unremitted payroll source deductions, and a portion of this balance would be considered a deemed trust claim. While this claim is subject to audit by the CRA, the Trustee has received a deemed trust property claim of \$83,444.79 from the CRA as of the time of preparing this report.
- The Trustee has sought to enter into an Administrative Agreement with CRA to allow for the Trustee’s fees and expenses to be paid from the assets realized through the administration of the bankruptcy, in priority to the deemed trust property claim of the CRA. The Trustee is waiting for a response from the CRA to this request.

SECTION H - Realization:

- The Trustee anticipates that there will be no funds available for distribution to the unsecured creditors after the cost of administration of this bankruptcy

DATED at Calgary, Alberta, the 25th day of June 2024.

HUDSON & COMPANY INSOLVENCY TRUSTEES INC.

Per:



Stefan DuChene, Licensed Insolvency Trustee

Hudson & Company Insolvency Trustees Inc.

Claims Register

Exhibit "A"

In the Matter of the Bankruptcy of
Prima Foam Corp.
of the City of Calgary, in the Province of Alberta

Insolvency Date: 07-Jun-2024
Estate Number: 25-3090068

<i>Creditor Name</i>	<i>Proof of Claim?</i>	<i>Claim Status</i>	<i>Rank / Class</i>	<i>SOA Amount</i>	<i>Amount Filed</i>	<i>Admitted for Dividend</i>
Preferred creditors						
1. Safeway Holdings (Alberta) Ltd.	No	Not proved	F	2,700.00		
Total : Preferred creditors					2,700.00	
Secured creditors						
1. WCB Workers Compensation Board of Alberta Attn: Collection Department 8010859	Yes	Admitted			2,993.82	
Total : Secured creditors					2,993.82	
Unsecured creditors						
1. American Express c/o FCT Default Solutions Attn: Insolvency Department 379858948471002	Yes	Admitted		12,500.00	16,999.01	16,999.01
2. Carlisle Spray Foam Insulation	Yes	Admitted		13,000.00	16,088.63	16,088.63
3. CRA - Tax - Prairies 79726 1690 RC0001	No	Not proved		1.00		
4. CRA - Tax - Prairies 79726 1690 RP0001	Yes	Admitted			276,275.12	276,275.12
5. CRA - Tax - Prairies 79726 1690 RT0001	Yes	Admitted		67,512.39	68,347.47	68,347.47
6. Direct Energy Regulated Services Attn: Credit & Collections Centre 760010443926	Yes	Admitted		1,980.67	2,205.94	2,205.94
7. Enmax Attn: Dina Di Rado	No	Not proved		460.37		
8. Olakunle Lemboye P2390103871	No	Not proved		40,438.78		
9. R.J. Barrett & Co. Professional Corporation 13303	No	Not proved		10,548.56		
10. RBC Royal Bank c/o BankruptcyHighway.com Attn: Razel Bowen RBCBK1327686	Yes	Admitted		60,000.00	60,811.47	60,811.47
11. Shaw Direct Communications Inc. Attn: Payment Solutions	No	Not proved		638.20		
12. Shoemaker Drywall Suppliers	No	Not proved		13,346.67		
13. WCB Workers Compensation Board of Alberta Attn: Collection Department 8010859	No	Not proved		9,557.62		
Total : Unsecured creditors				229,984.26	440,727.64	440,727.64
Deemed Trust Claim						
1. CRA - Tax - Prairies 79726 1690 RP0001	Yes	Admitted		355,295.16	83,444.79	

Claims Register for Prima Foam Corp. - Concluded

Insolvency Date: 07-Jun-2024

Estate Number: 25-3090068

<i>Creditor Name</i>	<i>Proof of Claim?</i>	<i>Claim Status</i>	<i>Rank / Class</i>	<i>SOA Amount</i>	<i>Amount Filed</i>	<i>Admitted for Dividend</i>
Total : Deemed Trust Claim				355,295.16	83,444.79	
Grand Total:				587,979.42	527,166.25	440,727.64