

District of: Alberta
Division No. 01 - Edmonton
Court No. 24-2605147
Estate No. 24-2605147

FORM 68
Notice of Bankruptcy, First Meeting of Creditors
(Subsection 102(1) of the Act)

☒ Original ☐ Amended

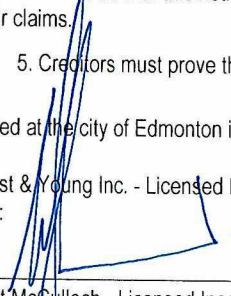
In the Matter of the Bankruptcy of
1987518 Alberta Ltd. (o/a Festival City Finance)
of the City of Edmonton, in the Province of Alberta

Take notice that:

1. 1987518 Alberta Ltd. (o/a Festival City Finance) filed (or was deemed to have filed) an assignment on the 14th day of January 2020, and the undersigned, Ernst & Young Inc., was appointed as trustee of the estate of the bankrupt by the official receiver (or the Court), subject to affirmation by the creditors of the trustee's appointment or substitution of another trustee by the creditors.
2. The first meeting of creditors of the bankrupt will be held on the 3rd day of February 2020, at 10:00 AM, at the office of Edmonton, at 1400 EPCOR Tower, 10423 - 101 Street, Edmonton, AB, T5H 0E7.
3. To be entitled to vote at the meeting, a creditor must lodge with the trustee, before the meeting, a proof of claim and, where necessary, a proxy.
4. Enclosed with this notice is a proof of claim form, proxy form, and list of creditors with claims amounting to \$25 or more showing the amounts of their claims.
5. Creditors must prove their claims against the estate of the bankrupt in order to share in any distribution of the proceeds realized from the estate.

Dated at the city of Edmonton in the Province of Alberta, this 16th day of January 2020.

Ernst & Young Inc. - Licensed Insolvency Trustee
Per:



Matt McCulloch - Licensed Insolvency Trustee
1400 EPCOR Tower, 10423 - 101 Street
Edmonton AB T5H 0E7
Phone: (780) 412-2393 Fax: (780) 428-8977

District of Alberta
Division No. 1 - Edmonton
Estate No. 24 - 2605147

TRUSTEE'S PRELIMINARY REPORT

**IN THE MATTER OF THE BANKRUPTCY OF 1987518 ALBERTA LTD.
o/a FESTIVAL CITY FINANCE
OF THE CITY OF EDMONTON, IN THE PROVINCE OF ALBERTA**

**ERNST & YOUNG INC.
Trustee in Bankruptcy**

SECTION A - BACKGROUND

On January 15th, 2020, 1987518 Alberta Ltd. o/a Festival City Finance. ("198") filed an assignment into bankruptcy.

198 was in the business of sourcing vehicles and arranging the associated financing for its customers, with its head office located in Edmonton, Alberta.

198 has indicated that the causes of its financial difficulty were due to financial mismanagement.

SECTION B - ASSETS

The following summary represents the Debtor's realizable assets as per its Statement of Affairs:

Cash on Hand: \$10,300.00

Secured Claims

The Statement of Affairs does not include any secured creditors.

The Trustee performed a Personal Property Registry Search in Alberta. The following creditors were listed as secured, however the debtor has advised that the secured assets have been sold and/or are no longer in the bankrupt's possession:

- Nextgear Capital Corporation
- Sherwood Park Toyota

SECTION C - BOOKS AND RECORDS OF THE BANKRUPT

The Trustee has requested the Debtor's books and records from the Director, and expects to receive same in due course.

SECTION D - CONSERVATORY AND PROTECTIVE MEASURES

The Trustee has notified the Debtor's bank of the bankruptcy and has requested that the account be closed, and any funds on deposit be forwarded to the Trustee.

SECTION E - PROVABLE CLAIMS

Attached as Appendix "A" is a summary of the Debtor's liabilities as noted on its Statement of Affairs. There are no proven claims as at the date of this report.

SECTION F - LEGAL PROCEEDINGS / PREFERENCE PAYMENTS

At this time, the Trustee is not aware of any fraudulent conveyances, preferences or transfers at undervalue made by 198.

SECTION G - THIRD PARTY DEPOSITS OR GUARANTEES

The Trustee has agreed to act in this bankruptcy in exchange for a third-party deposit of \$10,000.00 for its reasonable fees and expenses incurred. As at the date of this report \$7,500.00 has been received and \$2,500.00 is expected to be paid in due course.

SECTION H - APPOINTMENT OF RECEIVER

No Receiver has been appointed.

SECTION I - ANTICIPATED REALIZATIONS AND PROJECTED DISTRIBUTION

The Trustee is in the process of determining an appropriate method of realizing on 198's assets.

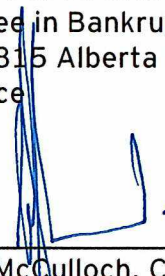
SECTION J - OTHER MATTERS

The Trustee is not aware of any other matters affecting the Estate, however, if anyone is aware of matters that should be brought to the attention of the Trustee for further review and investigation, please contact the Trustee's office with supporting details and copies of any available documentation.

Dated at the City of Edmonton, the 16th day of January, 2020.

ERNST & YOUNG INC.

Trustee in Bankruptcy for the Estate of
1987815 Alberta Ltd. o/a Festival City
Finance

Per: 

Matt McCulloch, CA, CPA, CIRP, LIT
Senior Vice President



Industry Canada

Office of the Superintendent
of Bankruptcy Canada

Industrie Canada

Bureau du surintendant
des faillites Canada

District of: Alberta
Division No.: 01 - Edmonton
Court No.: 24-2605147
Estate No.: 24-2605147

In the Matter of the Bankruptcy of:
1987518 Alberta Ltd. (o/a Festival City Finance)
Debtor

ERNST & YOUNG INC.
Licensed Insolvency Trustee
Ordinary Administration

Date and time of bankruptcy:	January 15, 2020, 12:22	Security:	\$0.00
Date of trustee appointment:	January 15, 2020		
Meeting of creditors:	February 03, 2020, 10:00 Ernst & Young Inc., 1400 EPCOR Tower, 10423 -101 Street, Edmonton, Alberta Canada,		
Chair:	Trustee		

CERTIFICATE OF APPOINTMENT - Section 49 of the Act; Rule 85

I, the undersigned, official receiver in and for this bankruptcy district, do hereby certify that:

- the aforementioned debtor filed an assignment under section 49 of the *Bankruptcy and Insolvency Act*;
- the aforementioned trustee was duly appointed trustee of the estate of the debtor.

The said trustee is required:

- to provide to me, without delay, security in the aforementioned amount;
- to send to all creditors, within five days after the date of the trustee's appointment, a notice of the bankruptcy;
and
- when applicable, to call in the prescribed manner a first meeting of creditors, to be held at the
aforementioned time and place or at any other time and place that may be later requested by the official
receiver.

Date: January 15, 2020, 16:28

E-File/Dépôt Electronique

Official Receiver

Canada

Canada Place Building, 9700 Jasper Avenue NW, Suite
725, Edmonton, Alberta, Canada, T5J4C3, (877)376-9902

District of: Alberta
Division No. 01 - Edmonton
Court No.
Estate No.

☒ Original ☐ Amended

-- Form 78 --

Statement of Affairs (Business Bankruptcy) 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 Bankruptcy of
1987518 Alberta Ltd. (o/a Festival City Finance)
of the City of Edmonton, in the Province of Alberta

To the bankrupt:

You are required to carefully and accurately complete this form and the applicable attachments showing the state of your affairs on the date of the bankruptcy, on the 14th day of January 2020. 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"	432,194.63
Balance of secured claims as per list "B"	0.00
Total unsecured creditors	432,194.63
2. Secured creditors as per list "B"	0.00
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	432,194.63
Surplus	NIL

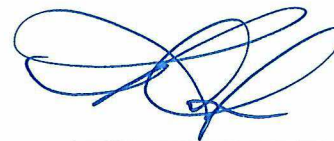
ASSETS (as stated and estimated by the officer)	
1. Inventory	0.00
2. Trade fixtures, etc.	0.00
3. Accounts receivable and other receivables, as per list "E"	
Good	0.00
Doubtful	0.00
Bad	0.00
Estimated to produce	0.00
4. Bills of exchange, promissory note, etc., as per list "F" ...	0.00
5. Deposits in financial institutions	10,300.00
6. Cash	0.00
7. Livestock	0.00
8. Machinery, equipment and plant	0.00
9. Real property or immovable as per list "G"	0.00
10. Furniture	0.00
11. RRSPs, RRI's, 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 bankrupt is a corporation, add:	
Amount of subscribed capital	0.00
Amount paid on capital	0.00
Balance subscribed and unpaid	0.00
Estimated to produce	0.00
Total assets	10,300.00
Deficiency	421,894.63

I, Raj Mahmi, of the city of Edmonton in the Province of Alberta, 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 my affairs on the 14th day of January 2020 and fully disclose all property of every description that is in my possession or that may devolve on me in accordance with the Act.

SWORN (or SOLEMNLY DECLARED)

before me at the city of Edmonton in the Province of Alberta, on this 14th day of January 2020.

Matt McCulloch, Commissioner of Oaths
For the Province of Alberta
Expires February 21, 2022



Raj Mahmi

District of: Alberta
Division No. 01- Edmonton
Court No.
Estate No.

FORM 78 -- Continued

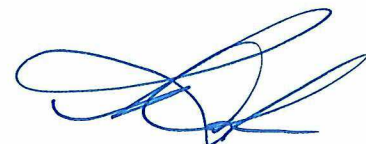
List "A"
Unsecured Creditors

1987518 Alberta Ltd. (o/a Festival City Finance)

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
1	2000214 Alberta Ltd. Commercial Lease Agreement	300, 10446 122 Street Edmonton AB T5N 1M3	1.00	0.00	1.00
2	Alberta Finance and Enterprise 2019875182	Tax and Revenue Administration 9811 109 St. Edmonton AB T5K 2L5	2,319.52	0.00	2,319.52
3	AutoCapital Canada 1166830	11 Church Street, Suite 200 Toronto ON M5E 1W1	30,000.00	0.00	30,000.00
4	Canada Drives Ltd. 214075.1	Suite 600, Two Bentall Centre, 555 Burrard Street Vancouver BC V7X 1M8	6,178.24	0.00	6,178.24
5	Canada Revenue Agency 746 693 092 RC0001	9755 King George Boulevard Surrey BC V3T 5E1	14,000.00	0.00	14,000.00
6	Canada Revenue Agency 746 693 092 RP0001	9755 King George Boulevard Surrey BC V3T 5E1	50,000.00	0.00	50,000.00
7	Canada Revenue Agency 746 693 092 RT0001	9755 King George Boulevard Surrey BC V3T 5E1	50,000.00	0.00	50,000.00
8	Carfax Canada 29301	Dufferin Corporate Centre, 130 Dufferin Avenue #1101 London ON N6A 5R2	2,000.00	0.00	2,000.00
9	Carfinco Inc. 1987518 Alberta Ltd.	#200, 4245 97 Street Edmonton AB T6E 5Y7	17,000.00	0.00	17,000.00
10	DealerSocket, Inc. 1327566	100 Avenida La Pata San Clemente CA 92673 USA	1,907.50	0.00	1,907.50
11	Eden Park Inc. 1987518 Alberta Ltd.	52 Titan Road Etobicoke ON M8Z 2J8	60,000.00	0.00	60,000.00
12	Equifax Canada 1987518 Alberta Ltd.	P.O. Box 4265 Station A Toronto ON M5W 5T7	2,000.00	0.00	2,000.00
13	IA Auto Finance 1987518 Alberta Ltd.	1303 North Service Road East Oakville ON L6H 1A7	50,000.00	0.00	50,000.00
14	Nextgear Capital Corporation 106293LM	2233 Argentia Road Suite 111 Mississauga ON L5N 2X7	36,000.00	0.00	36,000.00
15	Nextgear Capital Corporation 106293LM	2233 Argentia Road, Suite 111 Mississauga ON L5N 2X7	35,000.00	0.00	35,000.00
16	Northgate Chevrolet Buick GMC Ltd. 1987518 Alberta Ltd.	13215 97 ST Edmonton AB T5E 4C7	14,000.00	0.00	14,000.00
17	Quantech Software Inc 1987518 Alberta Ltd.	2489 Main Street West Kelowna BC V4T 2H7	2,500.00	0.00	2,500.00
18	Rodelia Domingo 1987518 Alberta Ltd.	4437 5A Street Edmonton AB T6T 0Z8	19,450.00	0.00	19,450.00
19	Sherwood Park Toyota 1987518 Alberta Ltd.	31 Automall Road Sherwood Park AB T8G 0C7	1.00	0.00	1.00
20	TD Auto Finance 1987518 Alberta Ltd.	P.O Box 4086 Station A Toronto ON M5W 5K3	38,500.00	0.00	38,500.00
21	Windshield Surgeons Ltd. FES100	5203 82 Avenue Edmonton AB T6B 2J6	1,337.37	0.00	1,337.37
Total:			432,194.63	0.00	432,194.63

14-Jan-2020

Date



Raj Mahmi

District of: Alberta
Division No. 01- Edmonton
Court No.
Estate No.

FORM 78 -- Continued

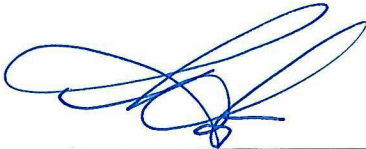
List "B"
Secured Creditors

1987518 Alberta Ltd. (o/a Festival City Finance)

No.	Name of creditor	Address	Amount of claim	Particulars of security	When given	Estimated value of security	Estimated surplus from security	Balance of claim
Total:			0.00			0.00	0.00	0.00

14-Jan-2020

Date



Raj Mahmi

District of: Alberta
Division No. 01- Edmonton
Court No.
Estate No.

FORM 78 -- Continued

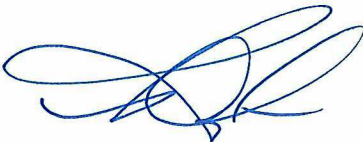
List "C"
Preferred Creditors for Wages, Rent, etc.

1987518 Alberta Ltd. (o/a Festival City Finance)

No.	Name of creditor	Address and occupation	Nature of claim	Period during which claim accrued	Amount of claim	Amount payable in full	Difference ranking for dividend
Total:					0.00	0.00	0.00

14-Jan-2020

Date



Raj Mahmi

District of: Alberta
Division No. 01 - Edmonton
Court No.
Estate No.

FORM 78 -- Continued

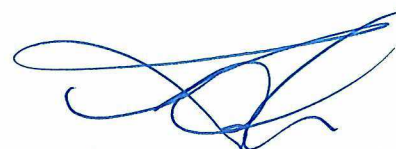
List "D"
Contingent or Other Liabilities

1987518 Alberta Ltd. (o/a Festival City Finance)

No.	Name of creditor or claimant	Address and occupation	Amount of liability or claim	Amount expected to rank for dividend	Date when liability incurred	Nature of liability
Total:			0.00	0.00		

14-Jan-2020

Date



Raj Mahmi

District of: Alberta
Division No. 01- Edmonton
Court No.
Estate No.

FORM 78 -- Continued

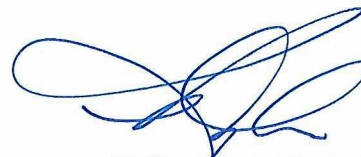
List "E"
Debts Due to the Bankrupt

1987518 Alberta Ltd. (o/a Festival City Finance)

No.	Name of debtor	Address and occupation	Nature of debt	Amount of debt (good, doubtful, bad)	Folio of ledgers or other book where particulars to be found	When contracted	Estimated to produce	Particulars of any securities held for debt
Total:				0.00 0.00 0.00			0.00	

14-Jan-2020

Date



Raj Mahmi

District of: Alberta
Division No. 01- Edmonton
Court No.
Estate No.

FORM 78 -- Continued

List "F"

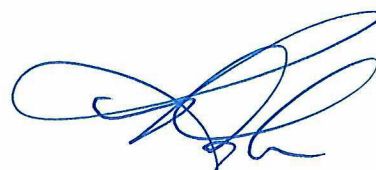
Bills of Exchange, Promissory Notes, Lien Notes, Chattel
Mortgages, etc., Available as Assets

1987518 Alberta Ltd. (o/a Festival City Finance)

No.	Name of all promissory, acceptors, endorsers, mortgagors, and guarantors	Address	Occupation	Amount of bill or note, etc.	Date when due	Estimated to produce	Particulars of any property held as security for payment of bill or note, etc.
Total:				0.00		0.00	

14-Jan-2020

Date



Raj Mahmi

District of: Alberta
Division No. 01- Edmonton
Court No.
Estate No.

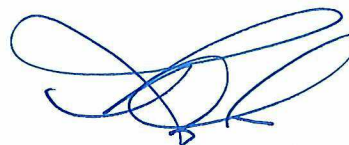
FORM 78 -- Continued

List "G"
Real Property or Immovables Owned by Bankrupt
1987518 Alberta Ltd. (o/a Festival City Finance)

Description of property	Nature of bankrupt interest	In whose name does title stand	Total value	Particulars of mortgages, hypothecs, or other encumbrances (name, address, amount)	Equity or surplus
Total:			0.00		0.00

14-Jan-2020

Date



Raj Mahmi

District of: Alberta
Division No. 01- Edmonton
Court No.
Estate No.

FORM 78 -- Concluded

List "H"
Property

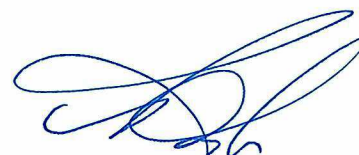
1987518 Alberta Ltd. (o/a Festival City Finance)

FULL STATEMENT OF PROPERTY

Nature of property	Location	Details of property	Original cost	Estimated to produce
(a) Stock-in-trade			0.00	0.00
(b) Trade fixtures, etc.			0.00	0.00
(c) Cash in financial institutions	ATB Financial 5203 167 Avenue Edmonton AB T5Y 0L2	674207600	10,300.00	10,300.00
(d) Cash on hand			0.00	0.00
(e) Livestock			0.00	0.00
(f) Machinery, equipment and plant			0.00	0.00
(g) Furniture			0.00	0.00
(h) Life insurance policies, RRSPs, etc.			0.00	0.00
(i) Securities			0.00	0.00
(j) Interests under wills, etc.			0.00	0.00
(k) Vehicles			0.00	0.00
(l) Taxes			0.00	0.00
(m) Other			0.00	0.00
			Total:	10,300.00

14-Jan-2020

Date



Raj Mahmi

District of: Alberta
Division No. 01- Edmonton
Court No.
Estate No.

-- FORM 21--

Assignment for the General Benefit of Creditors
(Section 49 of the Act)

In the Matter of the Bankruptcy of
1987518 Alberta Ltd. (o/a Festival City Finance)
of the City of Edmonton, in the Province of Alberta

This indenture made this 14th day of January 2020
between

1987518 Alberta Ltd. (o/a Festival City Finance)
300, 10446 122 Street
Edmonton AB T5N 1M3
hereinafter called "the debtor"

and

Ernst & Young Inc.
hereinafter called "the trustee."

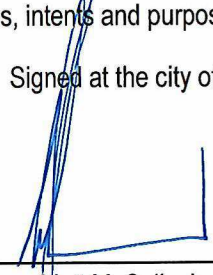
☐ Natural person

☒ Corporate or other legal entity

Whereas the debtor is insolvent and desires to assign and to abandon all his/her property for distribution among his/her creditors, in pursuance of the Act,

This indenture witnesses that the debtor does hereby assign to the trustee all the debtor's property for the uses, intents and purposes provided by the Act.

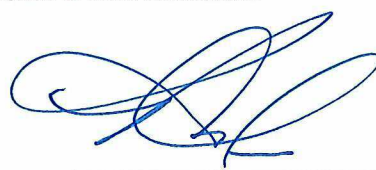
Signed at the city of Edmonton in the Province of Alberta, in the presence of Matt McCulloch.



Matt McCulloch
Witness

14-Jan-2020

Date



1987518 Alberta Ltd. (o/a
Festival City Finance)
Debtor

District of: Alberta
Division No. 01 - Edmonton
Court No. 24-2605147
Estate No. 24-2605147

FORM 31 / 36
Proof of Claim / Proxy
In the Matter of the Bankruptcy of
1987518 Alberta Ltd. (o/a Festival City Finance)
of the City of Edmonton, in the Province of Alberta

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

In the matter of the bankruptcy of 1987518 Alberta Ltd. (o/a Festival City Finance) of the city of Edmonton in the Province of Alberta and the claim of _____, creditor.

I, _____, of the city of _____, 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.

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

1. That I am a creditor of the above named debtor (or I am _____ (position/title) of _____, creditor).

2. That I have knowledge of all the circumstances connected with the claim referred to below.

3. That the debtor was, at the date of bankruptcy, namely the 14th day of January 2020, and still is, indebted to the creditor in the sum of \$ _____, as specified in the statement of account (or affidavit or solemn declaration) 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 claim a right to a priority under section 136 of the Act.

☐ Regarding the amount of \$ _____, I do not claim a right to a priority.

(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.)

☐ 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/am not) (or the above-named creditor _____ (is/is not)) related to the debtor within the meaning of section 4 of the Act, and _____ (have/has/have not/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, and 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 Section 2 of the Act: (Provide details of payments, credits and transfers at undervalue.)

7. *(Applicable only in the case of the bankruptcy of an individual.)*

☐ Whenever the trustee reviews the financial situation of a bankrupt to redetermine whether or not the bankrupt is required to make payments under section 68 of the Act, I request to be informed, pursuant to paragraph 68(4) of the Act, of the new fixed amount or of the fact that there is no longer surplus income.

☐ I request that a copy of the report filed by the trustee regarding the bankrupt's application for discharge pursuant to subsection 170(1) of the Act be sent to the above address.

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

Witness_____
Individual Creditor_____
Witness_____
Name of Corporate Creditor

Per _____
Name and Title of Signing Officer

Return To:

Phone Number: _____

Fax Number: _____

E-mail Address: _____

Ernst & Young Inc. - Licensed Insolvency Trustee
Per:

Matt McCulloch - Licensed Insolvency Trustee
1400 EPCOR Tower, 10423 - 101 Street
Edmonton AB T5H 0E7
Phone: (780) 412-2393 Fax: (780) 428-8977
E-mail: trina.sorbara@ca.ey.com

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 20(1) of the Act provides severe penalties for making any false claim, proof, declaration or statement of account.