

CANADA  
 District of ONTARIO  
 Division No. 09 - Mississauga  
 Court No. 32-2199461

**TRUSTEE'S PRELIMINARY REPORT**

**IN THE MATTER OF THE BANKRUPTCY OF  
 R M PLATINUM TRANSPORTATION INC.  
 OF THE CITY OF MISSISSAUGA  
 IN THE PROVINCE OF ONTARIO**

**BACKGROUND**

R M Platinum Transportation Inc. (“RMP” or the “Company”) was incorporated on June 21, 2013 under the *Business Corporations Act* (Ontario). RMP operated a freight shipping and trucking company from leased premises located at 1905 Shawson Drive, Mississauga, Ontario (the “Premises”).

On December 13, 2016, RMP filed the assignment in bankruptcy (the “Assignment”) and filed the Assignment with MNP on December 14, 2016. The Office of the Superintendent of Bankruptcy (“OSB”) accepted the Bankruptcy Assignment on December 15, 2016 (the “Bankruptcy Date”).

On December 20, 2016, the Notice to Creditors advising of the bankruptcy and the first meeting of creditors, a list of creditors and a proof of claim form, along with a proxy, were sent to all RMP’s known creditors. Pursuant to subsection 102(4) of the *Bankruptcy and Insolvency Act* (“BIA”), the Notice of Bankruptcy was published in the December 19, 2016, edition of the *Toronto Sun* newspaper.

On the basis of a Corporate Profile Search, dated November 25, 2016, RMP’s directors are Maliha Ajaz, David Babcock and Rick Brown.

The information contained in this report has been prepared from the available books and records of the Company. These books and records have not been reviewed for accuracy or otherwise audited by the Trustee and consequently, the Trustee expresses no opinion with respect to the validity, the exactness or the reliability of the financial information contained herein.

**CAUSES OF FINANCIAL DIFFICULTIES**

The Company’s annual operating results as available from its records are summarized below:

	<b>Jan 1 to Dec 30, 2014</b>	<b>Jan 1 to Dec 30, 2015</b>	<b>Jan 1 to Aug 31, 2016</b>
Income	\$ 5,867,966	\$ 5,758,747	\$ 2,861,671
Expenses	(5,899,319)	(6,506,609)	(3,603,089)
<b>Net Income (Loss)</b>	<b>\$ (31,353)</b>	<b>\$ (747,862)</b>	<b>\$ (741,418)</b>

The Company advised that the cause of its financial difficulties and insolvency was due to a deterioration in the market and a lack of business generated in the USA, which resulted in a deterioration in the revenue quality.

### ASSETS

According to the Statement of Affairs dated December 13, 2016, the Company's assets and estimated value are as follows:

Asset	Estimated Value
Accounts Receivable	\$ 32,000
Tax Refunds	16,698
	<b>\$ 48,698</b>

### CONSERVATORY AND PROTECTIVE MEASURES

None. The Company has advised that all of its assets including leased trucking equipment was sold or returned to the respective lessor in the summer and early fall of 2016.

### LEGAL PROCEEDINGS

To date, the Trustee has not commenced any legal proceedings.

### PROVABLE CLAIMS

As at 5:00 pm (Toronto time) on December 29, 2016, the following number of proof of claim have been filed with the Trustee in respect of RMP. Details of the claims are set out below.

	No. of Claims Per Statement of Affairs	Total Claim Amount Per Statement of Affairs (\$)	No. of Claims Filed	Total Claims Filed (\$)
Secured	Nil	\$ Nil	Nil	\$ Nil
Preferred	Nil	Nil	Nil	Nil
Unsecured	100	1,766,803	1	24,285
	100	\$ 1,766,803	1	\$ 24,285

### SECURITY INTERESTS

A search of the *Personal Property Act Registry* revealed multiple registrations against the Company, in particular from trucking equipment lessors. As noted above, all of this leased equipment was sold and/or returned to the respective lessor.

## ANTICIPATED REALIZATIONS AND PROJECTED DISTRIBUTION

On the basis of information currently available to the Trustee, the Trustee projects that it is unlikely that there will be any funds available for unsecured creditors.

## BOOKS AND RECORDS, TRANSFERS AT UNDER-VALUE AND PREFERENCE PAYMENTS

The Trustee has completed a preliminary review of the bank statements provided by the Company. The Trustee will review its findings with the Inspectors following the first meeting of creditors.

## OTHER MATTERS

Prior to consenting to act as Trustee, the Trustee received a deposit of \$7,500 and guarantee of its fees and expenses up to \$10,000 from the one of the Company's directors.

Dated this 3rd day of January, 2017

**MNP LTD.**

*in its capacity as*

*Trustee of the Estate of*

*R M Platinum Transportation Inc.*

*and not in its personal capacity*

Per:

  
Jerry Henechowicz CPA, CA, CIRP, LIT