

Estate No. 11-3023835
Vancouver Registry

**IN THE SUPREME COURT OF BRITISH COLUMBIA
IN BANKRUPTCY AND INSOLVENCY**

**IN THE MATTER OF THE BANKRUPTCY OF
Sekwod Enterprises (2012) Ltd.**

ORDINARY ADMINISTRATION

TRUSTEE'S PRELIMINARY REPORT TO CREDITORS

BACKGROUND

On July 17, 2023, MNP Ltd. was appointed as Receiver and Manager of Sekwod Enterprises (2012) Ltd. ("**Sekwod**" or the "**Company**") pursuant to an Order of the Supreme Court of British Columbia (the "**Court**").

Sekwod is a provincially registered corporation that provided steel fabrication services. Its registered office is listed as 6050 2nd Street, Grand Forks, British Columbia. A corporate records search performed by MNP Ltd. on August 10, 2023, indicated that Kevin Dowkes ("**Mr. Dowkes**" or the "**Director**") is the Company's sole director.

ASSIGNMENT IN BANKRUPTCY

On December 20, 2023, MNP Ltd. in its capacity as court-appointed receiver (the "**Receiver**") of Sekwod assigned the Company into bankruptcy, and was appointed as the Licensed Insolvency Trustee of the Bankrupt Estate (the "**Trustee**"), subject to creditor affirmation at the First Meeting of Creditors.

Notice of the Assignment in Bankruptcy and First Meeting of Creditors was sent to all known creditors on December 21, 2023.

ASSETS

As outlined on the Statement of Affairs filed in the bankruptcy, the Company's only asset is surplus proceeds from the receivership proceeding, if any.

PROVABLE CLAIMS

It is the duty of the Trustee to examine and satisfy itself as to the validity and priority of all claims filed in the Estate. As of the date of this report, no proofs of claim have been submitted to the Trustee.

	Statement of Affairs	Filed
Secured creditors	\$ 3,790,478.58	Nil
Preferred creditors	Nil	Nil
Unsecured creditors	\$ 2.00	Nil
Total	<u>\$ 3,790,480.58</u>	

As at the date of this report, there have been no significant differences between the claims listed on the Statement of Affairs and the claims filed to date with the Trustee.

SECURED CREDITORS

According to a BC Personal Property Registry search pulled on January 8, 2024, the only party with a security registration against Sekwod was Bank of Montreal (“BMO”).

BMO holds general collateral against all present and after acquired personal property of Sekwod and all proceeds derived from dealings involving Sekwod. The statement of affairs reported an estimated amount of \$3,790,478.58 owed to BMO.

To date, a proof of claim has not been received from BMO in relation to the secured claim.

UNSECURED CREDITORS

The Statement of Affairs reports two unsecured creditors who received notice of the bankruptcy. Ultimately the amounts owing to the unsecured creditors will be based on proofs of claim filed by the creditors and admitted by the Trustee.

OTHER MATTERS

Books and Records

The Receiver is in possession of the books and records of the Company. The Statement of Affairs was prepared by the Trustee based upon information obtained in the Company’s books and records.

Legal Proceedings

The Trustee has not commenced any legal proceedings at the date of this report.

Preferences, and Transactions at Under Value

The Trustee has undertaken a review the Company’s books and records preceding the date of bankruptcy in order to ascertain whether or not any preferential payments and/or reviewable transactions have occurred within the last three months or, where related parties are involved, within the last twelve months.

Directive 16 Third-Party Deposits and Guarantees

BMO, the primary secured lender, has guaranteed the fees of the Trustee.

ESTIMATED REALIZATION

All assets of Sekwod were realized through the receivership proceedings. As such, the only asset that may become available to creditors in the bankruptcy proceedings is surplus proceeds from the receivership, if any. At this time, the Trustee does not anticipate there will be any surplus proceeds for unsecured creditors.

Further information with respect to these proceedings will be made available on the Trustee’s website at [Sekwod Enterprises 2012 Ltd | MNP LTD \(mnpdebt.ca\)](http://Sekwod Enterprises 2012 Ltd | MNP LTD (mnpdebt.ca))

This concludes the Trustee’s Preliminary Report to Creditors.

DATED at the City of Vancouver, in the Province of British Columbia, this 8th day of January, 2024.

MNP Ltd.

In its capacity as Licensed Insolvency Trustee
of the Bankrupt Estate of Sekwod Enterprises (2012) Ltd.
and not in its personal capacity



Greg Ibbott, CIRP, LIT, CPA, CA
Senior Vice President