

# Deloitte

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February 17<sup>th</sup>, 2014

Via e-file

Office of the Superintendent of Bankruptcy  
1505 Barrington Street  
Halifax NS B3J 2V9

To whom it may concern:

**Subject: Estate No. 51-1810705 - Proposal for Blue Wave Seafoods Inc.**

Please find enclosed the Statement of Projected Cash Flow for the above noted company.

Please contact the undersigned at your convenience with any questions.

Sincerely,

**DELOITTE RESTRUCTURING INC.**  
**Acting in its capacity as Proposal Trustee of**  
**Blue Wave Seafoods Inc.**  
**and not in its personal capacity**

Per:

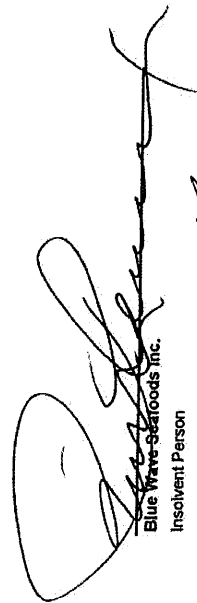


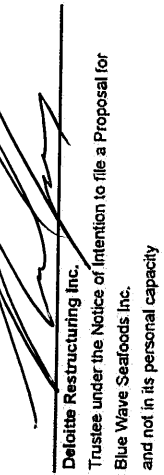
Neil Jones, CA, CIRP  
Vice President

Enclosure (Statement of Projected Cash Flow)

Blue Wave Seafoods Inc.  
WEEKLY CASH FLOW PROJECTION

	WEEK ENDING							Total
	21-Feb-14	28-Feb-14	7-Mar-14	14-Mar-14	21-Mar-14	28-Mar-14	4-Apr-14	
<b>A</b>	(211,711)	(220,669)	(209,786)	(234,101)	(231,071)	(252,899)	(240,774)	(211,711)
Opening cash balance								
<b>B</b>	153,742	136,883	116,165	124,530	129,172	146,625	147,600	954,717
Receipts								
Accounts receivable	153,742	136,883	116,165	124,530	129,172	146,625	147,600	954,717
<b>C</b>	108,000	91,000	65,000	86,500	93,000	86,500	96,500	626,500
Disbursements								
Cost of goods sold	17,700	11,000	19,480	11,000	24,000	24,000	14,800	121,980
Operating expenditures	12,000	24,000	6,000	24,000	9,000	24,000	12,000	111,000
Compensation	25,000	-	50,000	-	25,000	-	25,000	125,000
Professional fees	162,700	126,000	140,480	121,500	151,000	134,500	148,300	984,480
<b>D = B-C</b>	(8,958)	10,883	(24,315)	3,030	(21,828)	12,125	(700)	(29,763)
Net weekly cash flows								
<b>A+D</b>	(220,669)	(209,786)	(234,101)	(231,071)	(252,899)	(240,774)	(241,474)	(241,474)
Ending cash balance								
Operating loan availability	224,000	260,000	260,000	260,000	260,000	260,000	260,000	260,000
Surplus/Deficit	3,331	50,214	25,899	28,929	7,101	19,226	18,526	18,526

  
Blue Wave Seafoods Inc.  
Insolvent Person

  
Deloitte Restructuring Inc.  
Trustee under the Notice of Intention to file a Proposal for  
Blue Wave Seafoods Inc.  
and not in its personal capacity

District of Nova Scotia  
Division No. 04 – Yarmouth  
Court No. 37735  
Estate No. 51-1810705

**Blue Wave Seafoods Inc.**  
**Notes to Statement of Projected Cash Flow**

Note A: The statement of projected cash flow is being filed pursuant to Bankruptcy and Insolvency Act subsection 50(6) in association with the filing of a Proposal for Blue Wave Seafoods Inc. (the "Insolvent Person").

Note B: The following assumptions were used by management in the preparation of the statement of projected cash flow of the Insolvent Person:

Opening cash

- The opening cash position pertains to money held with a financial institution.

Receipts

- Projected receipts are based on management's estimates of sales with existing customers and timing of receipt.
- Management has assumed that credit terms with existing customers will not materially change.

Disbursements

- Disbursements are based on management's estimates of costs required to continue operations and are based on historical information with the following exceptions:
  - Supplier payment terms will be consistent with terms available with suppliers since filing the Notice of Intention to file a Proposal ; and
  - Professional fees contained within the attached are based on management estimates.



**District of Nova Scotia  
Division No. 04 - Yarmouth  
Court No. 37735  
Estate No. 51-1810705**

The attached statement of projected cash flow of Blue Wave Seafoods Inc. (the "Insolvent Person") as of the week ending February 21, 2014, consisting of weekly projections through the week ending April 4, 2014, has been prepared by the management of the Insolvent Person for the purpose described in Note A, using the probable and hypothetical assumptions set out in Note B.

Our review consisted of inquiries, analytical procedures and discussions related to information supplied to us by management and employees of the Insolvent Person. Since hypothetical assumptions need not be supported, our procedures with respect to them were limited to evaluating whether they were consistent with the purpose of the projection. We have also reviewed the support provided by management for the probable assumptions and preparation and presentation of the projection.

Based on our review, nothing has come to our attention that causes us to believe that, in all material respects,

- (a) the hypothetical assumptions are not consistent with the purpose of the projection;
- (b) as at the date of this report, the probable assumptions developed are not suitably supported and consistent with the plans of the insolvent person or do not provide a reasonable basis for the projection, given the hypothetical assumptions; or
- (c) the projection does not reflect the probable and hypothetical assumptions.

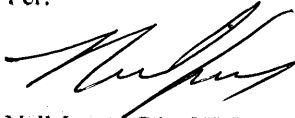
Since the projection is based on assumptions regarding future events, actual results will vary from the information presented even if the hypothetical assumptions occur, and the variations may be material. Accordingly, we express no assurance as to whether the projection will be achieved.

The projection has been prepared solely for the purpose described in Note A, and readers are cautioned that it may not be appropriate for other purposes.

Dated at Halifax, Nova Scotia, this 17<sup>th</sup> day of February, 2014.

**DELOITTE RESTRUCTURING INC.**  
**Acting in its capacity as Proposal Trustee of**  
**Blue Wave Seafoods Incorporated**  
**and not in its personal capacity**

Per:



Neil Jones, CA, CIRP  
Vice President

District of Nova Scotia  
Division No. 04 - Yarmouth  
Court No. 37735  
Estate No. 51-1810705

The Management of Blue Wave Seafoods Inc. (the "Insolvent Person") have developed the assumptions and prepared the attached statement of projected cash flow as of the week ending February 21, 2014, consisting of weekly projections through the week ending April 4, 2014.

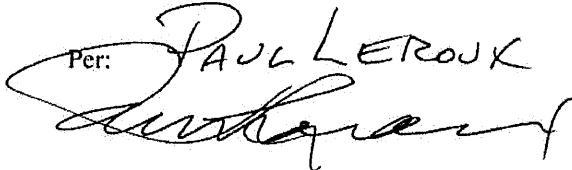
The hypothetical assumptions are reasonable and consistent with the purpose of the projection described in Note A, and the probable assumptions are suitably supported and consistent with the plans of the Insolvent Person and provide a reasonable basis for the projection. All such assumptions are disclosed in Note B.

Since the projection is based on assumptions regarding future events, actual results will vary from the information presented, and the variations may be material.

The projection has been prepared solely for the purpose described in Note A, using a set of hypothetical and probable assumptions set out in Note B. Consequently, readers are cautioned that it may not be appropriate for other purposes.

Dated at SAINT-SAUVEUR, this 17<sup>th</sup> day of FEBRUARY 2014  
DES MONTS  
QC

Blue Wave Seafoods Inc  
An Insolvent Person

Per: PAUL LEROUX  


Name

INTERIM CEO  
Title