



Building a better  
working world

Ernst & Young Inc.  
1000, 440 – 2<sup>nd</sup> Avenue SW  
Calgary, AB T2P 5E9

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District of: Alberta  
Division No. 02 - Calgary  
Court No. 25-094613  
Estate No. 25-094613

IN THE MATTER OF THE BANKRUPTCY OF MOUNTAIN BIKE CITY INC.

NOTICE OF BANKRUPTCY AND FIRST MEETING OF CREDITORS  
(Subsection 102(1) of the *Bankruptcy and Insolvency Act*)


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Take notice that:

1. Mountain Bike City Inc. was deemed bankrupt on the 8<sup>th</sup> day of February, 2016, and the undersigned, Ernst & Young Inc., was appointed as trustee of the estate of the bankrupt by the official receiver, 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 23<sup>rd</sup> day of February, 2016, at 10:30 AM, at office of the Trustee, 10<sup>th</sup> floor, 440 - 2nd Avenue SW, Calgary, Alberta.
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 form of proof of claim, including instructions for completing it, a form of proxy, and a list of creditors with claims amounting to twenty-five dollars 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.
6. For further information and copies of the bankruptcy orders and relevant documents to these proceedings, please visit the trustee's website at: [www.ey.com/ca/](http://www.ey.com/ca/).

Dated at Calgary, Alberta, this 12<sup>th</sup> day of February, 2016.

Ernst & Young Inc. - Trustee

  
Per: Robert J. Taylor, CA, CIRP, FCA  
Senior Vice-President





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### PROOF OF CLAIM

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

IN THE MATTER OF THE BANKRUPTCY OF: 1. **Mountain Bike City Inc.**, of Calgary, Alberta, debtor  
and the claim of \_\_\_\_\_, creditor.

I, \_\_\_\_\_ (name of creditor or representative of the creditor), of \_\_\_\_\_ (city and province)

**DO HEREBY CERTIFY:**

1. That I am a creditor of the above-named debtor, (or that I am \_\_\_\_\_ (state position or title) of \_\_\_\_\_ (name 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 the bankruptcy, namely the **8<sup>TH</sup> day of February 2016** and still is, indebted to the creditor for the amount(s) indicated below, as specified in the statement of account (or affidavit or solemn declaration) attached and marked Schedule "A" (**Note 1**), 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. That the amount(s) and category/categories of the claim of the creditor are as follows:

**Category/Categories**

- Employee claim for unpaid wages and allowable expenses, under section 81.3(8) or 81.4(8) of the Act
- Claim of a Pension plan, under section 81.5 or 81.6 of the Act
- Claim of a farmer, fisherman or aquaculturist, under section 81.2 of the Act
- Secured claim (**notes 2 and 3**) – Value of the assets held as security: \$ \_\_\_\_\_
- Preferred claim, under section 136 of the Act
- Claim of a lessor further to the disclaimer of a lease, pursuant to section 65.2(4) of the Act
- Claim arising from the repudiation or resiliation of an agreement, pursuant to section 65.11(8) of the Act
- Claim of a customer of a securities firm, as defined in section 253 of the Act
- Ordinary unsecured claim

**Amount (CDN \$)**


**Total amount of the claim**

(Give full particulars of the claim, including the calculations upon which the claim is based, and the details to support a right to a priority claim, as the case may be).

5. That, to the best of my knowledge, I am (or the above-named creditor is) (or am not or is not) related to the debtor within the meaning of section 4 of the Act and have (or has) (or have not or has not) dealt with the debtor in a non-arm's-length manner.
6. That the payments that I have received from, and the credits that I have allowed to, 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 (January 28, 2016) within the meaning of Section 2 of the Act are listed on Schedule "B" hereto: (**Provide details of payments and credits.**)

DATED in the city of \_\_\_\_\_ this \_\_\_\_\_ day of \_\_\_\_\_ 2016.

\_\_\_\_\_  
Signature of witness

\_\_\_\_\_  
Signature of creditor (of representative of the creditor)

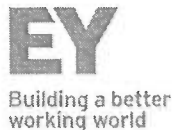
Telephone no: ( ) \_\_\_\_\_

Telecopier no: ( ) \_\_\_\_\_

E-mail address: \_\_\_\_\_

**Notes and warnings:**

1. If an affidavit or solemn declaration is attached, it must have been made before a person qualified to take affidavits or solemn declarations.
2. With regards to a secured claim, provide full particulars if 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.
3. 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.
4. Subsection 201(1) of the Act provides severe penalties for making any false claim, proof, declaration or statement of account.



## INSTRUCTIONS FOR COMPLETING PROOF OF CLAIM AND PROXY

Please check each of the following requirements in order to prepare the attached forms in a complete and accurate manner.

### PROOF OF CLAIM

- Give the **complete address, including postal code**, where all notices or correspondence are to be forwarded.
- If the creditor is a corporation, the full and complete legal name of the company or firm must be stated.
- Please state your name (or representative of the creditor), city of residence and province.
- The signature of a witness is required.
- The claim must be **signed personally by the individual** completing this declaration.
- The claim and/or proxy must be delivered by regular mail, registered mail, personal delivery, e-mailed (in PDF format), courier or facsimile transmission at the following address before the day of the meeting of creditors:

Ernst & Young Inc.  
 Attn: Jessica Caden  
 Ernst & Young Tower  
 1000, 440 – 2<sup>nd</sup> Avenue S.W.  
 Calgary, Alberta  
 T2P 5E9  
 E-mail: [jessica.caden@ca.ey.com](mailto:jessica.caden@ca.ey.com)  
 Telephone: (403) 206-5394  
 Fax: (403) 206-5075

### **Paragraph (1)**

- If you are completing the declaration for a corporation or another person, your **position or title**.

### **Paragraph (3)**

- A **detailed statement of account** must be attached and must show the date, number and amount of all the invoices, charges, credits or payments.
- A statement of account is not complete if it begins with an amount brought forward.
- The amount of the statement of account **must agree** with the amount claimed on the proof of claim.

### **Paragraph (4)**

- A creditor must indicate the category in which his claim falls by inserting the amount of the claim in the appropriate box, and providing in an appendix a full explanation of the basis of the claim.
- An ordinary creditor must specify if he claims or not a right to a priority under section 136 of the Act.
- A secured creditor must insert the value at which he assesses each of his securities and provide a **certified true copy** of the security documents as registered.
- In order to prepare its claim, the creditor should refer to the *Bankruptcy and Insolvency Act*, copy of which is accessible at <http://laws.justice.gc.ca/eng/StatutesByTitle>.

### **Paragraph (5)**

- Strike out "are" or "are not" as applicable to you. You would be considered a related person if:
  - you are related to blood or marriage to the debtor;
  - if the debtor is a corporation and you were a shareholder or if your company was controlled by the same shareholders as the debtor corporation.

### **Paragraph (6)**

- All creditors must attach a detailed list of all payments or credits received or granted, as follows:
  - within the 3 months immediately before the date of the initial bankruptcy event or proposal, if the creditor and the debtor are not related and dealt at arm's length.
  - within the 12 months immediately before the date of the initial bankruptcy event the bankruptcy or the proposal, if the creditor and the debtor are related or did not deal at arm's length.

### PROXY

A creditor may appoint a proxy by completing the proxy form. If the creditor is a corporation, the proxy form must be completed in the corporate name and the signature witnessed.



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PROXY

IN THE MATTER OF THE BANKRUPTCY OF: MOUNTAIN BIKE CITY INC.

I, (or We) \_\_\_\_\_ (name of creditor), of \_\_\_\_\_ (name of town or city), a creditor in the above matter, hereby appoint \_\_\_\_\_, of the \_\_\_\_\_ of \_\_\_\_\_ (name of town or city), to be my (or our) proxy in the above matter, except as to the receipt of dividends, with (or without) power to appoint another proxy in his or her place.

Dated at \_\_\_\_\_, this \_\_\_\_\_ day of \_\_\_\_\_ 2016.  
(name of town or city)

\_\_\_\_\_  
Signature of Witness

\_\_\_\_\_  
Signature of creditor (individual)

\_\_\_\_\_  
Name of Corporate Creditor

\_\_\_\_\_  
Signature of Witness

Per: \_\_\_\_\_  
Name and Title of Signing Officer



## *Creditor List*

In the Matter of the Bankruptcy of  
Mountain Bike City Inc.

Creditor Type	Name	Claim \$
Secured	Alberta Treasury Branches - 07909	145,000.00
	TBG, The Bicycle Group Limited	75,000.00
<b>Total Secured</b>		<b>220,000.00</b>
Unsecured	Amer Sports	1,768.06
	ATB (Moneris)	378.24
	Bentall Kennedy	6,462.15
	BJC/Brad Chandler	37,437.78
	CANADA REVENUE AGENCY - GST	858.00
	CANADA REVENUE AGENCY - SOURCE	12,549.83
	Direct Energy	58.41
	Enmax	446.07
	Felt	10,792.56
	Lambert Cycles	13.12
	Live to Play Sports	3,669.38
	Marin Bikes	944.30
	Mica Sport	3,656.65
	Morley Chandler	5,000.00
	NRG Enterprises	2,938.43
	Outdoor Gear	5,732.50
	Paul Downes, Consultant	10,984.82
	PUROLATOR COURIER	1,435.96
	Receiver General	1,470.84
	Shimano Canada Ltd.	2,340.43
	Soze Group	0.00
	Spawn Cycles	30,958.38
	TBG, The Bicycle Group Limited	84,151.00
	TELUS COMMUNICATIONS INC.	803.23
	TELUS MOBILITY INC	174.85
	TELUS MOBILITY INC	109.03
	TPD/Tyler Downs	44,262.39
	Tyler Downs' Mother	30,000.00
	WORKERS' COMPENSATION BOARD - ALBERTA	7.35
<b>Total Secured</b>		<b>299,403.76</b>
<b>Total</b>		<b>519,403.76</b>

