

**THE QUEEN'S BENCH
WINNIPEG CENTRE
IN BANKRUPTCY AND INSOLVENCY**

**IN THE MATTER OF: THE BANKRUPTCY AND INSOLVENCY ACT,
R.S.C. 1985, AS AMENDED**

**AND IN THE MATTER OF: THE PROPOSAL OF COMPOSITES INNOVATION
CENTRE MANITOBA INC.**

**TRUSTEE'S SUPPLEMENTAL REPORT TO COURT ON ITS
PROPOSED DISTRIBUTION AND DISCHARGE
IN THE PROPOSAL PROCEEDINGS OF
COMPOSITES INNOVATION CENTRE MANITOBA INC.**

March 3, 2021

LICENSED INSOLVENCY TRUSTEE

DELOITTE RESTRUCTURING INC.

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PURPOSE

1. The purpose of this supplemental report dated March 3, 2021 (the “**Supplemental Report**”) is to provide the Court with an amended proposed distribution schedule (the “**Amended Proposed Distribution Schedule**”) in the Composites Innovation Centre Manitoba Inc. (“**CIC**”) proposal proceedings. The Proposed Distribution Schedule attached as Appendix D to the February 26, 2021 Trustee’s Report inadvertently omitted the full payment of the Floor Creditors’ Claims as defined in paragraph 3.2(d)(i) of the May 26, 2020 Proposal (the “**Proposal**”).
2. Paragraph 3.2(d) of the Proposal details the following:
 - d) *Ordinary Unsecured Claims: Ordinary Unsecured Creditors who are the holders of Proven Unsecured Claims (“**Proven Ordinary Unsecured Claims**”), will receive, from the Basket Amount, after payment of the Professional Fees, Crown Claims, and, Preferred Claims, the following amounts, as agreed by the Proposal Trustee or finally determined for distribution purposes in accordance with the provisions of the BIA or any applicable orders from the Court:*
 - i. *Firstly, each Ordinary Unsecured Creditor who holds a Proven Unsecured Claim equal to or less than \$2,000.00, including those Ordinary Unsecured Creditors that choose to reduce their Proven Ordinary Unsecured claim to \$2,000.00 (collectively “**Floor Creditors’ Claims**”) shall be entitled to receive a dividend equal to the lesser of \$2,000.00 and the aggregate amount of such Creditor's Proven Ordinary Unsecured Claim;*
 - ii. *Secondly, each Ordinary Unsecured Creditor who holds a Proven Ordinary Unsecured Claim in an aggregate amount in excess of \$2,000.00 (and who has not chosen to reduce its Proven Ordinary Unsecured Claim to \$2,000.00), shall be entitled to receive a dividend equal to its pro-rata share of measured in relation to all Proven Ordinary Unsecured Claims, from the available Basket Amount of funds; and*

iii. *All dividends paid are subject to the Superintendent's Levy payable in respect thereof as required by the BIA.*

3. The Amended Proposed Distribution Schedule accounts for payment of the Floor Creditors' Claims in full, which has resulted in a reallocation of \$903.03 from the previously proposed distributions to the Proven Ordinary Unsecured Creditors.
4. In accordance with section 152(2) of the *Bankruptcy and Insolvency Act*, the Trustee's Final Statement of Receipts and Disbursements and the Amended Proposed Distribution Schedule have been approved by the estate inspectors.

All of which is respectfully submitted at Winnipeg, Manitoba, this 3rd day of March 2021.

DELOITTE RESTRUCTURING INC.

In its capacity as Licensed Insolvency Trustee
in the Proposal of Composites Innovation
Centre Manitoba Inc.,
and not in its personal capacity.



Per: Brent Warga, CPA, CA, CIRP, LIT
Senior Vice-President

Appendix A – Amended Proposed Distribution Schedule

**COMPOSITES INNOVATION CENTRE MANITOBA INC.
PROPOSED DISTRIBUTION SCHEDULE**

Creditor	Filed Claim	81.3(1) Priority to Service Canada	Admitted Claim	Distribution Allocation	Gross WEPP Payments	Net WEPP Payments (less 81.3(1) Priority)	Subrogated Distribution to Her Majesty (WEPP)	Distribution to Creditor	OSB Levy 5%	OSB Levy 1.25%	Net Distribution to Creditor	Notes
Proven Ordinary Unsecured Claims												
Advanced Composite Structures	53,228.81	-	53,228.81	43,855.24	-	-	-	43,855.24	1,270.66	230.53	42,354.06	
Aero Recip	34,105.53	-	34,105.53	28,099.56	-	-	-	28,099.56	814.15	147.71	27,137.70	
Agricultural Utilization Research Institute Inc.	3,290.00	-	3,290.00	2,710.63	-	-	-	2,710.63	78.54	14.25	2,617.85	
Agriculture and Agri-Food Canada	380,885.68	-	380,885.68	313,811.88	-	-	-	313,811.88	9,092.36	1,649.56	303,069.97	
Aviles, Joel	6,111.27	1,992.06	4,119.21	3,393.82	5,694.48	3,702.42	3,393.82	-	-	-	-	
Belev, Natassia	15,341.65	2,000.00	13,341.65	10,992.19	6,798.57	4,798.57	4,798.57	6,193.62	179.45	32.56	5,981.61	
Bell, Jennifer	14,201.24	2,000.00	12,201.24	10,052.61	6,798.57	4,798.57	4,798.57	5,254.04	152.23	27.62	5,074.19	
Biolin Research	7,743.75	-	7,743.75	6,380.08	-	-	-	6,380.08	184.86	33.54	6,161.69	
c2renew	48,224.60	-	48,224.60	39,732.27	-	-	-	39,732.27	1,151.20	208.85	38,372.22	
Canadian Propellor Ltd.	34,874.49	-	34,874.49	28,733.11	-	-	-	28,733.11	832.51	151.04	27,749.56	
Cheung, Angus	27,060.90	2,000.00	25,060.90	20,647.69	6,798.57	4,798.57	4,798.57	15,849.12	459.21	83.31	15,306.59	
Composite Alliance Corp. (USD)	45,724.00	-	45,724.00	37,672.02	-	-	-	37,672.02	1,091.51	198.02	36,382.49	
Crouch, Steve	55,490.62	2,000.00	53,490.62	44,070.95	6,798.57	4,798.57	4,798.57	39,272.38	1,137.87	206.44	37,928.07	
Dowsett, Kelly	13,994.71	2,000.00	11,994.71	9,882.45	6,798.57	4,798.57	4,798.57	5,083.88	147.30	26.72	4,909.85	
DuCharme, Shawna	44,097.87	2,000.00	42,097.87	34,684.45	6,798.57	4,798.57	4,798.57	29,885.88	865.91	157.10	28,862.88	
Dyck, Andrea	4,141.58	2,000.00	2,141.58	1,764.45	3,859.12	1,859.12	1,764.45	-	-	-	-	
Eastside Industrial Coatings & Composites	30,805.00	-	30,805.00	25,380.25	-	-	-	25,380.25	735.37	133.41	24,511.48	
Epic Information	8,832.55	-	8,832.55	7,277.14	-	-	-	7,277.14	210.85	38.25	7,028.04	
FastAir Ltd.	55,263.69	-	55,263.69	45,531.78	-	-	-	45,531.78	1,319.23	239.34	43,973.21	
Government of Alberta	34,230.00	-	34,230.00	28,202.11	-	-	-	28,202.11	817.13	148.25	27,236.74	
Hearsum, Breanne	14,479.21	2,000.00	12,479.21	10,281.63	6,798.57	4,798.57	4,798.57	5,483.06	158.87	28.82	5,295.37	
Keith, Garrett	32,429.39	2,000.00	30,429.39	25,070.79	6,798.57	4,798.57	4,798.57	20,272.22	587.37	106.56	19,578.29	
Komus, Alastair	59,005.14	2,000.00	57,005.14	46,966.56	6,798.57	4,798.57	4,798.57	42,167.99	1,221.77	221.66	40,724.56	
Lagunera, Matthew	32,751.59	2,000.00	30,751.59	25,336.25	6,798.57	4,798.57	4,798.57	20,537.68	595.06	107.96	19,834.67	
Magellan Aerospace Corporation	162,755.03	-	162,755.03	134,093.94	-	-	-	134,093.94	3,885.23	704.87	129,503.85	
Manitoba Hydro	3,230.80	-	3,230.80	2,661.86	-	-	-	2,661.86	77.12	13.99	2,570.74	
Manitoba Hydro	4,589.30	-	4,589.30	3,781.13	-	-	-	3,781.13	109.55	19.88	3,651.70	
Marmillod, Lisa	54,800.45	2,000.00	52,800.45	43,502.31	6,798.57	4,798.57	4,798.57	38,703.74	1,121.40	203.45	37,378.90	
MasterKey Business Solutions	7,875.00	-	7,875.00	6,488.22	-	-	-	6,488.22	187.99	34.11	6,266.12	
Maya Heat Transfer Technologies Ltd.	18,386.49	-	18,386.49	15,148.64	-	-	-	15,148.64	438.92	79.63	14,630.09	
McCartney, Doug	14,691.93	-	14,691.93	12,104.69	-	-	-	12,104.69	350.72	63.63	11,690.34	
MicroPilot	37,565.23	-	37,565.23	30,950.01	-	-	-	30,950.01	896.74	162.69	29,890.58	
MTN Consulting Associates	8,274.00	-	8,274.00	6,816.95	-	-	-	6,816.95	197.51	35.83	6,583.61	
People First HR Services	4,095.00	-	4,095.00	3,373.87	-	-	-	3,373.87	97.75	17.73	3,258.38	
Peters, Kyle	40,009.54	2,000.00	38,009.54	31,316.08	6,798.57	4,798.57	4,798.57	26,517.51	768.32	139.39	25,609.80	
Polar Industries Inc.	25,000.00	-	25,000.00	20,597.51	-	-	-	20,597.51	596.79	108.27	19,892.45	
Precision ADM Inc.	61,528.24	-	61,528.24	50,693.14	-	-	-	50,693.14	1,468.78	266.47	48,957.90	
Red River College	45,183.50	-	45,183.50	37,226.71	-	-	-	37,226.71	1,078.60	195.68	35,952.42	
Rothwell, Eugene	105,339.07	2,000.00	103,339.07	85,141.11	6,798.57	4,798.57	4,798.57	80,342.54	2,327.84	422.32	77,592.38	
Row, Kendall	7,234.16	-	7,234.16	5,692.38	6,740.79	5,199.01	4,689.95	-	-	-	-	
South Dakota School of Mines & Technologies (USD)	132,065.12	-	132,065.12	108,808.51	-	-	-	108,808.51	3,152.61	571.95	105,083.95	
Sutherland, Toni	23,394.25	2,000.00	21,394.25	17,626.73	6,798.57	4,798.57	4,798.57	12,828.16	371.68	67.43	12,389.05	
Telecom Options Inc.	2,008.70	-	2,008.70	1,654.97	-	-	-	1,654.97	47.95	8.70	1,598.32	
The University of Queensland	128,263.00	-	128,263.00	105,675.94	-	-	-	105,675.94	3,061.85	555.49	102,058.61	
Thermo Fisher Scientific (Mississauga) Inc.	70,631.20	-	70,631.20	58,193.08	-	-	-	58,193.08	1,686.08	305.89	56,201.10	
Western Economic Diversification Canada	36,878.47	-	36,878.47	30,384.19	-	-	-	30,384.19	880.35	159.72	29,344.12	
Wheeler, Frank	30,591.17	2,000.00	28,591.17	23,556.28	6,798.57	4,798.57	4,798.57	18,757.71	543.48	98.60	18,115.62	
Total Proven Ordinary Unsecured Claims		35,533.84	2,045,169.08	1,685,015.73	118,272.94	82,739.10	81,826.77	1,603,188.96	46,450.65	8,427.20	1,548,311.11	
Floor Creditors												
Access Information Management of Canada ULC	378.34	-	378.34	378.34	-	-	-	378.34	10.96	1.99	365.39	
Argyle Materials Inc.	291.48	-	291.48	291.48	-	-	-	291.48	8.45	1.53	281.50	
Biofuels Consulting Canada Inc.	472.50	-	472.50	472.50	-	-	-	472.50	13.69	2.48	456.33	
Home Depot c/o Citi Cards Canada (Acct 603529)	37.88	-	37.88	37.88	-	-	-	37.88	1.10	0.20	36.58	
Hub International MB Ltd.	779.76	-	779.76	779.76	-	-	-	779.76	22.59	4.10	753.07	
J.G. Janitorial Services Ltd.	1,039.50	-	1,039.50	1,039.50	-	-	-	1,039.50	30.12	5.46	1,003.92	
Manitoba Finance - Taxation Division Attn: Collection	623.85	-	623.85	623.85	-	-	-	623.85	18.08	3.28	602.50	
Thierry Ghislain	1,517.51	-	1,517.51	1,517.51	-	-	-	1,517.51	43.97	7.98	1,465.56	
Total Floor Creditors			5,140.82	5,140.82				5,140.82	148.95	27.02	4,964.85	
Service Canada (WEPP)								81,826.77	3,400.40	616.91	77,809.47	(1)
Total Unsecured Distribution								1,690,156.55	50,000.00	9,071.13	1,631,085.42	
Notes:												
(1) The initial payment to Service Canada under 81.3(1) of the <i>Bankruptcy and Insolvency Act</i> (BIA) omitted the requisite levy. The net distribution to Service Canada reflects the adjustment of same as detailed below:												
		Claim	OSB Levy 5%	OSB Levy 1.25%	Net Distribution							
		81.3(1) Priority	\$ 35,533.84	\$ 1,029.55	\$ 34,317.50							
		Unsecured WEPP Claim	81,826.77	2,370.84	79,025.81							
		Total Distribution to Service Canada		3,400.40	616.91							
		Less Advance Payment to Service Canada			35,533.84							
		Net Distribution to Service Canada			\$ 77,809.47							