

COURT FILE NUMBER

116045
24-116040

COURT

COURT OF QUEEN'S BENCH OF
ALBERTA

JUDICIAL CENTRE

EDMONTON

PLAINTIFF

BANK OF NOVA SCOTIA

DEFENDANTS

B. KENNEDY ARCHITECTURE INC.

DOCUMENT

**FIRST REPORT OF THE TRUSTEE, MNP
LTD., DATED August 24, 2020**

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS DOCUMENT

MNP Ltd.
1300 MNP Tower
10235 – 101 Street
Edmonton, AB T5G 039
Attention: Eric Sirrs
Telephone: (780) 969-1155
Facsimile: (780) 409-5415



Introduction and Purpose of the Report

1. MNP Ltd. was appointed as Licensed Insolvency Trustee (the "Trustee") of B. Kennedy Architecture Inc. (hereinafter referred as the "Company" or "B. Kennedy") pursuant to a Court of Queen's Bench of Alberta Order dated September 19, 2019 (the "Bankruptcy Order").
2. The Company provided architectural services and was located in Edmonton, Alberta.
3. The purpose of the Trustee's First Report to Court ("First Report") is to provide the Court with an update with respect to the following:
 1. Initial Activities of the Trustee;
 2. Assets;
 3. Priority and Secured Claims;
 4. Proposed Sale of Computer Equipment; and
 5. Trustee's Interim Statement of Receipts and Disbursements.
4. In preparing the First Report and making comments herein, the Trustee has been provided with, and has relied upon, certain unaudited, draft and/or internal financial information of the Debtor, the Debtor's books and records, and information from other third-party sources (collectively, the "Information"). The Trustee has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with generally accepted assurance standards or other standards established by the Chartered Professional Accountants of Canada.

Initial Activities of the Trustee

5. On September 20, 2019 the Trustee contacted the former controller and a former employee of the Company seeking information relating to the books and records.
6. Mr. Brad Kennedy (shareholder and Director of B. Kennedy) passed away in March 2019. It is the Trustee's understanding that existing management of B. Kennedy continued to operate B. Kennedy for a short period for the purpose of transferring existing projects and addressing existing client requests.
7. The Trustee was advised that B. Kennedy had ceased operations prior to the Bankruptcy Order and that some of the office equipment assets had been relocated to another architectural services firm referred to as Stephen M. Boyd Architecture Ltd. o/a ARC Studio ("ARC Studio"). The Trustee also was advised that many of the employees of B. Kennedy are also now employed with ARC Studio.
8. The Trustee obtained electronic financial documents of the Company from the former controller and engaged him to complete the outstanding T4's for the former employees. These T4's were completed and sent to the former employees in January 2020.
9. The former controller also provided the Trustee with the information required to administer the Wage Earner Protection Program Act ("WEPPA"). The Trustee distributed notice of the WEPPA program to the former employees and administered the process.
10. The Trustee contacted the former landlord of B. Kennedy and completed a walkthrough of the former leased space. Based on the Trustee's review there were no assets remaining at the leased space of material value for the benefit of the bankrupt estate.
11. The Trustee compiled the required books and records for the Canada Revenue Agency ("CRA") to complete a trust exam of the payroll source deduction account and goods and services tax ("GST") account. CRA completed its trust exams in February 2020.

Assets

12. As at the date of bankruptcy the Trustee has identified the following assets owned by the Company:
 - Accounts Receivable ("AR") relating to work completed prior to the Company ceasing operations; and
 - Certain computer equipment that was transported to ARC Studio (the "Server Equipment").
13. Based upon the books and records of B. Kennedy, the AR as at the date of bankruptcy was approximately \$1.18 million. To date the Trustee has collected approximately \$275,000 and determined that approximately \$650,000 is unlikely to be collected due to deficiencies and/or offsets claimed by customers of the Company. An additional \$236,000 was confirmed to be collected prior to the date of bankruptcy. The Trustee estimates there is approximately an additional \$19,000 available for collection (however the former customers have not confirmed these amounts as payable). The disputed amounts are not likely to be recovered without litigation.
14. Prior to the granting of the Bankruptcy Order, B. Kennedy entered into a sale agreement with ARC Studio for the sale of the Server Equipment. At the time of this transaction B. Kennedy and ARC Studio would have had common management. A copy of the invoice dated May 31,

2019 is attached as **Schedule A**. The Server Equipment is currently located at the ARC Studio premises and ARC Studio has confirmed the purchase price has not been paid to B. Kennedy.

15. The Trustee is not aware of any further assets of B. Kennedy available for realization to the bankrupt estate.

Priority and Secured Creditors

CRA

16. CRA completed a trust exam of the payroll source deduction account in February 2020 whereby a total arrears balance of \$506,616.93 was assessed.
17. CRA has not filed Deemed Trust Claim at this time for payroll source deductions, however, based upon the results of the trust exam it is estimated that a priority claim of approximately \$250,000 - \$300,000 will be filed.

Service Canada

18. Service Canada provided a statement of account in February 2020 indicating a priority claim under Section 81.3 of the *Bankruptcy and Insolvency Act* of \$55,095.09 in relation to amounts advanced under WEPPA.

Bank of Nova Scotia. ("BNS")

19. In accordance with a September 19, 2019 Personal Property Registry ("PPR") Search, BNS has registered a General Security Agreement ("GSA") as against all present and after acquired property of B. Kennedy on January 29, 2016. A copy of the September 19, 2019 PPR Search is attached as **Schedule B**.
20. BNS registered a subsequent secured interest on July 18, 2017 in relation to financing for leasehold improvements.
21. BNS has filed a secured claim for \$1,061,576.50.

GE VFS Canada Limited Partnership ("GE")

22. Pursuant to the September 19, 2019 PPR Search, GE registered a secured interest in all goods that are copiers (and related assets) on March 5, 2015.
23. GE has not filed a secured claim.

Blueshore Leasing Ltd. ("Blueshore")

24. The September 19, 2019 PPR Search indicates that Blueshore registered a secured interest on January 18, 2016 in relation to computer software and hardware pursuant to invoice 162456.
25. Blueshore has not filed a secured claim.

CWB National Leasing ("CWB")

26. The September 19, 2019 PPR Search indicates that CWB registered a secured interest on January 11, 2017 in relation to computer equipment (fixed and portable) pursuant to agreement number 2795435.
27. CWB registered a subsequent secured interest (in the form of a purchase money security interest) on March 8, 2018 in relation to agreement number 2813544.
28. CWB filed a secured claim for \$9,025.19 and the Trustee issued a release letter on November 25, 2019 without representation to the priority of CWB's claim.

RCAP Leasing Inc. ("RCAP")

29. The September 19, 2019 PPR Search indicates that RCAP registered a security interest on January 13, 2017 in relation to computer equipment leased from RCAP to B. Kennedy.
30. RCAP filed a secured claim for \$9,523.80 and the Trustee issued a release letter on February 3, 2020 without representation to the priority of RCAP's claim.

Wells Fargo Equipment Finance Company ("Wells Fargo")

31. The September 19, 2019 PPR Search indicates that Wells Fargo registered a security interest on August 28, 2018 in relation to various office and computer equipment.
32. Wells Fargo submitted a secured claim for \$37,005.43 and the Trustee issued a release letter on November 1, 2019 without representation to the priority to Wells Fargo's claim.

Arrow Engineering ("Arrow")

33. The September 19, 2019 PPR Search indicates that Arrow registered a general security agreement on May 31, 2019.
34. Arrow submitted a secured claim for \$251,892, however, an executed copy of the General Security Agreement was not provided. The Trustee has not issued a release letter or opinion on the validity of Arrow's security position at this time.

Bel-Jan Development Ltd. ("Bel-Jan")

35. The September 19, 2019 PPR Search indicates that Bel-Jan registered a general security agreement on July 3, 2019.
36. Bel-Jan submitted a preferred claim under Section 136 as a Lessor for \$166,265.84.

Weslease 2018 Operating LP ("Weslease")

37. Weslease submitted a secured claim for \$161,335.71 and the Trustee issued a release letter on January 20, 2020 without representation as to the priority of the Weslease claim.
38. The Trustee issued notice of the bankruptcy to all parties listed on the September 19, 2019 PPR search.

Proposed Sale of Server Equipment

39. Prior to the date of bankruptcy B. Kennedy entered into an agreement to sell the Server

Equipment to ARC Studio. The Server Equipment was relocated to the ARC Studio premises, however, the dollar amount agreed to be paid was not paid to B. Kennedy.

40. The Trustee has obtained a site unseen forced sale value for the Server Equipment from Mirterra Appraisal and Auctions who estimates the gross forced sale realization value to be approximately \$8,500.
41. The Trustee has entered into an agreement to sell the Server Equipment to ARC Studio for a price of \$31,000 (inclusive of GST). A copy of the proposed Bill of Sale and listing of Server Equipment included is attached as **Schedule C**.
42. The Server Equipment includes data relating to projects B. Kennedy was completing for various clients. The Trustee is not transferring ownership of the client data to ARC Studio as part of the sale transaction.
43. As a condition of the sale, the Trustee is requiring that ARC Studio provide all client data related to B Kennedy to the Trustee which is required to assist with the collection of outstanding accounts receivable. Any transfer of client data would be made with the consent of the client.
44. The Trustee is seeking Court approval to sell the Server Equipment to ARC Studio free and clear of any secured interests (including the Deemed Trust interest of CRA) with the sales proceeds standing in lieu of the Server Equipment.
45. The bankrupt estate has one Inspector and a Meeting of Inspectors was convened on May 1, 2020 whereby the Inspector approved the sale to ARC Studio contemplated in the Bill of Sale attached as Schedule C. A copy of the Minutes of the First Meeting of Inspectors is attached as **Schedule D**.
46. The Trustee has not identified any of the assets included in the Server Equipment pledged as security within the secured claims submitted. Based upon the secured claims submitted to date, the GSA and Deemed Trust claim appear to have secured interests in the Server Equipment. BNS (as the first registered GSA creditor) has advised the Trustee that it supports the sale transaction. All of the creditors registered on the PPR have been put on notice of this application.

Trustee's Interim Statement of Receipts and Disbursements

47. The Trustee's Interim Statement of Receiver's and Disbursements dated August 24, 2020 is attached as **Schedule E**.

Court Approval Sought

48. The Receiver respectfully requests that the Court grant an Order authorizing the sale of the Server Equipment to ARC Studio in accordance with the Bill of Sale attached as **Schedule C** free and clear of any Secured and/or Deemed Trust interests.

All of which is respectfully submitted this 24th day of August, 2020.

MNP Ltd.

In its capacity as Licensed Insolvency Trustee of

B. Kennedy Architecture Inc.

And not in its personal or corporate capacity


Per. Eric Sirrs, CIRP, LIT
Senior Vice President

SCHEDULE A

B. Kennedy Architecture Inc.
 10350 - 124 Street
 Edmonton AB T5N 3V9
 janet.k@kennedycreate.com
 GST/HST Registration No.: 897800207
 RT0001



INVOICE

INVOICE TO
 Stephen M. Boyd Architecture
 Ltd
 1, 24525 Twp Rd 544
 Sturgeon County Alberta
 T8T 0B3

INVOICE # 3151
DATE 05/31/2019
DUE DATE 06/30/2019
TERMS Net 30

DESCRIPTION	QTY	RATE	AMOUNT	TAX
Sales Server Unit and Switched	1	17,500.00	17,500.00	GST
Sales PC Terminals (incl cables, keyboards and mice)	15	500.00	7,500.00	GST
Sales Computer Monitors (incl desk stands and cables)	30	75.00	2,250.00	GST
Sales Workstation Chairs	25	50.00	1,250.00	GST
Sales Boardroom Chairs	18	50.00	900.00	GST
Sales Desks (T configuration equaling main table and 2 leafs each)	10	200.00	2,000.00	GST
Sales Large Tables	2	200.00	400.00	GST
Sales Glass Round Table	1	200.00	200.00	GST
Sales Accounting Office Printer	1	150.00	150.00	GST
Sales Older TV w/ stand, PC, cables and keyboard and mouse	1	1,200.00	1,200.00	GST
Sales Canon Copier	1	1,000.00	1,000.00	GST
Sales Phones (incl cables)	20	50.00	1,000.00	GST
Sales Black Accounting Cabinets	2	100.00	200.00	GST

SUBTOTAL	35,550.00
GST @ 5%	1,777.50
TOTAL	37,327.50
BALANCE DUE	\$37,327.50

TAX SUMMARY

	RATE	TAX	NET
GST @ 5%		1,777.50	35,550.00

SCHEDULE B

Search ID #: Z11939905

Transmitting Party

MNP LTD.

1300,10235-101 Street
EDMONTON, AB T5J 3G1

Party Code: 50100742
Phone #: 780 455 1155
Reference #:

Search ID #: Z11939905

Date of Search: 2019-Sep-19

Time of Search: 17:04:45

Business Debtor Search For:

B. KENNEDY ARCHITECTURE INC.

Exact Result(s) Only Found

NOTE:

A complete Search may result in a Report of Exact and Inexact Matches.
Be sure to read the reports carefully.



Search ID #: Z11939905

Business Debtor Search For:

B. KENNEDY ARCHITECTURE INC.

Search ID #: Z11939905

Date of Search: 2019-Sep-19

Time of Search: 17:04:45

Registration Number: 15030414835

Registration Date: 2015-Mar-04

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2021-Mar-04 23:59:59

Exact Match on: Debtor No: 1

Debtor(s)

Block

Status
Current

1 B. KENNEDY ARCHITECTURE INC.
10434 122 ST NW
EDMONTON, AB T5N 1M3

Secured Party / Parties

Block

Status
Current

1 GE VFS CANADA LIMITED PARTNERSHIP
2300 MEADOWVALE BLVD, SUITE 200
MISSISSAUGA, ON L5N 5P9

Collateral: General

Block

Description

Status

1 ALL GOODS WHICH ARE COPIERS TOGETHER WITH ALL REPLACEMENTS AND
SUBSTITUTIONS THEREOF AND ALL PARTS, ACCESSORIES, ACCESSIONS AND
ATTACHMENTS THERETO AND ALL PROCEEDS THEREOF, INCLUDING ALL
PROCEEDS WHICH ARE ACCOUNTS, GOODS, CHATTEL PAPER, INVESTMENT
PROPERTY, DOCUMENTS OF TITLE, INSTRUMENTS, MONEY, INTANGIBLES, CROPS
OR INSURANCE PROCEEDS (REFERENCE NO. 9800460-001)

Current

Search ID #: Z11939905

Business Debtor Search For:

B. KENNEDY ARCHITECTURE INC.

Search ID #: Z11939905

Date of Search: 2019-Sep-19

Time of Search: 17:04:45

Registration Number: 16011816806

Registration Date: 2016-Jan-18

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2020-Jan-18 23:59:59

Exact Match on: Debtor No: 1

Debtor(s)

Block

Status

1 B. KENNEDY ARCHITECTURE INC
10350 124 STREET
EDMONTON, AB T5N 3V9

Current

Block

Status

2 KENNEDY, BRADLEY, EDWARD
31 WAHSTAO CRES NW
EDMONTON, AB T5T 2W9

Current

Birth Date:
1967-Aug-19

Secured Party / Parties

Block

Status

1 BLUESHORE LEASING LTD.
1250 LONSDALE AVENUE
NORTH VANCOUVER, BC V7M 2H6

Current

Collateral: General

Block

Description

Status

1	COMPUTER HARDWARD AND SOFTWARE PURSUANT TO INVOICE # 162456	Current
2	SOLD BY COMPUVISION SYSTEMS INC together with all	Current
3	attachments, accessories, accessions, replacements,	Current
4	substitutions, additions and improvements thereto and all	Current
5	proceeds that are goods, intangibles, securities, documents	Current
6	of title, chattel paper, instruments, or money.	Current

Search ID #: Z11939905

Business Debtor Search For:

B. KENNEDY ARCHITECTURE INC.

Search ID #: Z11939905

Date of Search: 2019-Sep-19

Time of Search: 17:04:45

Registration Number: 16012912291

Registration Date: 2016-Jan-29

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2021-Jan-29 23:59:59

Exact Match on: Debtor No: 1

Amendments to Registration

17051117544

Amendment

2017-May-11

Debtor(s)

Block

1 B. KENNEDY ARCHITECTURE INC.
10350 124 STREET
EDMONTON, AB T5N 3V9

Status

Current

Secured Party / Parties

Block

1 THE BANK OF NOVA SCOTIA
P.O. BOX 53069 MARLBOROUGH CRO
CALGARY, AB T2A 7P1

Status

Deleted by
17051117544

Block

2 THE BANK OF NOVA SCOTIA
4715 TAHOE BOULEVARD
MISSISSAUGA, ON L4W 0B4

Status

Current by
17051117544

Collateral: General

Block

Description

1 All of the present and after-acquired undertaking and personal

2 property of the debtor.

Status

Current

Current

Search ID #: Z11939905

Business Debtor Search For:

B. KENNEDY ARCHITECTURE INC.

Search ID #: Z11939905

Date of Search: 2019-Sep-19

Time of Search: 17:04:45

Registration Number: 17011107631

Registration Date: 2017-Jan-11

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2021-Jan-11 23:59:59

Exact Match on:

Debtor

No: 1

Amendments to Registration

18071105014

Amendment

2018-Jul-11

Debtor(s)

Block

1 B. KENNEDY ARCHITECTURE INC.
10350 124TH STREET NW
EDMONTON, AB T5N 3V9

Status

Current

Secured Party / Parties

Block

1 NATIONAL LEASING GROUP INC.
1525 BUFFALO PLACE
WINNIPEG, MB R3T 1L9
Phone #: 204 954 9000 Fax #: 204 954 9099

Status

Deleted by
18071105014

Block

2 CWB NATIONAL LEASING INC.
1525 BUFFALO PLACE
WINNIPEG, MB R3T 1L9
Phone #: 204 954 9000 Fax #: 204 954 9099

Status

Current by
18071105014

Search ID #: Z11939905

Collateral: General

<u>Block</u>	<u>Description</u>	<u>Status</u>
1	ALL FIXED AND PORTABLE COMPUTER EQUIPMENT OF EVERY NATURE OR KIND DESCRIBED IN AGREEMENT NUMBER 2795435, BETWEEN JYSKE LEASE CORPORATION, AS ORIGINAL SECURED PARTY AND THE DEBTOR, WHICH AGREEMENT WAS ASSIGNED BY THE ORIGINAL SECURED PARTY TO THE SECURED PARTY, AS AMENDED FROM TIME TO TIME, TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES AND SUBSTITUTIONS.	Current

Particulars

<u>Block</u>	<u>Additional Information</u>	<u>Status</u>
1	Purchase Money Security Interest.	Current

Search ID #: Z11939905

Business Debtor Search For:

B. KENNEDY ARCHITECTURE INC.

Search ID #: Z11939905

Date of Search: 2019-Sep-19

Time of Search: 17:04:45

Registration Number: 17011326189

Registration Type: SECURITY AGREEMENT

Registration Date: 2017-Jan-13

Registration Status: Current

Expiry Date: 2021-Jan-13 23:59:59

Exact Match on: Debtor No: 1

Debtor(s)

Block

Status

1 B. KENNEDY ARCHITECTURE INC.
10350 - 124 STREET
EDMONTON, AB T5N 1R2

Current

Secured Party / Parties

Block

Status

1 RCAP LEASING INC.
5575 NORTH SERVICE RD, STE 300
BURLINGTON, ON L7L 6M1

Current

Collateral: General

Block

Description

Status

1 ALL COMPUTER EQUIPMENT FROM TIME TO TIME LEASED BY THE SECURED PARTY TO THE DEBTOR AS DESCRIBED ON LEASES, CONDITIONAL SALES AGREEMENTS AND ANY OTHER FINANCING AGREEMENTS ENTERED INTO BETWEEN THE SECURED PARTY AND THE DEBTOR FROM TIME TO TIME AND ANY PROCEEDS THEREOF, TOGETHER WITH ALL REPLACEMENT PARTS, ACCESSORIES AND ATTACHMENTS.

Current

Search ID #: Z11939905

Business Debtor Search For:

B. KENNEDY ARCHITECTURE INC.

Search ID #: Z11939905

Date of Search: 2019-Sep-19

Time of Search: 17:04:45

Registration Number: 17071823982

Registration Date: 2017-Jul-18

Registration Type: SALE OF GOODS OR FACTORS ACT

Registration Status: Current

Expiry Date: 2023-Jul-18 23:59:59

Exact Match on:

Debtor

No: 1

Debtor(s)

Block

1 B. KENNEDY ARCHITECTURE INC.
10350 124 STREET
EDMONTON, AB T5N 3V9

Status

Current

Secured Party / Parties

Block

1 THE BANK OF NOVA SCOTIA
44 KING STREET WEST
TORONTO, ON M5H 1H1

Status

Current

Collateral: General

Block

Description

1 Leasehold improvements together with all attachments, accessions,

2 additions and improvements thereto.

Status

Current

Current

Search ID #: Z11939905

Business Debtor Search For:

B. KENNEDY ARCHITECTURE INC.

Search ID #: Z11939905

Date of Search: 2019-Sep-19

Time of Search: 17:04:45

Registration Number: 17071827326

Registration Date: 2017-Jul-18

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2023-Jul-18 23:59:59

Exact Match on:

Debtor

No: 1

Debtor(s)

Block

Status

1 B. KENNEDY ARCHITECTURE INC.
10350 124 STREET
EDMONTON, AB T5N 3V9

Current

Secured Party / Parties

Block

Status

1 THE BANK OF NOVA SCOTIA
44 KING STREET WEST
TORONTO, ON M5H 1H1

Current

Collateral: General

Block

Description

Status

1 Leasehold improvements and all present and after acquired

Current

2 attachments, accessories, repair parts and other goods placed

Current

3 on the collateral. Proceeds: all present and after-acquired

Current

4 personal property of the debtor.

Current

Search ID #: Z11939905

Business Debtor Search For:

B. KENNEDY ARCHITECTURE INC.

Search ID #: Z11939905

Date of Search: 2019-Sep-19

Time of Search: 17:04:45

Registration Number: 18030800846

Registration Date: 2018-Mar-08

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2022-Mar-08 23:59:59

Exact Match on:

Debtor

No: 1

Amendments to Registration

18071004589

Amendment

2018-Jul-10

Debtor(s)

Block

1 B. KENNEDY ARCHITECTURE INC.
10350 124 STREET NW
EDMONTON, AB T5N3V9

Status

Current

Secured Party / Parties

Block

1 NATIONAL LEASING GROUP INC.
1525 BUFFALO PLACE
WINNIPEG, MB R3T 1L9
Phone #: 204 954 9000 Fax #: 204 954 9099

Status

Deleted by
18071004589

Block

2 CWB NATIONAL LEASING INC.
1525 BUFFALO PLACE
WINNIPEG, MB R3T 1L9
Phone #: 204 954 9000 Fax #: 204 954 9099

Status

Current by
18071004589

Search ID #: Z11939905

Collateral: General

<u>Block</u>	<u>Description</u>	<u>Status</u>
1	ALL COMPUTER SOFTWARE OF EVERY NATURE OR KIND DESCRIBED IN AGREEMENT NUMBER 2813544, BETWEEN JYSKE LEASE CORPORATION., AS ORIGINAL SECURED PARTY AND THE DEBTOR, WHICH AGREEMENT WAS ASSIGNED BY THE ORIGINAL SECURED PARTY TO THE SECURED PARTY, AS AMENDED FROM TIME TO TIME, TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES AND SUBSTITUTIONS.	Current

Particulars

<u>Block</u>	<u>Additional Information</u>	<u>Status</u>
1	Purchase Money Security Interest.	Current

Search ID #: Z11939905

Business Debtor Search For:

B. KENNEDY ARCHITECTURE INC.

Search ID #: Z11939905

Date of Search: 2019-Sep-19

Time of Search: 17:04:45

Registration Number: 18082819680

Registration Type: SECURITY AGREEMENT

Registration Date: 2018-Aug-28

Registration Status: Current

Expiry Date: 2024-Aug-28 23:59:59

Exact Match on: Debtor No: 1

Debtor(s)

Block

Status

1 B. KENNEDY ARCHITECTURE INC.
10350 124 STREET NW
EDMONTON, AB T5N3V9

Current

Secured Party / Parties

Block

Status

1 WELLS FARGO EQUIPMENT FINANCE COMPANY
1290 CENTRAL PARKWAY W, SUITE1100
MISSISSAUGA, ON L5C 4R3

Current

Collateral: General

Block

Description

Status

1 ALL GOODS WHICH ARE PHOTOCOPIERS, MULTIFUNCTION DEVICES, PRINTERS, PRODUCTION PRINTERS, FAX MACHINES, PROJECTORS, VIDEO CONFERENCING, INTERACTIVE WHITEBOARDS, SERVERS, AND SOFTWARE MANUFACTURED, DISTRIBUTED, OR SOLD BY RICOH CANADA INC. THE GOODS DESCRIBED HEREIN TOGETHER WITH ALL ATTACHMENTS, ACCESSORIES, ACCESSIONS, REPLACEMENTS, SUBSTITUTIONS, ADDITIONS AND IMPROVEMENTS THERETO, AND ALL PROCEEDS IN ANY FORM DERIVED DIRECTLY OR INDIRECTLY FROM ANY DEALING WITH THE COLLATERAL OR PROCEEDS THEREOF, AND WITHOUT LIMITATION, MONEY, CHEQUES, DEPOSITS IN DEPOSIT-TAKING INSTITUTIONS, GOODS, ACCOUNTS RECEIVABLE, RENTS OR OTHER PAYMENTS ARISING FROM THE LEASE OF THE COLLATERAL, CHATTEL PAPER, INSTRUMENTS, INTANGIBLES, DOCUMENTS OF TITLE, SECURITIES, AND RIGHTS OF INSURANCE PAYMENTS OR ANY OTHER PAYMENTS AS INDEMNITY OR COMPENSATION FOR LOSS OR DAMAGE TO THE COLLATERAL OR PROCEEDS OF THE COLLATERAL. (REFERENCE NO. 9979593-001) (FOR INTERNAL USE ONLY) (AS MAY BE AMENDED OR UPDATED FROM TIME TO TIME)

Current

Search ID #: Z11939905

Business Debtor Search For:

B. KENNEDY ARCHITECTURE INC.

Search ID #: Z11939905

Date of Search: 2019-Sep-19

Time of Search: 17:04:45

Registration Number: 19053137634

Registration Type: SECURITY AGREEMENT

Registration Date: 2019-May-31

Registration Status: Current

Expiry Date: 2024-May-31 23:59:59

Exact Match on:

Debtor

No: 1

Debtor(s)

Block

Status

1 B. KENNEDY ARCHITECTURE INC.
2610-10111-104 AVE NW
EDMONTON, AB T5J 0J4

Current

Secured Party / Parties

Block

Status

1 ARROW ENGINEERING INC.
202-13167 146 ST
EDMONTON, AB T5L 4S8
Phone #: 780 902 6884
Email: paul.burdett@arrowonline.ca

Current

Collateral: General

Block

Description

Status

1 All present and after-acquired property of the Debtor.

Current

Search ID #: Z11939905

Business Debtor Search For:

B. KENNEDY ARCHITECTURE INC.

Search ID #: Z11939905

Date of Search: 2019-Sep-19

Time of Search: 17:04:45

Registration Number: 19062145871

Registration Type: WRIT OF ENFORCEMENT

Registration Date: 2019-Jun-21

Registration Status: Current

Expiry Date: 2021-Jun-21 23:59:59

Issued in Edmonton Judicial Centre

Court File Number is 1803 10547

Judgment Date is 2019-Jun-17

This Writ was issued on 2019-Jun-21

Type of Judgment is Other

Original Judgment Amount: \$149,783.46

Costs Are: \$0.00

Post Judgment Interest: \$35.97

Current Amount Owing: \$149,819.43

Exact Match on: Debtor No: 1

Solicitor / Agent

ZYGMUNT BACZYNSKI
10567-116 STREET
EDMONTON, AB T5H 3L8

Phone #: 780 428 0243

Fax #: 780 426 7895

Reference #:

Brownlee835340046RR

Email: bacz@caisnet.com

Debtor(s)

Block

1 B. KENNEDY ARCHITECTURE INC.
100 & 200-10350-124 STREET
EDMONTON, AB

Status

Current

Search ID #: Z11939905

Creditor(s)

Block

1 BACZ ENGINEERING INC.
10567-116 STREET, N.W.
EDMONTON, AB T5H 3L8
Email: bacz@caisnet.com

Status

Current

Search ID #: Z11939905

Business Debtor Search For:

B. KENNEDY ARCHITECTURE INC.

Search ID #: Z11939905

Date of Search: 2019-Sep-19

Time of Search: 17:04:45

Registration Number: 19070344164

Registration Date: 2019-Jul-03

Registration Type: SECURITY AGREEMENT

Registration Status: Current

Expiry Date: 2024-Jul-03 23:59:59

Exact Match on:

Debtor

No: 1

Debtor(s)

Block

1 B. KENNEDY ARCHITECTURE INC.
200-10350 124 ST NW
EDMONTON, AB T5N 3V9

Status

Current

Secured Party / Parties

Block

1 BEL-JAN DEVELOPMENT LTD.
202-10216 124 ST NW
EDMONTON, AB T5N 4A3
Email: JIM@CCYEG.COM

Status

Current

Collateral: General

Block

Description

1 ALL PRESENT AND AFTER-ACQUIRED GOODS, STOCK IN TRADE, INVENTORY,
FIXTURES, EQUIPMENT, CHATTELS AND FACILITIES

Status

Current

Search ID #: Z11939905

Business Debtor Search For:

B. KENNEDY ARCHITECTURE INC.

Search ID #: Z11939905

Date of Search: 2019-Sep-19

Time of Search: 17:04:45

Registration Number: 19070422579

Registration Type: WRIT OF ENFORCEMENT

Registration Date: 2019-Jul-04

Registration Status: Current

Expiry Date: 2021-Jul-04 23:59:59

Issued in Edmonton Judicial Centre

Court File Number is 1903 04319

Judgment Date is 2019-Jun-24

This Writ was issued on 2019-Jul-03

Type of Judgment is Other

Original Judgment Amount: \$180,406.73

Costs Are: \$2,672.82

Post Judgment Interest: \$0.00

Current Amount Owing: \$183,079.55

Exact Match on: Debtor No: 1

Solicitor / Agent

MCLENNAN ROSS LLP
#600, 12220 STONY PLAIN ROAD
EDMONTON, AB T5N 3Y4

Phone #: 780 482 9200

Fax #: 780 482 9100

Reference #: 180055/DJM

Email: info@mross.com

Debtor(s)

Block

Status

Current

1 B. KENNEDY ARCHITECTURE INC.
C/O 2610, 10111-104 AVENUE
EDMONTON, AB T5J 0J4

Creditor(s)

Block

Status

Current

1 ASSOCIATED ENGINEERING ALBERTA LTD.
C/O #600, 12220 STONY PLAIN ROAD
EDMONTON, AB T5N 3Y4

Search ID #: Z11939905

Email: info@mross.com

Search ID #: Z11939905

Business Debtor Search For:

B. KENNEDY ARCHITECTURE INC.

Search ID #: Z11939905

Date of Search: 2019-Sep-19

Time of Search: 17:04:45

Registration Number: 19070915228

Registration Type: WRIT OF ENFORCEMENT

Registration Date: 2019-Jul-09

Registration Status: Current

Expiry Date: 2021-Jul-09 23:59:59

Issued in Edmonton Judicial Centre

Court File Number is 1903-11819

Judgment Date is 2019-Jul-09

This Writ was issued on 2019-Jul-09

Type of Judgment is Other

Original Judgment Amount: \$251,892.79

Costs Are: \$0.00

Post Judgment Interest: \$0.00

Current Amount Owing: \$251,892.79

Exact Match on:

Debtor

No: 1

Solicitor / Agent

DOUGLAS H. PETERSON PROFESSIONAL CORPORATION
18910-111 AVENUE NW
EDMONTON, AB T5S 0B6

Phone #: 780 993 2188

Reference #: ARROW-
KENNEDY

Email: DOUG@DHPBUSINESSCOUNSEL.COM

Debtor(s)

Block

1 B. KENNEDY ARCHITECTURE INC.
2610, 10111-104 AVENUE NW
EDMONTON, AB T5J 0J

Status

Current

Search ID #: Z11939905

Creditor(s)

Block

Status

Current

1 ARROW ENGINEERING INC.
202, 13167 146 STREET
EDMONTON, AB T5L 4S8

Search ID #: Z11939905

Business Debtor Search For:

B. KENNEDY ARCHITECTURE INC.

Search ID #: Z11939905

Date of Search: 2019-Sep-19

Time of Search: 17:04:45

Registration Number: 19071728137

Registration Type: WRIT OF ENFORCEMENT

Registration Date: 2019-Jul-17

Registration Status: Current

Expiry Date: 2021-Jul-17 23:59:59

Issued in Edmonton Judicial Centre

Court File Number is 1903 11598

Judgment Date is 2019-Jul-11

This Writ was issued on 2019-Jul-16

Type of Judgment is Other

Original Judgment Amount: \$402,228.75

Costs Are: \$2,415.42

Post Judgment Interest: \$703.07

Current Amount Owing: \$405,347.24

Exact Match on:

Debtor

No: 1

Amendments to Registration

19071729919

Amendment

2019-Jul-17

Solicitor / Agent

BROWNLEE LLP
2200, 10155-102 STREET
EDMONTON, AB T5J 4G8

Phone #: 780 497 4800

Fax #: 780 424 3254

Reference #: 86623-
0001/CMY

Debtor(s)

Block

1 B. KENNEDY ARCHITECTURE INC.
10350-124 STREET
EDMONTON, AB T5N 3V9

Status
Current

Search ID #: Z11939905

Creditor(s)

Block

1 PROTOSTATIX ENGINEERING CONSULTANTS INC.
500, 10410-102 AVENUE
EDMONTON, AB T5J 0E9

Status

Current

Search ID #: Z11939905

Business Debtor Search For:

B. KENNEDY ARCHITECTURE INC.

Search ID #: Z11939905

Date of Search: 2019-Sep-19

Time of Search: 17:04:45

Registration Number: 19073036739

Registration Type: WRIT OF ENFORCEMENT

Registration Date: 2019-Jul-30

Registration Status: Current

Expiry Date: 2021-Jul-30 23:59:59

Issued in Edmonton Judicial Centre

Court File Number is 1903 14906

Judgment Date is 2019-Jul-22

This Writ was issued on 2019-Jul-30

Type of Judgment is Other

Original Judgment Amount: \$8,383.87

Costs Are: \$463.39

Post Judgment Interest: \$0.00

Current Amount Owing: \$8,847.26

Exact Match on: Debtor No: 1

Solicitor / Agent

SID J. KOBEWKA C/O KOBEWKA STARK

14809-111 AVENUE

EDMONTON, AB T5M 2P3

Phone #: 780 414 0444

Fax #: 780 443 6585

Reference #: 22686/SJK

Email: SID@KOBEWKASTARK.COM

Debtor(s)

Block

1 B. KENNEDY ARCHITECTURE INC.
2610, 10111-104 AVENUE
EDMONTON, AB T5J 0J4

Status

Current

Creditor(s)

Block

1 SCHEFFER ANDREW LTD.
C/O KOBEWKA STARK, 14809-111 AVE
EDMONTON, AB T5M 2P3

Status

Current

Search ID #: Z11939905

Business Debtor Search For:

B. KENNEDY ARCHITECTURE INC.

Search ID #: Z11939905

Date of Search: 2019-Sep-19

Time of Search: 17:04:45

Registration Number: 19083033743

Registration Type: WRIT OF ENFORCEMENT

Registration Date: 2019-Aug-30

Registration Status: Current

Expiry Date: 2021-Aug-30 23:59:59

Issued in Edmonton Judicial Centre

Court File Number is 1903 07472

Judgment Date is 2019-Aug-09

This Writ was issued on 2019-Aug-29

Type of Judgment is Other

Original Judgment Amount: \$73,498.10

Costs Are: \$0.00

Post Judgment Interest: \$0.00

Current Amount Owing: \$73,498.10

Exact Match on: Debtor No: 1

Solicitor / Agent

WEIR BOWEN LLP
2000 SCOTIA TOWER ONE, 10060 JASPER AVE
EDMONTON, AB T5J 3R8

Phone #: 780 424 2030

Fax #: 780 424 2323

Reference #: 22413 TL

Debtor(s)

Block

1 B. KENNEDY ARCHITECTURE INC.
10350 124 STREET
EDMONTON, AB T5N 3V9

Status
Current

Block

2 KENNEDY CREATE
10350 124 STREET
EDMONTON, AB T5N 3V9

Status
Current

Search ID #: Z11939905

Block

3 KENNEDY ARCHITECTURE
10350 124 STREET
EDMONTON, AB T5N 3V9

Status
Current

Block

4 KENNEDY
10350 124 STREET
EDMONTON, AB T5N 3V9

Status
Current

Creditor(s)

Block

1 AP SOLUTIONS AND RESOURCES LTD.
7703 69 STREET
EDMONTON, AB T6B 1V4

Status
Current

Particulars

Block **Additional Information**

1 STYLE OF CAUSE: B. KENNEDY ARCHITECTURE INC. OPERATING AS KENNEDY
CREATE, KENNEDY ARCHITECTS AND/OR KENNEDY AND BRAD KENNEDY

Status
Current

Result Complete

SCHEDULE C

BILL OF SALE

THIS BILL OF SALE made in duplicate this day of September, 2020

BETWEEN:

MNP Ltd.
In its capacity as Licensed Insolvency Trustee of
B. Kennedy Architecture Inc.

(hereinafter called the "Grantor")

- and -

Stephen M. Boyd Architecture Ltd.

(hereinafter called the "Grantee")

IN CONSIDERATION of the sum of \$31,000 inclusive of GST (the receipt of which is hereby acknowledged) the Grantor absolutely transfers unto the Grantee the assets listed in the attached hereto as **Schedule A** (collectively, the "Assets").

THE Assets are sold on an "as is" and "where is" basis, both respect to fitness and quality and with respect to title. The Grantor makes no representations or warranties, whether expressed or implied:

- a) as to the description, quantity, quality, fitness, use or condition of the Assets; and
- b) as to the ability of any Grantee to utilize or employ the Assets for any purpose whatsoever

THE Assets are presently in the possession of the Grantee.

THE Assets do not include any data or software stored on the Assets and the Grantee agrees to provide the Grantor with copies of any data stored on the Assets as requested and authorized by clients of B. Kennedy Architecture.

THE GRANTOR COVENANTS:

1. That it is now rightfully and absolutely possessed of the Assets and has the right to sell the bankrupt estate's interest; and
2. That it will do and execute all such further acts, deeds and assurances that the Grantee may reasonably request, but at the Grantee's expense.

THE GRANTEE CONVENANTS:

1. That it has inspected the Assets and has relied entirely on its own inspection, investigations and findings regarding the Assets;
2. That it hereby waives any implied or express warranty, condition, right or benefit under the Sales of Goods Act (Alberta); and
3. That it will indemnify and pay the Grantor for any and all expenses incurred by the Grantor in responding to any further acts, deeds or assurances requested by the Grantee.

IN WITNESS WHEREOF the Grantor this Bill of Sale has been executed and delivered by the parties hereto as of the day and year first written above.

MNP Ltd.
in its capacity as Licensed Insolvency Trustee of
B. Kennedy Architecture Inc.
and not in its personal capacity

Stephen M. Boyd Architecture Ltd.

Per: Eric Sirrs CIRP, LIT
Senior Vice President

Per:

SCHEDULE A

Equipment Description	Serial Number
HP DL380 Server	2M242602GK
Custom Backup Domain Controller and Backup Server	Custom Built (no S/N)
QNAP Storage and Backup Server	Q118104956
NAS Storage Unit	No S/N (Not accessible)
APC Battery Backup SMX1500RM2U	AS1344112876
HP 1820-48G Switch J9981A	CN56GMX0FS
HP 1820-48G Switch J9981A	CN53GMX089
HP 1810-48G Switch J9660A	CN46DXY0C5
HP 1810-48G Switch J9660A	CN46DXY0FR
HP 2920-24G Switch J9727A	SG53FLXLCJ
HP 1810-48G Switch J9660A	CN51DXY089
Rendering Server 1	C82200A48M00109
Rendering Server 2	C82200A48M00099
Rendering Server 3	C82200A48M00110
Rendering Server 4	C82200A48M00101
Rendering Server 5	C82200A48M00104
Rendering Server 6	C82200A48M00070
Rendering Server 7	C82200A48M00107

SCHEDULE D

District of Alberta
Division No. 01 – Edmonton
Court No. 24-116040
Estate No. 24-116040

**IN THE MATTER OF THE BANKRUPTCY OF
B. KENNEDY ARCHITECTURE INC.
MINUTES OF THE FIRST MEETING OF INSPECTORS
LICENSED INSOLVENCY TRUSTEE MNP LTD.**

The following are the minutes of the first meeting of inspectors for B. Kennedy Architecture Inc. held on the 1st Day of May, 2020:

Attendance:

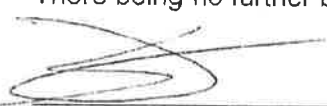
Eric Sirrs: MNP Ltd.


Inspector: Dean Hutchison

The following motions were approved and carried by the inspectors:

1. The Inspector approves the sale of computer equipment as described in **Schedule A** attached to Stephen M. Boyd Architecture Inc. for the sum of \$31,000;
2. The Inspector approves of the Trustee applying to Court for a Sale and Vesting Order in relation to the computer equipment sale to Stephen M. Boyd Architecture Inc.;
3. The Inspector agrees to waive the Inspector fees payable in accordance with Section 120(5) of the *Bankruptcy and Insolvency Act*; and
4. The Inspector agrees that this and further meetings can be held by telephone or electronic submission.

There being no further business at this time the meeting was adjourned.


Eric Sirrs, MNP Ltd.


Dean Hutchison, Inspector

SCHEDULE E

**In the Matter of the Bankruptcy of
B. Kennedy Architecture Inc.
Interim Statement of Receipts and Disbursements
For the Period September 19, 2019 to August 24, 2020**

	(\$) Sept 19, 2019 to August 24, 2020
RECEIPTS:	
Accounts Receivable	274,149.36
Interest	1,304.55
TOTAL RECEIPTS:	<u>275,453.91</u>
DISBURSEMENTS:	
Filing Fees	150.00
Fees paid to registrar	150.00
GST Paid on Disbursements	21.00
Newspaper advertising	420.00
Accounting services	2,389.15
TOTAL DISBURSEMENTS:	<u>3,130.15</u>
Excess of Receipts over Disbursements	<u><u>\$ 272,323.76</u></u>