



IN THE MATTER OF THE BANKRUPTCY OF
PEOPLE EXPRESS TRANSPORT LTD.
OF THE CITY OF CALGARY,
IN THE PROVINCE OF ALBERTA
REPORT ON THE TRUSTEE'S
PRELIMINARY ADMINISTRATION
ESTATE NO. 25-2812522

Background

On March 15, 2022, People Express Transport Ltd. (“**PETL**” or the “**Company**”) was assigned into bankruptcy by the Receiver as permitted pursuant to the Receivership Order (defined below) and pursuant to s.49 of the Bankruptcy and Insolvency Act. Alvarez & Marsal Canada Inc. (“**A&M**”) was appointed as the Licensed Insolvency Trustee (the “**Trustee**”) of PETL by the Official Receiver, subject to affirmation by the creditors of the Trustee’s appointment or substitution with another trustee by the creditors of the Company.

PETL is a privately-held company whose principal business activity was specializing in the transport of temperature sensitive products throughout North America. The Company leased office and yard space located at 4220 67 Ave NE, Calgary, AB, which the Receiver had vacated shortly after taking control of the Company through the Receivership Order (defined below). There were three directors of PETL who have all since resigned prior to the bankruptcy date, therefore there are currently no directors of the Company.

PETL experienced significant financial difficulties leading up to the receivership and on April 22, 2021 (the “**Receivership Date**”) the Royal Bank of Canada (“**RBC**”), PETL’s largest secured creditor, made an application to the Court of Queen’s Bench of Alberta for a Receivership Order, which Order was granted by the Honourable Justice L.B. Ho (the “**Receivership Order**”). A&M, was appointed as receiver and manager (the “**Receiver**”), without security, of all of the current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situated including all proceeds thereof of the Company (the “**Receivership Proceedings**”).

All publicly available information with respect to the Receivership Proceedings, which includes all Receiver’s reports, court orders and application materials, can be found on the Receiver’s website at www.alvarezandmarsal.com/petl (the “**Website**”). All materials relating to the bankruptcy proceeding can also be found on the Website.

Secured Creditors

RBC is listed as a secured creditor on the Statement of Affairs in the approximate amount of \$5.7 million. The Trustee is not aware of any other secured claims

Conservatory & Protective Measures and Preliminary Evaluation of Assets

As at the bankruptcy date, the Trustee is not aware of any assets that would be divisible amongst creditors. No conservatory measures were necessary to be taken by the Trustee.

The Receiver maintains a trust account with the Royal Bank of Canada for purposes of the Receivership Proceedings and will fund the bankruptcy as needed.

The Receiver has redirected all Company mail to be sent to the Receiver's address and the Receiver has agreed to provide the Trustee with any Company mail that relates to the bankruptcy.

Books and Records

The Receiver currently maintains possession and control of the books and records of PETL. The Receiver will make available all books and records, as required, to the Trustee and will deliver all books and records to the Trustee once the Receiver has been discharged by the Court of its duties pursuant to the Receivership Order.

Provable Claims and Secured Claims

As at the date of this report, there was no secured proof(s) of claim filed and there are four unsecured proofs of claim totaling \$623,062.26 filed with the Trustee.

Legal Proceedings

At the time of the bankruptcy, the Trustee is not aware of any legal proceedings against PETL.

Guarantees

The Receiver has guaranteed the fees of the Trustee.

Reviewable Transactions and Preference Payments

The Trustee is unaware of any reviewable transactions or preference payments with respect to the estate.

Anticipated Realization and Projected Distribution

There are no assets available to distribute for the benefit of the creditors in the bankruptcy proceedings. As a result, the Trustee believes there will be no recoveries to the secured and unsecured creditors of the Company.

Dated this 30th day of March, 2022.

ALVAREZ & MARSAL CANADA INC.

*In its capacity as the Licensed Insolvency Trustee in Bankruptcy of
People Express Transport Ltd.
and not in it's personal or corporte capacity*



Cassie Riglin, LIT, CIRP, CPA, CA
Senior Vice President