

COURT FILE NUMBER

25-094627

ESTATE NUMBER

24-094627

COURT

COURT OF QUEEN'S BENCH OF ALBERTA

Clerk's Stamp

JUDICIAL CENTRE

CALGARY

APPLICANT

IN THE MATTER OF THE BANKRUPTCY AND
INSOLVENCY ACT, RSC 1985, c B-3, AS AMENDED

AND IN THE MATTER OF THE PROPOSAL OF
SUNRIDGE RV INC.

DOCUMENT

**FIRST REPORT OF ALVAREZ AND MARSAL
CANADA INC.
IN ITS CAPACITY AS TRUSTEE UNDER THE
NOTICE OF INTENTION TO MAKE A PROPOSAL**

March 9, 2016

ADDRESS FOR SERVICE AND
CONTACT INFORMATION OF
PARTY FILING THIS
DOCUMENT

PROPOSAL TRUSTEE
ALVAREZ & MARSAL CANADA INC.
Bow Valley Square 4
Suite 1110, 250 – 6th Avenue SW
Calgary, Alberta T2P 3H7
Cal Shulha/Orest Konowalchuk
Telephone: (780) 665-4919 / (403) 538-4736
Email: cshulha@alvarezandmarsal.com
treid@alvarezandmarsal.com

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LISTING OF APPENDICES TO THE FIRST REPORT OF THE TRUSTEE

EXHIBIT A

Initial Projected Cash-Flow

INTRODUCTION

1. On February 22, 2016, Sunridge RV Inc. (“Sunridge” or the “Company”) sought protection from its creditors through the filing of a Notice of Intention to Make a Proposal under section 50.4(1) of the *Bankruptcy and Insolvency Act* (“BIA”), RSC 1985, c B-3, as amended (the “NOI”). The NOI filing was accepted by the Office of the Superintendent of Bankruptcy Canada (“OSB”) on February 22, 2016 (the “Filing Date”). Alvarez & Marsal Canada Inc. (the “Trustee”) was named as Trustee under the NOI.
2. The purpose of this first report of the Trustee under the NOI (the “First Report”) is to provide this Honourable Court with an update in respect of the following:
 - a) Initial activities and information regarding the conduct of Sunridge;
 - b) Information regarding the Company’s initial efforts to refinance; and
 - c) Comments on projected cash-flow.

TERMS OF REFERENCE

3. In preparing this First Report, the Trustee has relied upon unaudited financial information, Sunridge’s records and discussions with various advisors of Sunridge. The Trustee has not performed an audit, review or other verification of such information. An examination of the financial forecast as outlined in the Canadian Institute of Chartered Accountants (“CICA”) Handbook has not been performed. Future oriented financial information relied upon in this report is based on Sunridge’s assumptions regarding future events and actual results achieved will vary from this information and the variations may be material.

LIMITATION IN SCOPE OF REVIEW

4. The First Report has been prepared by the Trustee pursuant to the rules and regulations as set out in the BIA. The BIA provides that the Trustee shall incur no liability for any act or omission pursuant to its appointment or fulfillment of its duties, save and except for gross negligence or wilful misconduct on its part.
5. This First Report is not and should not be construed or interpreted as an endorsement, comment or recommendation to any creditor, prospective investor, or any persons to advance credit and/or goods and services or to continue to provide credit and/or goods and services or to lend monies to Sunridge during these proceedings and/or at any other such time.
6. The Trustee has not audited or reviewed the assets of Sunridge, and with respect to such assets, both have relied to a significant degree upon information provided by Sunridge.
7. The Trustee is specifically not directed or empowered to take possession of the assets of the Company or to manage any of the business and affairs of the Company.

INITIAL ACTIVITIES AND CONDUCT OF DEBTOR

8. Prior to the filing of the NOI, pursuant to an application by Northpoint Commercial Finance Canada Inc. ("Northpoint"), the Court of Queen's Bench of Alberta (the "Court") granted an order (the "First Interim Receiver Order") on February 10, 2016 appointing Deloitte & Touche Inc., also referred to as Deloitte Restructuring Inc. ("Deloitte" or the "Interim Receiver"), as Interim Receiver of property financed by, and subject to the security of Northpoint (the "Northpoint Inventory").
9. Subsequently, on March 4, 2016, pursuant to an application brought by TCF Commercial Finance Canada, Inc. ("TCF"), the Court granted a second interim

receiver order (the “Second Interim Receiver Order”) appointing Deloitte as Interim Receiver of property financed by TCF (the “TCF Inventory”).

10. The First Interim Receiver Order and the Second Interim Receiver Order (collectively, the “Interim Receiver Orders”) allow Deloitte to take possession and control of the Northpoint Inventory and the TCF Inventory including proceeds therefrom. We are advised that Deloitte has inspected the Northpoint Inventory and, we believe, the TCF Inventory, and has put in place measures to monitor the sale of the subject assets.
11. We are advised that the Interim Receiver has allowed Sunridge to make sales of the Northpoint Inventory and TCF Inventory in the normal course of operations.
12. Sunridge advises that it has made 21 sales of Northpoint Inventory since the filing of the NOI and that all required proceeds were paid to Northpoint through Deloitte. The Interim Receiver reported to the Court that it appears Sunridge has submitted the proper amounts for Northpoint Inventory sold after February 10, 2016.
13. The Interim Receiver advises that it has not been able to account for three specific recreational vehicles subject to TCF’s security. The Company advises the following:
 - a) Unit 1 was papered before filing the NOI and Sunridge was paid after the filing but no funds were paid to TCF in respect of the unit;
 - b) Unit 2 was sold after filing the NOI and funds will be paid to TCF; and
 - c) Unit 3 was sold and funds were paid to Sunridge prior to filing the NOI and these funds have not been paid to TCF.
14. Sunridge advises that it will make payment to TCF of the required proceeds from all sales of TCF Inventory going forward as required by the Second Interim Receiver Order.

COMPANIES INITIAL EFFORTS TO REFINANCE

15. The Proposal Trustee advises that the Company continues to work with the Proposal Trustee to provide the information necessary for the Proposal Trustee to carry out its duties and it also continues to pursue financing alternatives that may be sufficient to payout Northpoint and/or TCF.
16. The Company and Proposal Trustee have had numerous discussions with potential lenders who have showed interest in possibly providing financing. Two of the interested lenders declined to offer financing and one other continues to show interest as it continues its due diligence.
17. The Company has also received a non-binding letter of interest from a third party that may be willing to inject equity into the Company. The third party is conducting its due diligence and remains in discussions with the Company.

COMMENTS ON STATEMENT OF PROJECTED CASH-FLOW

18. Since filing the NOI, the Company has cooperated with the Proposal Trustee in developing the Statement of Projected Cash-Flow and other required documents.
19. Attached as **Exhibit 1** to this Report is the Statement of Projected Cash-Flow for the initial 13 week period from February 22 to May 24, 2016 (the "Initial Cash-Flow Statement"), Trustee's Report on Cash-Flow Statement, and Report on Cash-Flow Statement by the Person making the Proposal.
20. The Initial Cash-Flow Statement projects net cash-flow of approximately \$650,000 over the initial 13 week period.
21. The Initial Cash-Flow Statement was prepared on the belief that Sunridge would have the ability to sell all of the property in its inventory including the Northpoint Inventory and TCF Inventory. If the Northpoint Inventory and/or TCF Inventory is

not available to sell, it is highly unlikely the Company will be able to achieve the projected cash-flow which will compromise its ability to stay in business.

All of which is respectfully submitted this 9th day of March, 2016

**ALVAREZ & MARSAL CANADA INC.,
in its capacity as Trustee under the Notice
of Intention to Make a Proposal of
Sunridge RV Inc.**



Tim Reid, CA•CIRP
Senior Vice-President

Cal Shulha, CA•CIRP
Senior Director

Exhibit 1

In the Matter of the Proposal of Sunridge RV Inc.
Statement of Projected Cash-flow
For the 13 week period starting February 22, 2016 through May 24, 2016
Pursuant to Section 50(6) of the *Bankruptcy & Insolvency Act*
(Unaudited) (CS)

Note	WEEKLY - February 22, 2016 through May 24, 2016												
	Week 1	Week 2	Week 3	Week 4	Week 5	Week 6	Week 7	Week 8	Week 9	Week 10	Week 11	Week 12	Week 13
	Feb 22 - Mar 1	Mar 2 - 8	Mar 9 - 15	Mar 16 - 22	Mar 23 - 29	Mar 30 - Apr 5	Apr 6 - 12	Apr 13 - 19	Apr 20 - 26	Apr 27 - May 3	May 4 - 10	May 11 - 17	May 18 - 24
	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
Receipts													
# of units	11	11	11	11	11	14	14	14	14	14	19	19	19
Unit Sales (net)	\$ 43,158	\$ 43,158	\$ 43,158	\$ 43,158	\$ 43,158	\$ 54,929	\$ 54,929	\$ 54,929	\$ 54,929	\$ 54,929	\$ 74,546	\$ 74,546	\$ 74,546
F & I sales (net)	35,385	35,385	35,385	35,385	35,385	45,036	45,036	45,036	45,036	45,036	61,120	61,120	61,120
Service (net)	31,332	31,332	31,332	31,332	31,332	31,332	31,332	31,332	31,332	31,332	31,332	31,332	31,332
Fares (net)	6,707	6,707	6,707	6,707	6,707	6,707	6,707	6,707	6,707	6,707	6,707	6,707	6,707
Curtailment (net)	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
AR Collections	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500
Total Receipts	\$ 134,083	\$ 134,083	\$ 134,083	\$ 134,083	\$ 134,083	\$ 155,504	\$ 155,504	\$ 155,504	\$ 155,504	\$ 155,504	\$ 191,205	\$ 191,205	\$ 191,205
Disbursements													
Payroll / Hourly	32,500	-	32,500	-	32,500	-	32,500	-	32,500	-	-	32,500	-
Payroll OT	-	-	-	-	-	-	-	-	-	-	-	6,250	-
Payroll / Mgmt	22,745	-	22,745	-	22,745	-	22,745	-	22,745	-	-	22,745	-
Employee Benefits	8,500	-	-	-	-	8,500	-	-	-	8,500	-	-	-
Payroll / Commish	19,583	-	27,879	-	27,879	-	35,482	-	35,482	-	-	65,896	-
Shareholder wages	37,500	-	12,500	-	12,500	-	12,500	-	12,500	-	-	12,500	-
Lease Payments	2,234	-	2,640	-	-	2,234	-	-	-	2,234	-	-	-
Rental payments	61,000	-	-	-	-	61,000	-	-	-	61,000	-	-	-
Insurance	12,300	-	-	-	-	-	-	-	-	-	-	-	-
Utilities & telephone	1,740	1,740	1,740	1,740	1,740	1,740	1,740	1,740	1,740	1,740	1,740	1,740	1,740
Property Tax	5,975	-	-	-	-	5,975	-	-	-	5,975	-	-	-
Legal	-	-	-	-	-	-	-	-	-	-	-	-	-
Proposal Trustee	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest payments	-	-	-	-	-	-	-	-	-	-	-	-	-
WCB	-	-	47,024	-	-	-	-	-	-	-	-	28,034	-
Other expenses	12,800	12,800	12,800	12,800	12,800	12,800	12,800	12,800	12,800	12,800	12,800	12,800	12,800
GST	-	-	-	-	-	-	-	-	-	-	-	-	-
Corporate Tax Payment	-	-	-	-	-	-	-	-	-	-	-	-	-
Airline renovation costs	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Payments	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Disbursements	\$ 216,877	\$ 14,540	\$ 159,828	\$ 76,340	\$ 110,164	\$ 92,249	\$ 117,767	\$ 60,082	\$ 124,017	\$ 177,249	\$ 14,540	\$ 190,929	\$ 14,540
Net Cash Flow	\$ (82,795)	\$ 119,543	\$ (25,745)	\$ 57,743	\$ 23,919	\$ 63,254	\$ 37,736	\$ 95,421	\$ 31,486	\$ (21,746)	\$ 176,665	\$ 276	\$ 176,665
Bank Account - Opening	\$ 100,000	\$ 17,205	\$ 136,748	\$ 111,003	\$ 168,245	\$ 192,164	\$ 255,418	\$ 293,155	\$ 388,576	\$ 420,062	\$ 398,317	\$ 574,982	\$ 575,258
Bank Account - Closing	\$ 17,205	\$ 136,748	\$ 111,003	\$ 168,245	\$ 192,164	\$ 255,418	\$ 293,155	\$ 388,576	\$ 420,062	\$ 398,317	\$ 574,982	\$ 575,258	\$ 751,923
Shareholder injection	\$ 17,205	\$ 136,748	\$ 111,003	\$ 168,245	\$ 192,164	\$ 255,418	\$ 293,155	\$ 388,576	\$ 420,062	\$ 398,317	\$ 574,982	\$ 575,258	\$ 751,923
Revised Bank Account Closing	\$ 370,000	\$ 362,500	\$ 355,000	\$ 347,500	\$ 340,000	\$ 332,500	\$ 325,000	\$ 317,500	\$ 310,000	\$ 302,500	\$ 295,000	\$ 287,500	\$ 280,000
Accounts Receivable - Opening	\$ 17,500	\$ 17,500	\$ 17,500	\$ 17,500	\$ 17,500	\$ 17,500	\$ 17,500	\$ 17,500	\$ 17,500	\$ 17,500	\$ 17,500	\$ 17,500	\$ 17,500
Job revenues	\$ 362,500	\$ 355,000	\$ 347,500	\$ 340,000	\$ 332,500	\$ 325,000	\$ 317,500	\$ 310,000	\$ 302,500	\$ 295,000	\$ 287,500	\$ 280,000	\$ 272,500
Collections-Current	\$ 17,500	\$ 17,500	\$ 17,500	\$ 17,500	\$ 17,500	\$ 17,500	\$ 17,500	\$ 17,500	\$ 17,500	\$ 17,500	\$ 17,500	\$ 17,500	\$ 17,500
Accounts Receivable - Closing	\$ 370,000	\$ 362,500	\$ 355,000	\$ 347,500	\$ 340,000	\$ 332,500	\$ 325,000	\$ 317,500	\$ 310,000	\$ 302,500	\$ 295,000	\$ 287,500	\$ 280,000

Notes

The Projected Statement of Cash-flow was prepared by management for the purposes of section 50(6) of the *Bankruptcy & Insolvency Act* and should be read in conjunction with the Notes to Statement of Projected Cash-flow, the Report on Cash-flow Statement by the Person Making the Proposal and the Trustee's Report on Cash-flow Statement.

"Mike Sotzki"

Sunridge RV Inc.

Alvarez & Marsal Canada Inc. - Trustee

District of Alberta
Division No. 42 - Calgary
Chart/Return No. 25-094627

In the Matter of the Proposal of Sunridge RV Inc.
Statement of Projected Cash-Flow
For the 13 week period starting February 22, 2016 through May 24, 2016
Pursuant to Section 50(6) of the *Insolvency & Insolvency Act*
(Unaudited) (C\$)

Notes	WEEKLY - February 22, 2016 through May 24, 2016													13 week Total
	Feb 22 - Mar 1	Mar 2 - 8	Mar 9 - 15	Mar 16 - 22	Mar 23 - 29	Mar 30 - Apr 5	Apr 6 - 12	Apr 13 - 19	Apr 20 - 26	Apr 27 - May 3	May 4 - 10	May 11 - 17	May 18 - 24	
	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
Receipts														
a of units	11	11	11	11	11	11	11	11	11	11	11	11	11	11
Unit Sales (net)	\$ 43,158	\$ 43,158	\$ 43,158	\$ 43,158	\$ 43,158	\$ 43,158	\$ 43,158	\$ 43,158	\$ 43,158	\$ 43,158	\$ 43,158	\$ 43,158	\$ 43,158	\$ 43,158
F & I sales (net)	35,385	35,385	35,385	35,385	35,385	35,385	35,385	35,385	35,385	35,385	35,385	35,385	35,385	35,385
Service (net)	31,332	31,332	31,332	31,332	31,332	31,332	31,332	31,332	31,332	31,332	31,332	31,332	31,332	31,332
Parts (net)	6,707	6,707	6,707	6,707	6,707	6,707	6,707	6,707	6,707	6,707	6,707	6,707	6,707	6,707
Commodities (net)	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
AR Collections	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Total Receipts	\$ 134,083	\$ 134,083	\$ 134,083	\$ 134,083	\$ 134,083	\$ 134,083	\$ 134,083	\$ 134,083	\$ 134,083	\$ 134,083	\$ 134,083	\$ 134,083	\$ 134,083	\$ 134,083
Disbursements														
Payroll / Hourly	32,500	32,500	32,500	32,500	32,500	32,500	32,500	32,500	32,500	32,500	32,500	32,500	32,500	32,500
Payroll OT	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Payroll / Mgmt	22,745	22,745	22,745	22,745	22,745	22,745	22,745	22,745	22,745	22,745	22,745	22,745	22,745	22,745
Employee Benefits	8,500	8,500	8,500	8,500	8,500	8,500	8,500	8,500	8,500	8,500	8,500	8,500	8,500	8,500
Payroll / Commish	19,583	19,583	19,583	19,583	19,583	19,583	19,583	19,583	19,583	19,583	19,583	19,583	19,583	19,583
Shareholder wages	17,500	17,500	17,500	17,500	17,500	17,500	17,500	17,500	17,500	17,500	17,500	17,500	17,500	17,500
Lease Payments	2,254	2,254	2,254	2,254	2,254	2,254	2,254	2,254	2,254	2,254	2,254	2,254	2,254	2,254
Rental Payments	61,000	61,000	61,000	61,000	61,000	61,000	61,000	61,000	61,000	61,000	61,000	61,000	61,000	61,000
Insurance	12,300	12,300	12,300	12,300	12,300	12,300	12,300	12,300	12,300	12,300	12,300	12,300	12,300	12,300
Utilities & telephone	1,740	1,740	1,740	1,740	1,740	1,740	1,740	1,740	1,740	1,740	1,740	1,740	1,740	1,740
Property Tax	5,975	5,975	5,975	5,975	5,975	5,975	5,975	5,975	5,975	5,975	5,975	5,975	5,975	5,975
Legal	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proposal Trustee	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
WCB	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
GST	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Corporate Tax Payment	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Airline renovation costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Disbursements	\$ 216,677	\$ 216,677	\$ 216,677	\$ 216,677	\$ 216,677	\$ 216,677	\$ 216,677	\$ 216,677	\$ 216,677	\$ 216,677	\$ 216,677	\$ 216,677	\$ 216,677	\$ 216,677
Net Cash Flow	\$ 17,206	\$ 17,206	\$ 17,206	\$ 17,206	\$ 17,206	\$ 17,206	\$ 17,206	\$ 17,206	\$ 17,206	\$ 17,206	\$ 17,206	\$ 17,206	\$ 17,206	\$ 17,206
Bank Account - Opening	\$ 17,206	\$ 17,206	\$ 17,206	\$ 17,206	\$ 17,206	\$ 17,206	\$ 17,206	\$ 17,206	\$ 17,206	\$ 17,206	\$ 17,206	\$ 17,206	\$ 17,206	\$ 17,206
Bank Account - Closing	\$ 17,206	\$ 17,206	\$ 17,206	\$ 17,206	\$ 17,206	\$ 17,206	\$ 17,206	\$ 17,206	\$ 17,206	\$ 17,206	\$ 17,206	\$ 17,206	\$ 17,206	\$ 17,206
Shareholder Injection	\$ 17,206	\$ 17,206	\$ 17,206	\$ 17,206	\$ 17,206	\$ 17,206	\$ 17,206	\$ 17,206	\$ 17,206	\$ 17,206	\$ 17,206	\$ 17,206	\$ 17,206	\$ 17,206
Revised Bank Account Closing	\$ 17,206	\$ 17,206	\$ 17,206	\$ 17,206	\$ 17,206	\$ 17,206	\$ 17,206	\$ 17,206	\$ 17,206	\$ 17,206	\$ 17,206	\$ 17,206	\$ 17,206	\$ 17,206
Accounts Receivable - Opening	\$ 720,000	\$ 720,000	\$ 720,000	\$ 720,000	\$ 720,000	\$ 720,000	\$ 720,000	\$ 720,000	\$ 720,000	\$ 720,000	\$ 720,000	\$ 720,000	\$ 720,000	\$ 720,000
Accounts Receivable - Closing	\$ 720,000	\$ 720,000	\$ 720,000	\$ 720,000	\$ 720,000	\$ 720,000	\$ 720,000	\$ 720,000	\$ 720,000	\$ 720,000	\$ 720,000	\$ 720,000	\$ 720,000	\$ 720,000
Accounts Payable - Opening	\$ 362,500	\$ 362,500	\$ 362,500	\$ 362,500	\$ 362,500	\$ 362,500	\$ 362,500	\$ 362,500	\$ 362,500	\$ 362,500	\$ 362,500	\$ 362,500	\$ 362,500	\$ 362,500
Accounts Payable - Closing	\$ 362,500	\$ 362,500	\$ 362,500	\$ 362,500	\$ 362,500	\$ 362,500	\$ 362,500	\$ 362,500	\$ 362,500	\$ 362,500	\$ 362,500	\$ 362,500	\$ 362,500	\$ 362,500

Notes

The Projected Statement of Cash-Flow was prepared by management for the purposes of section 50(6) of the *Insolvency & Insolvency Act* and should be read in conjunction with the Notes to Statement of Projected Cash-Flow, the Statement of Financial Position, the Statement of Operations, the Statement of Cash-Flow, and the Interim Report on Cash-Flow Statement.

Sunridge RV Inc.

Aharez & Mursal Canada Inc. - Trustee

**In the Matter of the Notice of Intention to Make A Proposal of Sunridge RV Inc.
Notes to Statement of Projected Cash-Flow
For the Period of February 22, 2016 to May 24, 2016**

Notes and Assumptions:

Note 1: Purpose of Projected Cash-flow

The Statement of projected Cash-flow has been prepared solely for complying with the requirements of section 50(6) of the Bankruptcy & Insolvency Act to report the Company's projected cash-flows to the Official Receiver, the creditors and the Court. The Statement of Projected Cash-flow should be read in conjunction with the Trustee's Report on Cash-flow Statement and the Report on Cash-flow Statement by the Person Making the Proposal.

Note 2: Probable Assumptions

- a) The Company will continue to have use of its financed inventory to make sales. The Company will continue to pay the finance companies for sold items when funds are received.
- b) All payables are stayed up to February 22, 2016.
- c) The Company projects sales volumes will be similar to prior years.
- d) Sales are net of cost of goods and are based on historical gross margins. Sales and cost of sales are assumed to be collected and paid the same week. The projected cost of sales are based on historical amounts as a percentage of sales.
- e) AR collections are assumed to be \$7,500 per month.
- f) Disbursements are based on projected required monthly payments to continue operating.
- g) The projected administrative and other expenses are based on historical amounts and reflect changes that the Company has made to its operating structure.
- h) Other payments are the estimated general overhead and administrative costs not specifically identified above.
- i) GST arrears are stayed and will be dealt with in the proposal. Post filing GST is assumed to net to zero.
- j) Corporate tax owing is stayed.
- k) The Company anticipates spending \$35,000 to renovate the Airdrie sight in anticipation of it moving out of the Crossfield location and consolidating operations in Airdrie.
- l) Bank balances may be differ due to timing differences between sales receipts and payment of funds to inventory financier (see note 2d).

Note 3: Hypothetical Assumptions

None

District of: Alberta
Division No. 02 - Calgary
Court No. 25-094627
Estate No. 25-094627

_ FORM 29 _
Trustee's Report on Cash-Flow Statement
(Paragraphs 50(6)(b) and 50.4(2)(b) of the Act)

The attached statement of projected cash flow of Sunridge RV Inc., as of the 3rd day of March 2016, consisting of Statement of Projected Cash-flow including notes thereto covering the period February 22, 2016 to May 24, 2016, has been prepared by the management of the insolvent person for the purpose described in the notes attached, using the probable and hypothetical assumptions set out in the notes attached.

Our review consisted of inquiries, analytical procedures and discussion related to information supplied to us by: ☒ the management and employees of the insolvent person or ☐ 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 or ☐ the insolvent person 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 the notes attached, and readers are cautioned that it may not be appropriate for other purposes.

Dated at the city of Calgary in the Province of Alberta, this 3rd day of March 2016.

Alvarez & Marsal Canada Inc. - Trustee

Per: 

Tim Reid
Bow Valley Square 4
Suite 1110, 250 6th Ave SW
Calgary AB T2P 3H7
Phone: (403) 538-7555 Fax: (403) 538-7551

District of: Alberta
Division No. 02 - Calgary
Court No. 25-094627
Estate No. 25-094627

FORM 30

Report on Cash-Flow Statement by the Person Making the Proposal
(Paragraphs 50(6)(c) and 50.4(2)(c) of the Act)

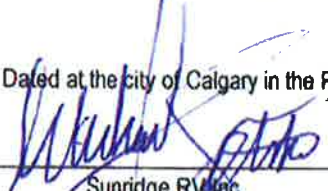
The Management of Sunridge RV Inc., has/have developed the assumptions and prepared the attached statement of projected cash flow of the insolvent person, as of the 3rd day of March 2016, consisting of Statement of Projected Cash-flow including notes thereto covering the period February 22, 2016 to May 24, 2016.

The hypothetical assumptions are reasonable and consistent with the purpose of the projection described in the notes attached, 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 the notes attached.

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 the notes attached, using a set of hypothetical and probable assumptions set out in the notes attached. Consequently, readers are cautioned that it may not be appropriate for other purposes.

Dated at the city of Calgary in the Province of Alberta, this 3rd day of March 2016.



Sunridge RV Inc.
Debtor



Name and title of signing officer

Name and title of signing officer