C A N A D A
PROVINCE OF ONTARIO
DISTRICT OF TORONTO
DIVISION NO.: 09-TORONTO
COURT NO.: 31-3435687
ESTATE NO.: 31-3435687

O N T A R I O
S U P E R I O R C O U R T O F J U S T I C E
Commercial List
In Bankruptcy and Insolvency

IN THE MATTER OF THE BANKRUPTCY OF:

BRITMAN SPECIALTY PRODUCTS INC.
a body politic and corporate, duly incorporated according to law and having its head office at 21 Bywood Drive, Etobicoke, ON M9A 1L6

Bankrupt

and-

RICHTER INC.

Trustee

TRUSTEE'S REPORT TO THE FIRST MEETING OF CREDITORS

On July 19, 2024, pursuant to an application filed by the Toronto Dominion Bank ("**TD Bank**"), the Honourable Justice Black of Superior Court of Justice (Commercial List) (the "**Court**") issued an Order appointing Richter Inc. ("**Richter**") as interim receiver of all of the assets, undertakings and properties of Buchh Holding Inc. ("**Buchh Holding**"), 2371561 Ontario Inc. ("**UGP**"), Britman Specialty Products Inc. ("**BSP**"), Rotalec International Inc. ("**Rotalec International**") and Rotalec Canada Inc. ("**Rotalec Canada**"), pursuant to subsection 47(1) of the Bankruptcy and Insolvency Act, R.S.C. 1985, c. B-3, as amended (the "**BIA**").

On July 31, 2024, the Honourable Justice Kimmel of the Court issued an Order (the "**Receivership Order**") appointing Richter as receiver ("**Receiver**") of Buchh Holding, BSP, Rotalec International and Rotalec Canada (collectively, the "**Companies**" or "**Debtors**"). As noted in the endorsement of Justice Kimmel, UGP was excluded from the Receivership Order.

On October 13, 2026, the Debtors were assigned into bankruptcy by the Receiver pursuant to section 49 of the BIA and Richter was appointed trustee ("**Trustee**") of the estates of the bankrupts by the Official Receiver, subject to affirmation by the creditors at the first meeting of creditors.

The purpose of this report is to inform interested parties about the Trustee's preliminary administration and findings.

The information contained in this report has been prepared from the available books and records of the Companies, statutory filings and information obtained during the receivership proceedings. The books and records have not been audited or otherwise verified by the Trustee. Consequently, the Trustee expresses no opinion or other form of assurance with respect to the validity, accuracy or completeness of the information contained herein.

I. INTRODUCTION

BSP's (the "**Company**" or the "**Bankrupt**") business primarily consisted of the sale of locking devices to customers in the furniture industry.

The Company incurred a significant decline in sales and did not have the financial resources to continue its operations.

As previously noted, Richter was appointed Receiver of the Company. Prior to bankruptcy, the principal asset realizations had been completed in the receivership proceedings and the Bankrupt had ceased carrying on active operations subsequent to the Receivership Order.

II. FINANCIAL INFORMATION

As previously indicated, the Company ceased operations in July 2024, following the appointment of the Receiver. The following table summarizes the most recent financial information available prior to the Receiver being appointed:

Britman Specialty Products Financial Results Summary *(in 000's)*	**(5 mo's) 5/31/2024**	**Unaudited 12/31/2023**
Sales	68	396
Cost of goods sold	48	209
Gross profit	20	187
Expenses	15	164
Net income	**$ 5**	**$ 23**

As reflected in the above table, the Company experienced a sharp decline in sales. In addition, the inventory balance of approximately $325,000 reported as at May 31, 2024 was materially overstated. The resulting write-down of the inventory would have resulted in a significant operating loss for the Company.

For additional financial information, please refer to the Receiver's First Report to Court dated September 9, 2024 which can be found at https://www.richter.ca/insolvencycase/rotalec-canada-inc/

III. STATEMENT OF AFFAIRS

In accordance with the BIA, a Statement of Affairs showing the Bankrupt's assets and liabilities as at the date of bankruptcy (the "**Statement of Affairs**") was prepared and signed by the Trustee, in its capacity as Receiver, from the available books and records. The following summarizes the information contained in the Bankrupt's Statement of Affairs, which has not been validated by the Trustee.

A) Assets

The Statement of Affairs reflects no assets as at the date of bankruptcy.

The Company's assets were realized through the receivership proceedings. Such realizations consisted solely of collections of accounts receivable, as the inventory on hand at the commencement of the receivership had no realizable value.

Total net proceeds from the collection of accounts receivable totaled approximately $50,000 and will be distributed to TD Bank, the secured lender in the receivership proceedings.

B) Liabilities

Based on the available information, we provide the following preliminary information regarding the estimated liabilities of the Debtor. The Bankrupt's liabilities as at the date of bankruptcy can only be determined once proofs of claim have been filed by creditors and reviewed by the Trustee.

- **Secured Creditor**

  According to the Statement of Affairs, TD Bank holds a secured claim in the amount of $2,627,299, which is the full amount owed by all of the Debtors, net of distributions received in the receivership, which is cross collateralized. However, because the Bankrupt has no remaining assets subject to TD Bank's security, the full amount of the claim is reflected as unsecured in the Statement of Affairs.

  During the receivership proceedings, the Receiver obtained an opinion from its legal counsel Fasken Martineau DuMoulin S.E.N.C.R.L. regarding the validity and enforceability of TD Bank's security.

  TD Bank has provided a guarantee in respect of the Trustee's fees and expenses in respect of the bankruptcy.

- **Preferred Creditors**

  The Trustee is not presently aware of any amounts owing to governmental authorities that would rank in priority to ordinary unsecured claims in the bankruptcy.

  Certain priority payments with respect to unpaid wages were made during the receivership proceedings.

- **Unsecured Creditors**

  According to the Statement of Affairs, ordinary unsecured creditors total approximately $2.8 million, including the unsecured portion owed to the secured lenders. As of the date of this Report, the Trustee has not received sufficient proofs of claim to determine the actual amount owing to ordinary unsecured creditors. Given that there are no assets available for distribution to ordinary unsecured creditors, the Trustee does not presently anticipate undertaking a claims adjudication process in respect of ordinary unsecured claims.

IV. SUMMARY OF THE PRELIMINARY ADMINISTRATION

A) Books and Records

The Trustee has access to the available books and records previously obtained or reviewed them in connection with the receivership proceedings. The Trustee will retain such records, or arrange access to them, as required to complete the administration of the estate.

B) Security and Protective Measures

The Company is no longer operating, does not occupy any premises and has no assets. Accordingly, the Trustee was not required to take any security or protective measures.

C) Statutory Administration

- The Trustee obtained the certificate of appointment and opened the bankruptcy estate.
- The Trustee issued the notice of bankruptcy and first meeting of creditors and made the prescribed forms available to creditors.
- The Trustee will respond to creditor inquiries and perform the statutory administration required under the BIA.

D) Reviewable Transactions and Preferential Payments

The Trustee has not yet conducted a review of the Bankrupt's books and records with respect to potential preferential payments, transfers at undervalue or other reviewable transactions under the BIA. The Trustee, upon completion of the review, will discuss its findings with the Inspectors.

V. ANTICIPATED REALIZATION AND PROJECTED DISTRIBUTION

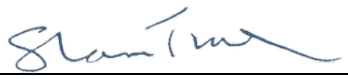
Based on the realizations completed during the receivership and the amounts owing to the secured creditor, the Trustee does not anticipate any distribution to preferred or ordinary unsecured creditors. Should any recoveries be identified, the Trustee will determine the entitlement to such recoveries having regard to the applicable security and priorities.

DATED AT MONTRÉAL, this 23rd day of October 2026.

RICHTER INC.
Licensed Insolvency Trustee



Andrew Adessky, CPA, CIRP, LIT
Administrator of the Bankruptcy



Shawn Travitsky, CPA, CIRP, LIT