



INSOLVENCY CONSULTANTS & TRUSTEE IN BANKRUPTCY

1140 – 800 W Pender Street
Vancouver, BC V6C 2V6
Tel 604 605 3335
Fax 604 605 3359
www.boalewood.ca

District of: British Columbia
Division No: 3
Court No:
Estate No: 11-1984410

FORM 67

Notice of Bankruptcy and First Meeting of Creditors

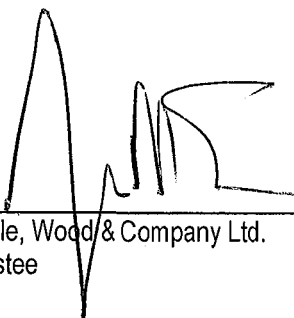
(Subsection 102(1) of the Act)

In the Matter of the Bankruptcy of KINSHIP MARITIME INC.

Take notice that:

1. KINSHIP MARITIME INC. filed an assignment on the 17th day of April, 2015, and the undersigned, Boale, Wood & Company Ltd., was appointed as trustee of the estate of the bankrupt by the official receiver, subject to affirmation by the creditors of the trustee's appointment or substitution of another trustee by the creditors.
2. The first meeting of creditors of the bankrupt will be held on the 6th day of May, 2015, at 10:00 AM o'clock, at the office of 2nd Floor Boardroom, at 230 - 830 West Pender Street, Vancouver, British Columbia.
3. To be entitled to vote at the meeting, a creditor must lodge with the trustee, before the meeting, a proof of claim and, where necessary, a proxy.
4. Enclosed with this notice is a form of proof of claim, a form of proxy, and a list of creditors with claims amounting to 25 dollars or more, showing the amounts of their claims.
5. Creditors must prove their claims against the estate of the bankrupt in order to share in any distribution of the proceeds realized from the estate.

Dated at Vancouver, this 20th day of April, 2015.



Boale, Wood & Company Ltd.
Trustee



Industry Canada
Office of the Superintendent
of Bankruptcy Canada

Industrie Canada
Bureau du surintendant
des faillites Canada

District of: British Columbia
Division No.: 03 - Vancouver
Court No.: 11-1984410
Estate No.: 11-1984410

In the Matter of the Bankruptcy of:

KINSHIP MARITIME INC.
Debtor

BOALE, WOOD & COMPANY LTD.
Trustee

Ordinary Administration

Date and time of bankruptcy:	April 17, 2015, 12:38	Security:	\$0.00
Date of trustee appointment:	April 17, 2015		
Meeting of creditors:	May 06, 2015, 10:00 2nd Floor Boardroom 230 - 830 WEST PENDER STREET VANCOUVER, British Columbia Canada,		
Chair:	Trustee		

CERTIFICATE OF APPOINTMENT - Section 49 of the Act: Rule 85

I, the undersigned, official receiver in and for this bankruptcy district, do hereby certify that:

- the aforementioned debtor filed an assignment under section 49 of the *Bankruptcy and Insolvency Act*;
- the aforementioned trustee was duly appointed trustee of the estate of the debtor.

The said trustee is required:

- to provide to me, without delay, security in the aforementioned amount;
- to send to all creditors, within five days after the date of the trustee's appointment, a notice of the bankruptcy; and
- when applicable, to call in the prescribed manner a first meeting of creditors, to be held at the aforementioned time and place or at any other time and place that may be later requested by the official receiver.

Date: April 17, 2015, 15:58

E-File/Dépôt Electronique

Official Receiver

300 Georgia Street W, Suite 2000, Vancouver, British Columbia, Canada, V6B6E1, (877)376-9902

Canada

District of: British Columbia
 Division No: 3
 Court No:
 Estate No:

FORM 78

Statement of Affairs (Business Bankruptcy)

(Subsection 49(2) and Paragraph 158(d) of the Act)

In the Matter of the Bankruptcy of KINSHIP MARITIME INC.

Original

Amended

To the Bankrupt:

You are required to carefully and accurately complete this Form and the applicable attachments, showing the state of your affairs on the date of your bankruptcy, on the 17th day of April, 2015. When completed, this Form and the applicable attached lists will constitute your Statement of Affairs and must be verified by oath or solemn declaration.

LIABILITIES (As stated and estimated by Bankrupt)		
1.	Unsecured creditors as per list "A"	\$738,419.56
2.	Secured creditors as per list "B"	\$27,688.45
3.	Preferred creditors as per list "C"	\$11,925.00
4.	Contingent, trust claims or other liabilities as per list "D"	\$0.00
	estimated to be reclaimable for	\$0.00
Total Liabilities		\$778,033.01
Surplus		\$0.00

ASSETS (As stated and estimated by Bankrupt)		
1.	Inventory	\$4,000.00
2.	Trade fixtures, etc	\$0.00
3.	Accounts receivable and other receivables, as per List "E"	
	Good	\$0.00
	Doubtful	\$7,000.00
	Bad	\$10,000.00
	Estimated to produce	\$4,000.00
4.	Bills of exchange, promissory note, etc., as per List "F"	\$0.00
5.	Deposits in Financial Institutions	\$0.00
6.	Cash	\$1,200.00
7.	Livestock	\$0.00
8.	Machinery, equipment and plant	\$58,000.00
9.	Real property or immovable as per List "G"	\$0.00
10.	Furniture	\$4,000.00
11.	RRSPs, RRIFs, Life insurance, etc.	\$0.00
12.	Securities (Shares, Bonds, Debentures, etc.)	\$0.00
13.	Interests under wills	\$0.00
14.	Vehicles	\$0.00
15.	Other property, as per List "H"	\$207,000.00
<i>If Bankrupt is a corporation, add:</i>		
	Amount of subscribed capital	
	Amount paid on capital	
	Balance subscribed and unpaid	
	Estimated to produce	
Total Assets		\$278,200.00
Deficiency		\$499,833.01

I, Garth Baird McKeil, of KINSHIP MARITIME INC. of the City of Sechart in the Province of British Columbia, do swear (or solemnly declare) that this statement and the attached lists are to the best of my knowledge a full, true and complete statement of its affairs on the 17th day of April, 2015 and fully disclose all property of every description that is in its possession or that may devolve on it in accordance with the Act.

SWORN (or SOLEMNLY DECLARED) before me at Vancouver in the Province of British Columbia, on this 17th day of April, 2015

Stephen A. Boale
 Commissioner of Oaths
 for the Province of British
 Columbia

Signature of Bankrupt

STEPHEN A. BOALE
 A Commissioner for taking Affidavits
 for the province of British Columbia
 Expiry Date: Jan 31, 2017

List "A"
Unsecured Creditors
KINSHIP MARITIME INC.

No	Name of Creditor	Address	Amount of Claim
1	ARTAN ENTERPRISES LTD.	6334 Norwest Bay Rd., Sechelt, British Columbia, Canada, V0N 3A7	\$1,490.00
2	BC HYDRO & POWER AUTHORITY	6900 Southpoint Drive, Podium C-01, Burnaby, British Columbia, Canada, V3N 4X8	\$747.91
3	BONNIEBROOK INDUSTRIES LTD.	P.O. Box 317 491 Pratt Road, Gibsons, British Columbia, Canada, V0N 1V0	\$321.00
4	C.I.B.C. - VISA	c/o Techcom Managed Services Inc. 6 - 6150 Hwy 7, PO Box 486, Woodbridge, Ontario, Canada, L4H 0R6	\$17,017.51
5	CANADA REVENUE AGENCY - BFTSO	Regional Intake Centre for Insolvency PO Box 11575, Station Main, Surrey, British Columbia, Canada, V3T 0E5	\$0.00
6	CHOQUER & SON MACHINE & WELDING LTD.	5977 A Sechelt Inlet Road, Sechelt, British Columbia, Canada, V0N 3A3	\$12,587.98
7	COAST CABLE	P.O. Box 3682, Vancouver, British Columbia, Canada, V6B 3Y8	\$219.34
8	COASTAL SEATRUCKING LTD	274 South Murphy St., Campbell River, British Columbia, Canada, V9W 1Y7	\$15,500.00
9	DIRECT DISPOSAL	P.O. Box 34, Sechelt, British Columbia, Canada, V0N 3A0	\$247.94
10	DIVERSIFIED MARINE LTD.	7761 Hart Rd., Halfmoon Bay, British Columbia, Canada, V0N 1Y1	\$17,062.50
11	DOUG ANDERSON - INNER NETWORK INC	2302 - 1122 Gilford St., Vancouver, British Columbia, Canada, V6G 2P5	\$0.00
12	G.HARRIS DIESEL SERVICE LTD.	1117 Sunshine Coast Hwy, Gibsons, British Columbia, Canada, V0N 1V4	\$5,770.17
13	GARTH MCKEIL	7722 Fawn Road, Halfmoon Bay, British Columbia, Canada, V0N 1Y1	\$425,915.28
14	GENERAL TOWING LTD	PO Box 513 Stn A, Campbell River, British Columbia, Canada, V9W 5C1	\$17,850.00
15	GIBSON LANDING HARBOUR AUTHORITY	PO Box 527, Gibsons, British Columbia, Canada, V0N 1V0	\$1,935.16
16	GREEN'S MOBILE MARINE REPAIRS LTD.	PO Box 1047, Sechelt, British Columbia, Canada, V0N 3A0	\$2,968.84
17	HIBALLER TRANSPORTATION	5510 Hydaway Place, Halfmoon Bay, British Columbia, Canada, V0N 1Y2	\$3,570.00
18	JERVIS SERVICES LTD	6640 Reeves Rd., Sechelt, British Columbia, Canada, V0N 3A8	\$1,325.80
19	KNIGHT CONSTRUCTION & SUPPLY INC.	28308 N. Cedar Rd., Deer Park, Washington, USA, 99006-	\$122,697.17
20	KNIGHT EZ DOCK INC.	28308 N. Cedar Rd., Deer Park, Washington, USA, 99006-	\$70,616.23
21	LIGHTHOUSE MARINA LTD.	PO Box 137, Sechelt, British Columbia, Canada, V0N 3A0	\$1,484.51
22	MINISTER OF FINANCE AND CORP. RELATIONS	Revenue Division PO Box 9445, Stn. Prov. Govt., Victoria, British Columbia, Canada, V8W 9V5	\$0.00
23	NOAH'S PREMIUM BOTTLED WATER	P.O. Box 475, Sechelt, British Columbia, Canada, V0N 3A0	\$56.00
24	NORRIS OIL SALES LTD	P.O. Box 198, Sechelt, British Columbia, Canada, V0N 1V0	\$74.74
25	ONE - TWO EXPRESS LTD	656 Cypress Place, Gibsons, British Columbia, Canada, V0N 1V5	\$34.80
26	PAUL PAINTING PLACE LTD.	P.O. Box 1493 5476 Trail Ave, Sechelt, British Columbia, Canada, V0N 3A0	\$25.39
27	PORPOISE BAY LOGGING LTD	c/o Burn Fitzpatrick Rogers Schwartz & Turner Suite 1400, 510 Burrard Street, Vancouver, British Columbia, Canada, V6C 3A8	\$1,985.01
28	RAPID TOWING COMPANY LTD	218 Concordia Place, Nanaimo, British Columbia, Canada, V9R 6A9	\$2,400.00
29	RENT - IT CANADA	P.O. Box 1548, Sechelt, British Columbia, Canada, V0N 3A0	\$1,359.13
30	SEABIRD RENTALS LTD.	P.O. Box 549 1023 Venture Way, Gibsons, British Columbia, Canada, V0N 1V0	\$2,119.45
31	SECHELT TRUCK AND EQUIPMENT LTD	4746 Laurel Ave, Sechelt, British Columbia, Canada, V0N 3A2	\$1,489.83
32	SHIP SHAPE PROPELLERS	P.O. Box 306, Sechelt, British Columbia, Canada, V0N 3A0	\$358.40
33	TD CANADA TRUST	4720 Tahoe Blvd., 3rd Floor, Mississauga, Ontario, Canada, L4W 5P2	\$0.00
34	TELUS COMMUNICATIONS INC.	4th Floor - 4519 Canada Way, Burnaby, British Columbia, Canada, V5G 4S4	\$817.37
35	TELUS MOBILITY PAGING INC.	1 - 4519 Canada Way, Burnaby, British Columbia, Canada, V5G 4S4	\$32.34
36	TILDA ENTERPRISES LTD	6016 Waldbank Rd, Nanaimo, British Columbia, Canada, V9V 1N3	\$2,321.76
37	WAKEFIELD HANSON MARINE SERVICES INC.	PO Box 550, Sechelt, British Columbia, Canada, V0N 3A0	\$5,985.00

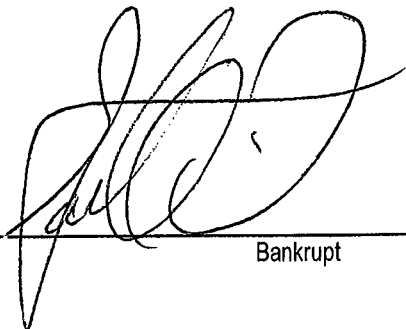
Bankrupt

17th day of April, 2015

Date

List "A"
Unsecured Creditors
KINSHIP MARITIME INC.

No	Name of Creditor	Address	Amount of Claim
38	WORK SAFE BC	6951 Westminster Highway, Richmond, British Columbia, Canada, V7C 1C6	\$33.00
Total:			\$738,419.56

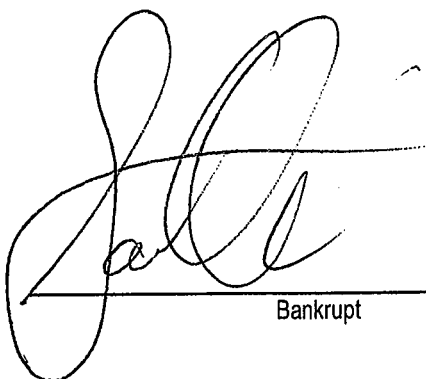


Bankrupt

17th day of April, 2015
Date

List "B"
Secured Creditors
KINSHIP MARITIME INC.

No	Name and Address of Creditor Nature of Claim Particulars of Security	When Given	Amount of Claim	Estimated Value of Security	Estimated Surplus from Security	Balance of Claims Unsecured
1	CANADA REVENUE AGENCY - BFTSO Regional Intake Centre for Insolvency PO Box 11575, Station Main Surrey, British Columbia, V3T 0E5 CAS - CASH IN BANK FUR - OFFICE FURNITURE & EQUIPMENT REC - ACCOUNT RECEIVABLES OTH - MAYUK KNIGHT TUG BOAT OTH - KINGFISHER CREW BOAT MEP - TOOLS & EQUIPMENT MEP - TIE UP DOCKS MEP - FORKLIFT INV - INVENTORY OTH - MAYUK REBEL BOAT MEP - BARGE AND RAMP	17 Apr 2015	\$1,788.45	\$217,300.00	\$215,511.55	\$0.00
2	COMMUNITY FUTURES DEVELOPMENT CORPORATION OF THE SUNSHINE COAST BOX 128 Sechelt, British Columbia, V0N 3A0 OTH - KINGFISHER CREW BOAT	19 Aug 2014	\$25,000.00	\$60,000.00	\$35,000.00	\$0.00
3	DAVE C. HEHR C/O Boale, Wood & Company Vancouver, British Columbia, V6C 2V6 CAS - CASH IN BANK REC - ACCOUNT RECEIVABLES INV - INVENTORY	17 Apr 2015	\$900.00	\$900.00	\$0.00	\$0.00
Totals			\$27,688.45	\$278,200.00	\$250,511.55	\$0.00

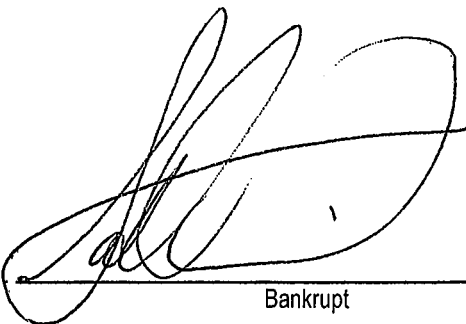


Bankrupt

17th day of April, 2015
Date

List "C"
 Preferred Creditors for Wages, Rent, etc.
 KINSHIP MARITIME INC.

No	Name of Creditor Address Occupation	Nature of Claim	Period During Which Claim Occured	Amount of Claim	Amount Payable in Full	Difference Ranking for Dividend
1	PORPOISE BAY LOGGING LTD c/o Burn Fitzpatrick Rogers Schwartz & Turner Suite 1400, 510 Burrard Street Vancouver, British Columbia, V6C 3A8			\$11,925.00		
Totals:				\$11,925.00		



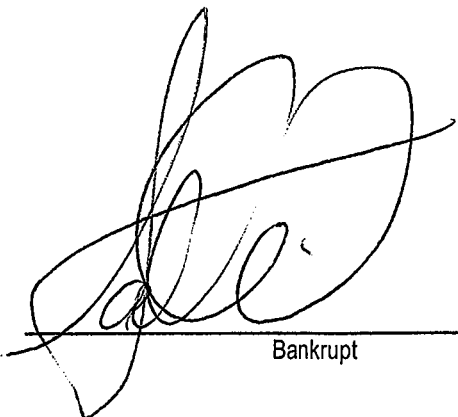
 Bankrupt

17th day of April, 2015

 Date

List "D"
Contingent or Other Liabilities
KINSHIP MARITIME INC.

No	Name of Creditor or Claimant, Address and Occupation	Amount of Liability or Claim	Amount expected to rank for dividend	Date when liability incurred	Nature of liability
Total:					



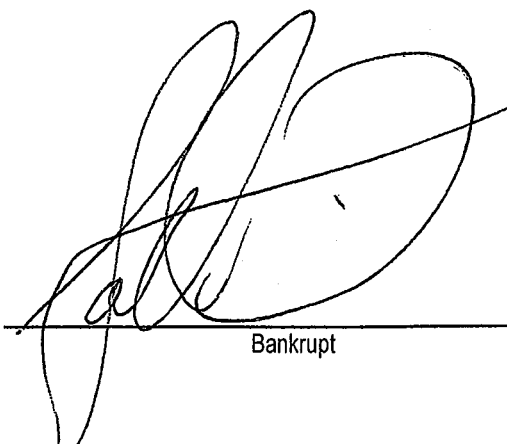
Bankrupt

17th day of April, 2015

Date

List "E"
 Debts Due to the Bankrupt
 KINSHIP MARITIME INC.

No	Name of Debtor Address Occupation	Nature of Debt Particulars of Security Folio Ledger for Particulars	Debt Good Doubtful Bad	When contracted	Estimated to produce
1	ACCOUNT RECEIVABLES 5536 Kontiki Road Sechelt, British Columbia, V0N 3A3	ACCOUNT RECEIVABLES	\$0.00 \$7,000.00 \$10,000.00		\$4,000.00
Total:					\$4,000.00



 Bankrupt

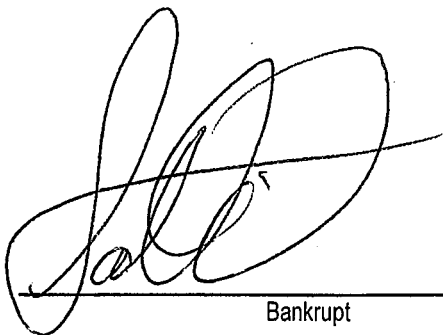
17th day of April, 2015

 Date

List "F"
 Bills of Exchange, Promissory Notes, Lien Notes, Chattel Mortgages, etc., Available as Assets

KINSHIP MARITIME INC.

No	Name of all promissory, acceptors, endorsers, mortgagors and guarantors, Address and Occupation	Amount of bill or note, etc.	Date when due	Estimated to produce	Particular of any property held as security for payment of bill or note, etc.
Total:					



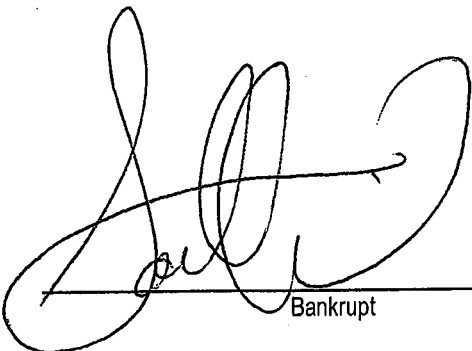
Bankrupt

17th day of April, 2015

Date

List "G"
 Real Property or Immovable Owned by Bankrupt
 KINSHIP MARITIME INC.

No	Description of property, Nature of Bankrupt's interest, In whose name does title stand	Total value	Particulars of mortgages, hypothecs, or other encumbrances		Equity or surplus
			Name, Address	Amount	
Total					

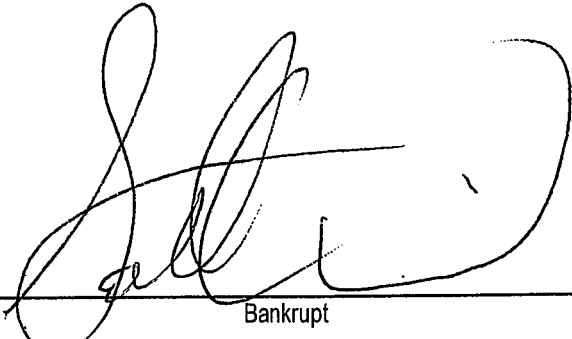


 Bankrupt

 17th day of April, 2015
 Date

List "H"
Property
KINSHIP MARITIME INC.

No	Nature of Property	Location and Details of Property	Original Cost	Estimated to Produce
1	Inventory	INVENTORY 5536 Kontiki Road, Sechelt, British Columbia, Canada, V0N 3A3	\$0.00	\$4,000.00
2	Cash	CASH IN BANK 5536 Kontiki Road, Sechelt, British Columbia, Canada, V0N 3A3	\$0.00	\$300.00
3	Machinery, Equipment, Plant	TOOLS & EQUIPMENT 5536 Kontiki Road, Sechelt, British Columbia, Canada, V0N 3A3	\$0.00	\$5,000.00
4	Machinery, Equipment, Plant	TIE UP DOCKS 5536 Kontiki Road, Sechelt, British Columbia, Canada, V0N 3A3	\$0.00	\$12,000.00
5	Machinery, Equipment, Plant	FORKLIFT 5536 Kontiki Road, Sechelt, British Columbia, Canada, V0N 3A3	\$0.00	\$1,000.00
6	Machinery, Equipment, Plant	BARGE AND RAMP 5536 Kontiki Road, Sechelt, British Columbia, Canada, V0N 3A3	\$0.00	\$40,000.00
7	Furniture	OFFICE FURNITURE & EQUIPMENT 5536 Kontiki Road, Sechelt, British Columbia, Canada, V0N 3A3	\$0.00	\$2,211.55
8	Other Properties	MAYUK KNIGHT TUG BOAT Consolidated Civil Enforcement Inc. 5977A Sechelt Inlet Rd, Sechelt, British Columbia, Canada, V0N 3A3	\$0.00	\$95,300.00
9	Other Properties	KINGFISHER CREW BOAT Choquer & Sons 5977A Sechelt Inlet Rd, Sechelt BC V0N 3A3, Sechelt, British Columbia, Canada	\$0.00	\$35,000.00
10	Other Properties	MAYUK REBEL BOAT Green's Mobile Marine Repairs, Sechelt, British Columbia, Canada, V0N 3A0	\$0.00	\$27,000.00
Total:			\$0.00	\$221,811.55



Bankrupt

17th day of April, 2015

Date



TRUSTEE IN BANKRUPTCY
 #1140 – 800 West Pender Street
 Vancouver, BC V6C 2V6

Tel: (604) 605-3335
 Fax: (604) 605-3359
 www.boalewood.ca

FORM 31
Proof of Claim

(Section 50.1, Subsections 65.2(4), 81.2(1), 81.3(8), 81.4(8), 81.5, 81.6, 102(2), 124(2), 128(1), and Paragraphs 51(1)(e) and 66.14(b) of the Act)

All notices or correspondence regarding this claim must be forwarded to the following address:

In the Matter of the Bankruptcy (or Proposal, or Receivership) of _____
 (Name of debtor) of _____ (city and province)
 and the claim of _____, creditor.

I, _____ (name of creditor or representative of the creditor), of _____ (city and province), do hereby certify:

1. That I am a creditor of the above-named debtor (or that I am _____ (state position or title) of _____ (name of creditor or representative of the creditor)).
2. That I have knowledge of all the circumstances connected with the claim referred to below.
3. That the debtor was, at the date of bankruptcy (or the date of the receivership, or in the case of a proposal, the date of the notice of intention or of the proposal, if no notice of intention was filed), namely the _____ day of _____, 2015, and still is, indebted to the creditor in the sum of \$ _____, as specified in the statement of account (or affidavit) attached and marked Schedule "A", after deducting any counterclaims to which the debtor is entitled. (The attached statement of account or affidavit must specify the vouchers or other evidence in support of the claim.)

4. (Check and complete appropriate category.)

A. UNSECURED CLAIM OF \$ _____

(Other than a securities firm customer as contemplated by Section 262 of the Act)

That in respect of this debt, I do not hold any assets of the debtor as security and
 (Check appropriate description)

- Regarding the amount of \$ _____, I claim a right to a priority under section 136 of the Act.
 Regarding the amount of \$ _____, I do not claim a right to a priority.
 (Set out on an attached sheet details to support priority claim.)

B. CLAIM OF LESSOR FOR DISCLAIMER OF A LEASE \$ _____

That I hereby make a claim under subsection 65.2(4) of the Act, particulars of which are as follows:
 (Give full particulars of the claim, including the calculations upon which the claim is based.)

C. SECURED CLAIM OF \$ _____

That in respect of this debt, I hold assets of the debtor valued at \$ _____ as security, particulars of which are as follows:
 (Give full particulars of the security, including the date on which the security was given and the value at which you assess the security, and attach a copy of the security documents.)

D. CLAIM BY FARMER, FISHERMAN OR AQUACULTURIST OF \$ _____

That I hereby make a claim under subsection 81.2(1) of the Act for the unpaid amount of \$ _____,
 (Attach a copy of sales agreement and delivery receipts.)

E. CLAIM BY WAGE EARNER OF \$ _____

- That I hereby make a claim under subsection 81.3(8) of the Act in the amount of \$ _____,
 That I hereby make a claim under subsection 81.4(8) of the Act in the amount of \$ _____,

F. CLAIM BY EMPLOYEE FOR UNPAID AMOUNT REGARDING PENSION PLAN OF \$ _____

That I hereby make a claim under subsection 81.5 of the Act in the amount of \$ _____.
 That I hereby make a claim under subsection 81.6 of the Act in the amount of \$ _____.

G. CLAIM AGAINST DIRECTOR \$ _____

(To be completed when a proposal provides for the compromise of claims against directors.)

That I hereby make a claim under subsection 50(13) of the Act, particulars of which are as follows:
 (Give full particulars of the claim, including the calculations upon which the claim is based.)



TRUSTEE IN BANKRUPTCY
#1140 – 800 West Pender Street
Vancouver, BC V6C 2V6
www.boalewood.ca

Tel: (604) 605-3335
Fax: (604) 605-3359

INSTRUCTIONS FOR COMPLETEING PROOFS OF CLAIM

This checklist is provided to assist you in preparing a proof of claim form, and where required, proxy form in a complete and accurate manner. Please specifically check each requirement. **CLAIMS NOT COMPLETED CORRECTLY IN EVERY RESPECT WILL BE RETURNED.**

GENERAL

- * The signature of a witness is required.
- * The claim must be signed personally by the **individual** completing this declaration.
- * Give the complete address where all notices or correspondence is to be forwarded.
- * The amount on the Statement of Account must correspond to the amount on the proof of claim.

PARAGRAPH (1)

- * The creditor must state full and complete legal name of company or firm.
- * If the individual completing the proof of claim is not the creditor himself, he must state his position or title.

PARAGRAPH (3)

- * **A detailed statement of account must be attached.** If the claim is for a guarantee, a copy of the guarantee must be attached.
- * The Schedule A or Statement of Account must be complete and detailed and must show the date, the number and the amount of all the invoices or charges, together with the date, the number and the amount of all credits or payments. A statement of account is **not** complete if it begins with an amount brought forward.

PARAGRAPH (4)

- * An unsecured creditor must strike out sub-paragraphs B, C, D and E.
- * A preferred creditor (as allowed by section 136 of the *Bankruptcy and Insolvency Act*) must strike out sub-paragraphs B, C, D and E and must complete sub-paragraph A by checking the appropriate description.
- * A secured creditor must strike out sub-paragraphs A, B, D and E and must complete sub-paragraph C and provide a certified true copy of the security instrument as registered.
- * A farmer, fisherman or aquaculturist must strike out sub-paragraphs A, B, C and E. A claim by a farmer, fisherman or aquaculturist must attach a copy of the sales agreement and delivery documents.

PARAGRAPH (5)

- * All claimants must indicate if he or she is related or not to the debtor, as defined in Section 4 of the *Bankruptcy and Insolvency Act*, by striking out "AM" or "AM NOT".

PARAGRAPH (6)

- * All claimants must attach a detailed list of all payments or credits received or granted, as follows:
 - (a) within the three (3) months preceding the bankruptcy or the proposal, in the case where the claimant and the debtor are not related.
 - (b) within the twelve (12) months preceding the bankruptcy or the proposal, in the case where the claimant and the debtor are related.

Excerpt from the *Bankruptcy and Insolvency Act*

**PREFERRED CLAIMS
SECTION 136 (CONDENSED)**

ORDER OF DISTRIBUTION (Subject to secured creditors)

- (1) The cost of administration of the estate.
 - (a) The expenses and fees of the Trustee
 - (b) Legal costs of the estate
- (2) Wages, salaries and commissions for services rendered in the six months preceding the bankruptcy, to a maximum of \$2,000 per person, together with expenses of a traveling salesman incurred in this same period to a maximum of \$1,000.
- (3) Municipal taxes assessed within two years preceding the bankruptcy which do not constitute a charge on real property, restricted to the value of the bankrupt's interest in the property.
- (4) The Landlord for arrears of rent for a period of three months preceding the bankruptcy, and accelerated rent for a period not exceeding three months subsequent to the bankruptcy, if provision is made in the lease. The Landlord's preferred claim is limited to the proceeds from the sale of the assets on the premises under lease at the date of the bankruptcy and any payments made by the Trustee on account of accelerated rent shall be credited by the Landlord against the amount payable by the Trustee for occupation rent.
- (5) One solicitor's bill of costs, including sheriff's fees and land registration fees, shall be payable to the creditor who has first attached by way of garnishment or lodged with the sheriff an attachment, execution or other process against the property of the Bankrupt.
- (6) Claims resulting from injuries to employees of the Bankrupt to which the provision of Workers' Compensation Act do not apply, but only to the extent of monies received from persons or companies guaranteeing the Bankrupt against damages resulting from such injuries, such as liability insurance policies.

A creditor whose rights are restricted by this Section is entitled to rank as an unsecured creditor for any balance of his claim.