

CANADA
PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL

SUPERIOR COURT
"Commercial Division"

No.: 500-11-060024-219
No.: 500-11-060303-217

**IN THE MATTER OF THE RECEIVERSHIP
OF:**

**AGRO TECH VENTURES 1 INC.
MALINA CAPITAL INC.
10553034 CANADA INC. (MALINA ENERGY)
GREEN CBD TECHNOLOGY INC.
CAPE COVE FINANCIAL MANAGEMENT INC.
CALIXA CAPITAL PARTNERS INC.
DOJO KAISHI INC.**

**SILVERMONT FINANCE INC.
SILVERMONT CAPITAL INC.
MARDI.INFO INCOME TRUST
MARDI.INFO OPERATING TRUST
MARDI.INFO EXEMPT MARKET L.P.
MARDI.INFO GENERAL PARTNER INC.
9428-5855 QUÉBEC INC.
GREEN RIVER INVESTMENTS INC.
GREEN RIVER FINANCE CANADA INC.
9129-6004 QUÉBEC INC. (F.A.S. GREEN RIVER
FINANCE)**

Collectively the "**Defendants**"

-and-

**RAYMOND CHABOT ADMINISTRATEUR
PROVISOIRE INC.**

The "**Receiver**"

UNOFFICIAL TRANSLATION¹

REPORT OF THE RECEIVER DATED OCTOBER 3, 2024

**TO THE HONOURABLE CHRISTIAN IMMER, J.S.C., SITTING IN COMMERCIAL DIVISION, FOR
THE JUDICIAL DISTRICT OF MONTRÉAL, THE RECEIVER RESPECTFULLY SUBMITS THE
FOLLOWING REPORT IN CONNECTION WITH THE RECEIVERSHIP OF THE DEFENDANTS.**

The Report supports the Receiver's Application to obtain approval for a distribution plan (the "**Distribution Plan**").

¹ This document is an unofficial translation of the official French version of the Receiver's Report. In case of discrepancies, the French version shall prevail.

Montréal, October 3, 2024

RAYMOND CHABOT ADMINISTRATEUR PROVISOIRE INC.

Receiver for the Defendants

By: Emmanuel Phaneuf, M.Sc., CIRP, LIT
Designated

1. BACKGROUND

- 1.1. This report (the “**Report**”) is being submitted in support of the Receiver’s Application to obtain approval for a Plan proposed by the Receiver to distribute the assets of all of the Defendants, namely:
 - Agro Tech Ventures 1 Inc. and Green CBD Technology Inc. (collectively referred to as “**Agro Tech**”);
 - Malina Capital Inc. and 10553034 Canada Inc. (collectively referred to as “**Malina**”);
 - Cape Cove Financial Management Inc. (“**Cape Cove**”);
 - Calixa Capital Partners Inc. (“**Calixa Partners**”);
 - Dojo Kaishi inc. (“**Dojo**”);
 - Silvermont Finance Inc. and Silvermont Capital Inc. (collectively referred to as “**Silvermont**”);
 - MarDi.info Income Trust, MarDi.info Operating Trust, MarDi.info Exempt Market L.P., MarDi.info General Partner Inc. and 9428-5855 Québec Inc. (collectively referred to as “**MarDi.Info**”);
 - Green River Investments Inc., Green River Finance Canada Inc. and 9129-6004 Québec Inc. (collectively referred to as “**Green River**”).
- 1.2. The terms that are not otherwise defined in this Report are as defined in the Distribution Plan.
- 1.3. Since being appointed, the Receiver has implemented various investigative and conservatory measures and has been authorized to liquidate and sell off assets in order to trace, recover, safeguard and maximize the value of the Defendants’ assets, for the benefit of the Investors and in order to distribute the remaining assets to the Investors.
- 1.4. Through the proposed Plan, the Receiver is seeking the authorization of the Court to distribute the Defendants’ assets for the benefit of the Investors who have an Admitted Claim, in accordance with the manner of distribution ordered by the Court pursuant to the Order pertaining to the Manner of Distribution and in accordance with the terms and conditions set out in the Plan.
- 1.5. The proposed Distribution Plan pertains exclusively to Cape Cove clients who invested in the Agro Tech, Malina, Silvermont, MarDi.Info and Green River funds (the “**Defendants**”) on the exempt market (the “**Investors**”), as well as the Autorité des marchés financiers financial services compensation fund for the subrogated portion.
- 1.6. To facilitate reading of the Report, “**Admitted Claim**” means the amount of any claim of an Investor resulting from any investment subscribed for with the Defendants, through Cape Cove, for distribution in accordance with the Plan, as established by the Receiver in processing the claims as set out in the Order pertaining to the Manner of Distribution and the Claims Process Order and established according to the Method of Calculation, but excluding any Excluded Claim and Claim included in Appendix A of the Plan, subject to final assessment by the Receiver at the time of Distribution, notably but not only for the purpose of taking into consideration any total or partial assignment or subrogation of an Investor’s Admitted Claim.

- 1.7. Moreover, the “Method of Calculation,” i.e. the method used to establish an Admitted Claim, is as follows:

Admitted Claim = Capital invested by an Investor - (any reimbursement of capital received by this same Investor + any reimbursement of interest received by this same Investor).

- 1.8. The reader is invited to read all of the Receiver’s reports available at <https://www.raymondchabot.com/fr/entreprises/dossiers-publics/cape-cove/>.
- 1.9. Unless indicated otherwise, the amounts presented in the tables of this Report are in thousands of dollars and have been rounded off for presentation purposes.

2. STRUCTURE OF THE REPORT

- 2.1. This Report has been prepared to present updated information to the Autorité des marchés financiers (“**Autorité**”), the Court and Investors with regard to:
- i. **Section 3** – The situation for assets recovered to date as well as the Defendants’ residual assets.
 - ii. **Section 4** – The claims process (“**Claims Process**”) and a detailed overview of Investors.
 - iii. **Section 5** – The Distribution Plan being proposed by the Receiver.
 - iv. **Section 6** – The impacts of the proposed Distribution Plan.
 - v. **Section 7** – Conclusion.

3. SITUATION FOR THE DEFENDANTS' ASSETS

Statement of receipts and disbursements

3.1. The following table presents the updated statement of the Defendants' receipts and disbursements reflecting transactions involving the Receiver's trust accounts as at **September 30, 2024**:

In thousands of \$ - Unaudited	Cape Cove \$	Malina \$	Agro Tech \$	Silvermont \$	MarDi.Info \$	Green River \$	Consolidated \$	Total \$
Receipts								
Cash	77	-	0	338	34	95	1	545
Commission income	46	-	-	-	-	-	1	47
Investments - public companies	-	-	-	45	-	-	-	45
Investments - private companies	-	-	102	-	250	-	-	352
Reimbursement of taxes / taxes collected	57	-	-	-	-	-	-	57
Reimbursements - insurance	0	-	-	-	-	-	-	0
Reimbursements - loans	-	-	-	306	265	-	79	650
Reimbursements - micro loans	-	-	-	-	-	5	-	5
Office furniture	5	-	-	-	-	-	-	5
Goodwill	453	-	-	-	-	373	27	853
Advances from Autorité	575	-	-	-	-	-	-	575
Accounts transferred to consolidated account	-	-	-	-	-	-	912	912
	1 213	-	102	689	548	474	1 020	4 046
Disbursements								
Salaries and commissions	114	-	-	-	-	5	4	122
Source deductions	0	-	-	-	-	26	-	26
Miscellaneous	1	-	-	1	1	2	1	6
Taxes	133	-	-	66	20	37	54	310
Conservatory measures	16	-	-	-	-	-	-	16
	265	-	-	67	21	70	58	481
Fees								
Fees (Receiver and attorneys)	771	-	-	437	133	246	358	1 945
Experts (IT and compliance)	99	-	-	-	-	2	-	101
	1 135	-	-	504	154	318	416	2 527
Transfer to consolidated account	(74)	-	(102)	(186)	(395)	(155)	-	(912)
Closing balance	3	-	-	-	-	-	604	607

Key findings:

- 3.2. **Cape Cove:** Cape Cove's realized assets result from two (2) transactions that were approved by the Court and that essentially involved Cape Cove's goodwill.
- 3.3. **Agro Tech and Malina:** In spite of its efforts, the Receiver was only able to recover a \$102,000 loan, even though Agro Tech and Malina raised \$9.8 million from Investors.
- 3.4. **Silvermont:** Further to the efforts made by the Receiver to collect the loans issued by Silvermont, the Receiver was able to recover \$689,000 out of the \$6.1 million invested by the Investors.
- 3.5. **MarDi.Info:** The receipts obtained by the Receiver are interim payments (principal and interest) made by Diversico, a corporation that received a loan from MarDi.Info., as well as the buyout of an interest in EVAH Corp by shareholders.

- 3.6. **Green River:** The sale of assets approved by the Court, involving the micro loans portfolio and goodwill, has made it possible to collect an amount of \$474,000 to date.
- 3.7. To summarize, the Receiver has been able to collect net receipts of approximately \$607,000 to date in its trust account, prior to reimbursement of the payment guarantee provided by the Autorité and payment of its current fees and file administration costs.
- 3.7.1. The Defendants' receivership has generated costs that were supported in part by an advance of \$575,000 made by the Autorité.
- 3.7.2. Administrative costs relate primarily to expenses for maintaining Cape Cove operations until the sale of its assets, as well as the professional fees of the Receiver and its legal counsel.
- 3.7.3. The professional fees of the Receiver, as well as of its attorneys and its experts, have been approved by the Autorité and the Court. These fees pertain to taking possession of the Defendants' assets, operations, the inquiries, search for and realization of the Defendants' assets, legal proceedings, the manner of distribution, the processing of claims and the distribution plan.
- 3.7.4. The Receiver is expecting to receive additional amounts in the short and medium terms, as discussed in more detail below.

Summary of projected receipts

- 3.8. In addition to the amounts presented above, estimated receipts should be added with regard to the Defendants' residual assets:

In thousands of \$ - Unaudited	Cape Cove \$	Malina \$	Agro Tech \$	Silvermont \$	MarDi.Info \$	Green River \$	Total \$
Estimated additional receipts							
Repayment of loans (agreement)	-	-	-	210	-	-	210
Repayment of loans (estimated)	-	-	-	-	1 272	-	1 272
Goodwill	-	-	-	-	-	35	35
	-	-	-	210	1 272	35	1 517

- 3.8.1. **Silvermont:** The amounts eventually to be received essentially relate to payments under out-of-court settlements reached in connection with legal proceedings initiated by the Receiver with regard to Silvermont borrowers.
- 3.8.2. **MarDi.Info:** The amounts eventually to be received essentially consist in the principal and interest receivable in connection with a loan extended to Diversico. The tax impact is not reflected in the amount presented in the above table.
- 3.8.3. **Green River:** The amounts eventually to be received relate to the balance of sale in respect of assets sold.

Summary of other realizable assets whose realizable value currently remains vague or unknown

- 3.9. As indicated in the report dated June 7, 2023, in addition to the estimated amounts eventually to be received referred to above, certain investments held by the Defendants may be realized. The Receiver is still unable to provide an opinion on the realizable value of the following investments or when they may be realized (the “Impaired Assets”).
- 3.10. In any event, the Receiver believes that the realizable value of the Impaired Assets may be very limited, or even nil in some cases.

Issuer/Defendant	Asset (investment/loan)	Amount invested \$	Comments
Agrotech	Y Kombucha	786	There have been a number of discussions with Gardy Fury, Y Kombucha's representative, to reach a buyback agreement. The amounts offered to date, totalling \$10,000, have been judged to be largely insufficient.
	Corporation Global Reiva	190	Certain discussions were recently held with the President of the company, which has not been in operation for several years. The Receiver refused an offer of \$1,000 deemed insufficient.
	Ferme Gigrow / Steelfab	500	The Receiver tried several times to obtain subscription documents and current financial information. The matter is now in the hands of its attorneys.
Malina	Y Kombucha	208	Same comments
	7954689 Canada inc. (Radio Station)	99	Certain discussions were held with the company's representatives.
	Corporation Global Reiva	10	Same comments
MarDi.Info	7954689 Canada inc. (Radio Station)	75	Same comments
	Les fermes Gigrow inc.	309	Same comments
	Trees of lives	130	The Receiver had discussions regarding a possible buyback agreement as part of a round of financing with Trees of Lives in the summer of 2023. No developments to date.

Pro forma statement of assets

- 3.11. The table below presents a pro forma statement of the Defendants' realized and residual assets (estimated additional assets to be realized):

In thousands of \$ - Unaudited	Cape Cove \$	Malina \$	Agro Tech \$	Silvermont \$	MarDi.Info \$	Green River \$	Consolidated \$	Total \$
Adjusted realized receipts (Trust)	1 213	-	102	689	548	474	108	3 134
Estimated additional receipts	-	-	-	210	1 272	35	-	1 517
	1 213	-	102	900	1 820	509	108	4 651
Adjusted realized disbursements (Trust)	1 135	-	-	504	154	318	416	2 527
Fees and disbursements	-	-	-	-	-	-	150	150
Estimated additional fees and disbursements	-	-	-	-	-	-	100	100
	1 135	-	-	504	154	318	666	2 777
Estimated recovery prior to repayment of advance made by the Autorité	77	-	102	396	1 667	190	(558)	1 874
Repayment of advance made by the Autorité	(575)	-	-	-	-	-	-	(575)
Estimated balance available for distribution	(498)	-	102	396	1 667	190	(558)	1299*

*Tax impact is not represented.

- 3.12. This pro forma statement of assets presents a net overall balance, after reimbursement of the Autorité's payment guarantee but prior to realization of the impaired assets, in the amount of **\$1.3 million**.
- 3.13. **As mentioned in our report dated June 7, 2023, the amounts received by officers, directors, employees and representatives, *de jure* and *de facto*, have been excluded from potentially realizable assets. The Investors could eventually benefit from various recourse taken against these parties. However, it is the responsibility of the Investors, and of any person who may be subrogated in the rights of an Investor, to contact their legal counsel in order to enquire into possible action.**

4. CLAIMS PROCESS AND OVERVIEW OF INVESTORS

- 4.1. As presented in our report dated June 7, 2023, the Defendants' total liabilities include amounts owed to Investors as well as to a limited number of creditors who are not Investors, notably the related creditors.
- 4.2. Given that no accounting records were available, the Receiver reconciled the amounts using available information provided by Cape Cove and Investors, as well as the bank statements.
- 4.3. The following table presents the estimated Investor subscriptions for securities purchased from the Defendants, as presented in our report dated June 7, 2023:

Issuer/Defendant	Investors #	Investment through fiduciaries \$	Direct investments \$	Total \$
Agro Tech	389	4 636	2 269	6 905
Malina	218	2 494	1 027	3 522
Green River	75	1 278	-	1 278
MarDi.Info	166	1 662	549	2 210
Silvermont	227	4 232	1 843	6 075
	1 075	14 301	5 688	19 989

Note The number of investors is mutually exclusive for each Defendant/Issuer.

- 4.4. The following table presenting the Defendants' total liabilities in the form of a pro forma statement of liabilities is also taken from our report dated June 7, 2023:

In thousands of \$ - Unaudited	Cape Cove \$	Malina \$	Agro Tech \$	Silvermont \$	MarDi.Info \$	Green River \$	Total \$
Investors*		3 322	6 181	5 858	2 122	1 202	18 684
Related investors*		200	724	217	88	76	1 305
	-	3 522	6 905	6 075	2 210	1 278	19 989
Other related creditors	1 348	81	564	34	13	324	2 365
Other unrelated creditors	306	-	-	-	-	568	874
Total	1 654	3 603	7 469	6 109	2 223	2 170	23 228

*Based on the transaction register provided to the Autorité by Cape Cove, adjusted to reflect accounting inquiries

- 4.5. Pursuant to the Order pertaining to the manner of distribution issued on July 12, 2023, the Court concluded as follows (unofficial translation):

“(76) AUTHORIZES the Receiver to use a “consolidated” method to distribute the Defendants’ assets for purposes of the distribution plan, on a pro rata basis according to the amount of claim or the amount invested by each investor, as the case may be, through Cape Cove, in any of the Defendants, subject to any adjustments or amendments that the Receiver deems necessary to include in the distribution plan.”

- 4.6 The Court therefore authorized the “consolidated”² distribution method.
- 4.7 Where the distribution is concerned, the Receiver was authorized to distribute the amount of the claim or investment, as the case may be, of each investor that made an investment in any of the Defendants, through Cape Cove, subject to any adjustments or amendments in connection with the Plan, on a pro rata basis.
- 4.8 In anticipation of the preparation and approval of a distribution plan, the Receiver proposed a claims process to the Court.
- 4.9 Pursuant to the Claims Process Order dated October 27, 2023, the Court authorized the reverse claims process proposed by the Receiver (the “**Claims Process**”).
- 4.10 It is in this context that the Receiver put in place the reverse Claims Process in accordance with the terms and conditions set out in the Claims Process Order.
- 4.11. For the reader’s information, the Claims Process included the following³:
- Publication of a copy of the Claims Process Order on the websites of the Receiver and the Autorité des marchés financiers.
 - The date of determination of a Claim is October 15, 2021, i.e. the date on which the second order of appointment was issued.
 - The provision by the Receiver of a copy of the Claims Process Order to all Investors of which the Receiver has knowledge as well as a notice setting out the amount of each Investor’s claim according to the records in the Receiver’s possession.
 - The Claim pertains exclusively to the capital invested by each Investor, minus any amount of capital or interest received by the Investor in connection with this same Investment (referred to as “Net Capital”).
 - Any investor had a mandatory deadline of 30 business days following the Notice to submit a notice of dispute to the Receiver (the “**Notice of Dispute**”).
 - Unless a Notice of Dispute is submitted by the mandatory 30-day deadline, the amount of Claim included in the Notice is deemed to have been accepted by the Investor in question.

² This consists in distributing all assets of the companies involved to all investors, regardless of the fund in which the investment was made

³ Definitions taken from the Claims Process Order.

- Any Notice of Dispute would be dealt with in accordance with the process for disputing a claim set out in the Claims Process Order.

4.12. The Receiver carried out the following procedures as part of the Claims Process:

- 4.12.1. In order to establish the Claims Register, (the “**Claims Register**”), the Receiver reviewed and reconciled all of the information used to establish Investors’ Claims provided by:
 1. Cape Cove records;
 2. Bank statements;
 3. Investors and the custodian;
 4. The Autorité.
- 4.12.2 An announcement, a letter of instructions, a Claims Register and the Claims Process Order were published on the Receiver’s website and shared with all known and previously identified Investors.
- 4.12.3 After sending Notices, the Receiver received and processed numerous requests for information and answered Investors’ questions. Substantially all issues raised by the Investors were resolved after explanations were provided by the Receiver.
- 4.12.4 The Receiver then received twenty-four (24) notices of dispute.
- 4.12.5. It began its analysis of the twenty-four (24) contestations being made as well as the related documents submitted in connection therewith. The Receiver also obtained certain additional information from the Autorité relating to the Notices of Dispute.
- 4.12.6. After reviewing the Notices of Dispute received, the Receiver:
 - i. Fully admitted four (4) Notices of Dispute totalling \$21,576.
 - ii. Disallowed twenty (20) Notices of Dispute by issuing notices of disallowance (the “**Notices of Disallowance**”).

- 4.13. The Claims Process ended on August 7, 2024, considering that no Investor who received a Notice of Disallowance contested this notice in accordance with the process set out in the Claims Process Order.
- 4.14. The table below presents the Claims Register as at September 30, 2024:

In thousands of \$ - Unaudited	Cape Cove \$	Malina \$	Agro Tech \$	Silvermont \$	MarDi.Info \$	Green River \$	Total \$
Investors	-	2 710	4 470	4 069	2 211	1 105	14 565
Related investors	-	191	92	119	56	58	516
	-	2 901	4 562	4 188	2 267	1 163	15 081

*Based on transaction register which Cape Cove provided to the Autorité, adjusted following accounting inquiries.

- 4.15. Appendix A to the Plan refers to Admitted Claims, which are subject to assessment by the Receiver in the event of any distribution.

5. PROPOSED DISTRIBUTION PLAN

- 5.1. This section summarizes the key information in the Distribution Plan being proposed by the Receiver. In the event of any discrepancy, the terms and conditions in the Distribution Plan shall prevail over this report.
- 5.2. It should be noted that the Distribution Plan is based primarily on the reasons and conclusions in the Order pertaining to the Manner of Distribution and Claims Process Order.
- 5.3. In preparing the Distribution Plan, the Receiver had discussions with the Autorité's compensation fund regarding the process for paying compensation to Investors, notably regarding past and future payments and the effects of subrogation.
- 5.4. The Receiver was informed that 414 Québec Investors received compensation via the Autorité's compensation fund and that the final payments were made in September 2024. The Fund is therefore partially or fully subrogated in the rights of these Investors who received compensation;
- 5.5. The Receiver also consulted with the Autorité in preparing the Distribution Plan.
- 5.6. In accordance with the Order pertaining to the Manner of Distribution, the Distribution Plan provides for "consolidated" distribution, i.e. the Defendants' assets are to be distributed to all Investors who hold an Admitted Claim.

Fund constituted

- 5.7. The Fund created by the Receiver in accordance with the Plan shall constitute a patrimony by appropriation, autonomous and distinct from that of the Defendants and shall include the following:
- i. All of the Defendants' assets that were recovered and progressively realized by the Receiver.
 - ii. All amounts owed by the Defendants and recovered by the Receiver.

- iii. All additional amounts that could be realized in connection with the Receiver's mandate.

Net of Fees and File Administration Costs.

Distribution of the Fund

5.8. The Receiver shall distribute the sums to persons who hold an Admitted Claim in the following order :

- i. The payment of Fees and File Administration Costs incurred at the date of interim distribution.
- ii. The reimbursement of advances made by the Autorité des marchés financiers to the Receiver .
- iii. Any residual balances in the Fund, subject to amounts that the Receiver believes must be maintained to constitute a reserve.

5.9. The Plan provides that the Receiver can make more than one interim distribution and that such distributions can be made despite the fact that the Defendants' assets have still not been liquidated.

5.10. Distributions shall be made in Canadian dollars.

Excluded Claims

5.11. The Plan does not provide for any distribution in respect of Excluded Claims.

5.12. Excluded Claims are claims that are not admitted, namely:

- i. Any disallowed Claims.
- ii. Any Claim from a Person who received one or more securities issued by any of the Defendants for nil consideration.
- iii. Any Claim submitted by an Investor over and above the Admitted Claim.
- iv. Any claim submitted by a Person related to any of the Defendants, notably including:
 - Any Claim filed by Efstratios Gavrill (Sean Gabriel), Kerasina Vountas, Robert Audet, Jean-Christophe Daigneault, Dany Bergeron, Claude Dufour, 9278-7381 Québec Inc., Services Financiers C. Dufour Inc., Nick Tzaferis, John Theofilis and Calixa Partners, as well as by any Person related to these individuals.
 - Any Claim filed by a Person who was involved or participated in the scheme described in the Court Orders, including any Person who signed an agreement with the Autorité des marchés financiers that was ratified by the Financial Markets Administrative Tribunal.
 - Any Claim filed by a Person who was involved or participated in setting up one of the Defendants or its corporate structure, in making investments or in a Defendant's operations.

- Any Claim filed by a Person who is acting or acted as a shareholder, director, officer, employee or representative of one of the Defendants or any person related thereto.
- v. Any Claim filed by a creditor of one of the Defendants that is not an Investor.
- vi. Any Claim filed by a person who received a sum of money from one of the Defendants as an investment, loan or advance and any person related thereto.
- vii. Any Crown Claim in respect of one of the Defendants.

6. IMPACTS OF THE DISTRIBUTION PLAN

- 6.1. Subject to the fees and file administration costs, notably relating to the recovery of the Defendants' residual assets as well as those relating to the implementation and execution of the Plan, the estimated average distribution of **8.9%** will be made to Investors, as indicated in the table below:

Estimated balance available for distribution (estimated constituted Fund)	\$1,299,000
Total Admitted Claims	\$14,565,000
Estimated average amount to be recovered by investor	8.9%

- 6.2. The Distribution Plan serves to:

6.2.1 Preclude all creditors other than the Investors from the division of the Defendants' assets, including any investor who invested in the Defendants or their related entities other than through Cape Cove.

6.2.2 It should be noted that no creditor has obtained a judgement against one of the Defendants since the Initial Orders were issued, despite the fact that there was no stay of proceedings against the Defendants and that the Receiver is not aware of any other performance measure pertaining to the Defendants' assets.

6.2.3 Preclude persons related to the Defendants and/or to the fraudulent scheme, from the division of the Defendants' assets.

- 6.3. However, the Distribution Plan does not release the Defendants or any persons related to them of any acts that were committed.
- 6.4. Finally, under the terms of the final distribution, the Receiver can request the completion of the Receivership for the Defendants or any other remedy provided by the Law.

7. CONCLUSION

- 7.1. As indicated in our previous reports, the Receiver has no doubt that a fraudulent scheme was used.
- 7.2. Moreover, there is no doubt in the Receiver's mind that the Defendants acted as an *alter ego* for Cape Cove, and vice versa.
- 7.3. In this context, the Distribution Plan proposed by the Receiver allows for the consolidated distribution, to the Investors with Admitted Claims, of the Defendants' assets that were traced and realized and ensures that the individuals involved in the scheme and the Defendants' activities are deprived of any benefits resulting from this plan.
- 7.4. The Receiver therefore recommends the approval of the Distribution Plan.