

CANADA
Province of Ontario
Division No.: 10- Peterborough
Court No.: 31-2975493
Estate No.: 31-2975493

**IN THE MATTER OF THE BANKRUPTCY OF
10452424 CANADA INC.
OF THE CITY OF PETERBOROUGH, IN THE PROVINCE OF ONTARIO**

**TRUSTEE'S PRELIMINARY REPORT TO CREDITORS
ON THE BANKRUPTCY ADMINISTRATION**

Section A – Background

10452424 Canada Inc. (the “**Company**”) was incorporated on October 17, 2017, under the *Canada Business Corporations Act*. The Company designed and manufactured a disposal system for blind people. The Company’s head office was located at 1353 Sandalwood Drive, Peterborough, Ontario.

On August 14, 2023, MNP Ltd. (“**MNP**”) filed the Company’s assignment in bankruptcy with the Office of the Superintendent of Bankruptcy (the “**OSB**”) and on August 15, 2023, the OSB issued a Certificate of Appointment naming MNP as the Licensed Insolvency Trustee (“**Trustee**”) of the Company and setting the date for the First Meeting of Creditors to take place virtually on September 5, 2023 at 11:00 AM.

The Designated Officer of the Company in this bankruptcy administration is Ms. Hillary Scanlon, the Secretary-Treasurer and a Director of the Company.

Section B - Evaluation of Assets

According to the Statement of Affairs, the Company estimated the liquidation value of its assets as \$6,505.00, with respect to the cash held in its bank account. The Trustee has received those funds.

The Company also has remaining inventory of its waste disposal tiles and tape with a cost value of \$22,068 and the related manufacturing mold. Prior to the bankruptcy filing the Company had exhausted its efforts to liquidate the remaining inventory. The Trustee contacted a few liquidators with respect to the potential sale of the inventory and mold and was advised that due to the highly specialized nature of the assets, it would be very difficult to sell and would not likely generate any net realizable value to the estate. Subject to any suggestions from the Company’s creditors, it is the intention of the Trustee to abandon the assets and allow the Company’s

Director to donate them to potential users, such as universities and/or the Canadian Institute for the Blind.

Section C – Conservatory and Protective Measures

The Trustee has taken possession of the books required for the administration of the bankruptcy.

Section D – Secured Creditors

According to a search conducted of the security registrations under Personal Property Security Act (Ontario) (“PPSA”), there do not appear to be any creditors with valid security over the assets of the Company.

Section E - Provable Claims

Proven claims filed in the estate to date are as follows:

Creditor Type	Per Statement of Affairs	Proven & Filed to September 4, 2023
Secured	Nil	Nil
Preferred	Nil	Nil
Unsecured	43,216.55	Nil
Total	\$ 43,216.55	\$ 0

Section F – Legal Proceedings, Reviewable Transactions & Preference Payments

The Trustee has not commenced any other legal proceedings on behalf of the Estate.

The Trustee has reviewed the Company’s financial transactions that occurred within one year of the date of bankruptcy and there were no unusual transactions noted.

Section G – Remuneration of Trustee

The Trustee’s fees will be based on a time and hourly basis. The Trustee received a retainer from Ms. Hillary F. Scanlon in the amount of \$14,125.00 with respect to the basic administration of the bankruptcy.

Section H - Anticipated Realization and Projected Distribution

The Trustee does not anticipate any distribution to unsecured creditors.

Dated September 5, 2023.

MNP Ltd.

Licensed Insolvency Trustee

Per:



Deborah Hornbostel CPA, CA, CIRP, LIT, CFE