

COURT FILE NUMBER 24-116403

COURT COURT OF KING'S BENCH OF ALBERTA
IN BANKRUPTCY AND INSOLVENCY

JUDICIAL CENTRE EDMONTON

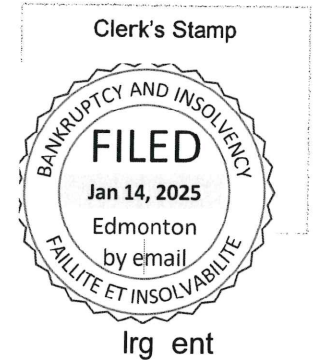
BANKRUPTCY MATTER IN THE MATTER OF THE BANKRUPTCY
OF KID DROP INC.

APPLICANTS SHENEEN JIT and NAVEEN JIT

RESPONDENT KID DROP INC.

DOCUMENT **ORIGINATING APPLICATION**

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT **Sharek Logan & van Leenen LLP**
2100, 10060 Jasper Avenue
Edmonton, AB T5J 3R8
Attention: David Archibold & Justin Williams
Phone: 780-413-3100 Fax: 780-413-3152
File: 23413/DA



NOTICE TO THE RESPONDENT(S)

This application is made against you. You are a respondent.

You have the right to state your side of this matter before the Court.

To do so, you must be in Court when the application is heard as shown below:

Date: January 15, 2025
Time: 2:00 PM
Where: Edmonton Law Courts, via Webex
Before: Justice Dunlop

Go to the end of this document to see what you can do and when you must do it.

Remedy sought:

1. The Applicants, Sheneen Jit ("**Sheneen**") and Naveen Jit ("**Naveen**") and collectively with Sheneen, the "**Applicants**", a creditor of the Respondent, Kid Drop Inc. ("**KDI**" or the "**Respondent**"), respectfully seek an Order in the form attached hereto as Schedule "A", including without limitation, the following relief:
 - a. abridging the time for service of this application and supporting materials, as necessary, and deeming service thereof good and sufficient;

- b. adjudging KDI bankrupt;
- c. granting a Bankruptcy Order in respect of the property of KDI;
- d. appointing MNP Inc. (the “Trustee”) as trustee in bankruptcy for of KDI’s bankruptcy estate;
- e. directing that the costs of the within application for a Bankruptcy Order be paid out of the bankruptcy estate; and
- f. such further and other relief as counsel may advise and this honourable court deems just and appropriate.

Basis for this claim:

Statutory Requirements

2. Within the year immediately preceding the date of the initial bankruptcy event, KDI carried on business as a transportation service provider in and around Fort McMurray, Alberta.
3. KDI is truly and justly indebted to its creditors, including the Applicants, amongst others, for an amount exceeding \$1,000.
4. KDI has committed acts of bankruptcy within the 6 months preceding the date of filing the within application for a Bankruptcy Order by:
 - a. Failing to meet their liabilities generally as they become due;
 - b. Making a payment to its creditors which prefers or disregards the interest of other creditors; and
 - c. Assigning, removing, or disposing of or attempting to assign, remove, or dispose of property with the intent to defraud, defeat, or delay its creditors

Specific Grounds

5. KDI is indebted to the Applicants jointly in the aggregate amount of \$460,026 (the “**Jit Indebtedness**”) pursuant to shareholders loans recorded in the books and records of KDI in the ordinary course of business. The form and nature of the Jit Indebtedness is that of a demand loan with no specific terms for repayment.
6. On or about October 29, 2024 the Applicants demanded repayment of the whole of the Jit Indebtedness. To date and despite demand, KDI has failed to repay the Jit Indebtedness and is unable to repay the Jit Indebtedness.
7. KDI is further indebted to BMO pursuant to a mortgage, line of credit, and two other outstanding loans, and a vehicle loan (collectively, the “**BMO Indebtedness**”). As far as the Applicants are aware, KDI is in default of its obligations to repay the BMO Indebtedness and has ceased corresponding with BMO regarding the BMO Indebtedness.

8. KDI has engaged in the sale of assets outside the ordinary course of business and is using the proceeds to repay certain creditors without due regard for the statutory priority of KDI's creditors.
9. The Applicants are the most significant unsecured creditors of KDI and have been severely prejudiced due to the significant risk of any payments being ineffective as against KDI's secured creditors.

Affidavit or other evidence to be used in support of this application:

10. Affidavit of Sheneen Jit, sworn January 3, 2025 and filed herewith.
11. Brief of the Applicant, filed herewith.
12. Such further and other materials as counsel may advise and this honorable court deems just.

Applicable Acts and regulations:

13. Alberta Rules of Court, Alta Reg 124/2010, Rule 1.1, 1.2, 1.3, 1.4, 3.8, 6.3(1), 6.9(1)(a), 11.27 and generally.
14. *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, s. 14, 42, 43.
15. *Bankruptcy and Insolvency General Rules*, CRC c 368, rr. 69 – 76 and generally.

DATED at the City of Edmonton, in the Province of Alberta, this 6 day of January, 2025.

**Sheen Jit and Naveen Jit
By their counsel Sharek Logan & van
Leenen LLP**

Per:
For:

David Archibold

ISSUED at the City of Edmonton, in the Province of
Alberta this ____ day of January, 2025

Registrar in Bankruptcy

WARNING

You are named as a respondent because you have made or are expected to make an adverse claim in respect of this originating application. If you do not come to Court either in person or by your lawyer, the Court may make an order declaring you and all persons claiming under you to be barred from taking any further proceedings against the applicant(s) and against all persons claiming under the applicant(s). You will be bound by any order the Court makes, or another order might be given or other proceedings taken which the applicant(s) is/are entitled to make without any further notice to you. If you want to take part in the application, you or your lawyer must attend in Court on the date and at the time shown at the beginning of this form. If you intend to give evidence in response to the application, you must reply by filing an affidavit or other evidence with the Court and serving a copy of that affidavit or other evidence on the applicant(s) a reasonable time before the application is to be heard or considered.