

District of: Manitoba  
Division No.: 01 - Winnipeg  
Estate No.: 21-3171634

**IN THE MATTER OF THE BANKRUPTCY OF  
NORTHLAND HEALTHCARE PRODUCTS LTD.**

**MINUTES OF THE FIRST MEETING OF CREDITORS**

**DATE:** January 28, 2025  
**TIME:** 11:00 AM CST  
**LOCATION:** Teams Conference call  
**CHAIRMAN:** Victor Kroeger, Trustee, MNP Ltd.  
**SECRETARY:** Crystal Seed, MNP Ltd.  
**ATTENDANCE:** Per the Attached List

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The First Meeting of Creditors was held by Telephone. The details of the meeting were included in the Notice to Creditors dated January 10, 2025.

**AUTHORITY AND CALL TO ORDER**

Victor Kroeger of MNP Ltd., Trustee, acted as Chairman under the authority of section 105 (1) of the *Bankruptcy and Insolvency Act*. The Chairman declared the meeting properly called at 11:05 AM CST. Crystal Seed acted as Secretary.

**PURPOSE OF MEETING**

The purpose of the meeting as set out in section 102(5) of the *Bankruptcy and Insolvency Act* was as follows:

- to consider the affairs of the bankrupt,
- to affirm the appointment of the Trustee or to substitute another in its place,
- to appoint Inspectors, and
- to give such directions to the Trustee as the creditors may see fit with reference to the administration of the bankrupt estate.

**DOCUMENTS TO TABLE**

The Chairman tabled the following documents:

- Assignment
- Certificate of Appointment of Trustee
- Sworn Statement of Affairs
- Trustee's Preliminary Report
- Notice to Creditors of Bankruptcy and First Meeting of Creditors
- Proof of Publication in Local Newspaper
- Trustee's Affidavit of Mailing

## **QUORUM**

Pursuant to section 106(2) of the *Bankruptcy and Insolvency Act*, at least one proven creditor was in attendance in person or by proxy forming a quorum.

A copy of the attendance list for the meeting is attached.

## **Trustee's Preliminary Report**

The Trustee's Preliminary Report (the "**Trustee's Report**") was summarized for the creditors present and is attached hereto. There were no questions regarding the Trustee's Report.

## **Affirmation of the appointment of MNP Ltd. as Trustee**

MOTION: To affirm the appointment of MNP Ltd. as Trustee of the bankrupt estate.

**Motioned by** Beth Eva and Debbie White.

**MOTION PASSED**

## **Appointment of Inspectors**

The Trustee reviewed the role of the inspectors. Chad Schnarre of HandiCare Canada Ltd. has put his name forward to act as an Inspector.

**Motioned by** Debbie White and Chad Schnarre.

**MOTION PASSED**

There being no further business the Chairman terminated the meeting at 11:21 AM CST.

Dated at Winnipeg, Manitoba this 28<sup>th</sup> day of January 2025.



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Victor P. Kroeger, CPA, CA, LIT, CIRP, CFE  
Chairman

## ATTENDANCE LIST

**TRUSTEE/TRUSTEE'S REPRESENTATIVE:**

**Victor Kroeger, Licensed Insolvency Trustee**

**CREDITORS AND REPRESENTATIVES:**

<b>SIGNATURE</b>	<b>NAME (print)</b>	<b>REPRESENTING</b>	<b>AMOUNT</b>
Teams Conference call	Chad Schnarre	HandiCare Canada Ltd.	\$96,631.12
Teams Conference call	Beth Eva	Fillmore Riley LLP	\$57,967.54
Teams Conference call	Denis White	Global Medical Products	\$12,299.70
Teams Conference call	Debbie White	Global Medical Products	
Teams Conference call	Diana Scalizza	Director of Bankrupt	
Teams Conference call	Charles Roy	Legal counsel to the estate	
Teams Conference call	Crystal Seed	Acting as secretary	

**IN THE MATTER OF THE BANKRUPTCY OF  
NORTHLAND HEALTHCARE PRODUCTS LTD.**

**TRUSTEE'S PRELIMINARY REPORT**

**BACKGROUND**

1. This report has been prepared by MNP Ltd. in its capacity as Licensed Insolvency Trustee (the "**Trustee**") in the bankruptcy of Northland Healthcare Products Ltd. ("**Northland**" or the "**Bankrupt**") to provide preliminary information to Northland's creditors.
2. Northland is a private company incorporated in the Province of Manitoba on June 26, 1980.
3. Northland's primary business was supplying healthcare products, equipment, and services to the healthcare industry.
4. The Corporation filed an assignment in bankruptcy on January 7, 2025, and MNP Ltd. was appointed Trustee.
5. The Trustee has been advised that the primary cause of the bankruptcy was the sudden death of the Bankrupt's principal, Dave Scalizzi. The Trustee has also been advised that the Bankrupt has not prepared financial information or filed income tax returns for many years, however, based on available information, the Bankrupt appears to have been losing money for many years.

**ASSET REALIZATION AND PROJECTED DISTRIBUTION**

**Equipment, Office Equipment, Furniture, Inventory etc.**

6. In accordance with its Statement of Affairs, Northland's assets are comprised of furniture, vehicles, machinery, equipment, and inventory related to its operations with a book value of \$184,000.00 (the "**Assets**").
7. The Trustee engaged McDougall Auctioneers to conduct an appraisal of the assets.
8. The Trustee will, in conjunction with the estate Inspectors (should any be appointed), determine an approach to realizing on the Assets.

**Accounts Receivable**

9. Northland's books and records indicate that there is approximately \$223,000.00 of outstanding accounts receivable ("**AR**"). The Receiver has sent out collection letters and is in the process of investigating the collectability of the AR.

## **BOOKS AND RECORDS**

10. The Trustee has taken possession of the books and records located at the Bankrupt's premises. The deceased principal of the Bankrupt likely had other information that the Trustee may require however it is still too soon to identify any missing information.
11. The Trustee is in the process of obtaining the bank statements of Northland and will undertake a review of same.
12. The Trustee is in the process of obtaining access to the tax records of Northland through the authorized representative process of the Canada Revenue Agency.

## **CONSERVATORY AND PROTECTIVE MEASURES**

13. Northland operated out of space leased by 865 Bradford Ltd. (the "**Landlord**") located at 865 Bradford Street, Winnipeg, Manitoba (the "**Business Premises**").
14. On January 7, 2025, the Trustee changed locks to the Business Premises. The Trustee has provided a copy of the keys to the Landlord.
15. The Trustee has hired a former employee to attend the Business Premises as required to assist the Trustee in its administration of the estate.
16. The Trustee has confirmed that insurance coverage is current and in place for the Assets.
17. The Trustee notified Assiniboine Credit Union, where Northland maintained its bank accounts, to freeze Northland's bank accounts and forward any funds to the Trustee.

## **SUMMARY OF CLAIMS**

### **Secured Claims**

18. Based on the Statement of Affairs, the Trustee is aware of one secured creditor, Ford Motor Credit whose debt is listed on the Statement of Affairs at \$1,800 in respect of a 2023 Ford F150 truck. At this time, the Trustee believes the amount is only the monthly charge and not the full amount owing to Ford Motor Credit. Once Ford Motor Credit files a claim the Trustee will be in a position to determine if any estimated equity for the benefit of the creditors exists in the vehicle.

### **Unsecured & Other Claims**

19. From further investigation by the Trustee of the Bankrupt's books and records, the Trustee became aware of 108 unsecured creditors owed approximately \$665,000. Once these were identified the Trustee notified them of the bankruptcy and of this First Meeting of Creditors.
20. As of 2:30 pm CST on January 27, 2025, the Trustee has received claims from 17 unsecured creditors totalling \$186,888.
21. The Trustee is not presently aware of any deemed trust claims.
22. The Trustee is in the process of determining the wages owing for the 6 employees of Northland to determine their eligibility for the Wage Earner Protection Program.

## REVIEW OF TRANSFERS AT UNDERVALUE

23. The Trustee is required to undertake a review for any transactions that occurred prior to the date of bankruptcy that would constitute a transfer at undervalue or a fraudulent preference as defined by subsections 95 and 96 of the *Bankruptcy and Insolvency Act*.
24. The Trustee has not yet completed its review for transfers at undervalue or fraudulent preferences.

## LEGAL

25. The Trustee has not yet requested an independent legal opinion regarding the Ford Motor Company security. When a secured proof of claim is received the Trustee will determine the requirement to obtain an independent legal opinion to determine whether its security is valid and enforceable.
26. Subject to confirmation by the Estate Inspectors the Trustee has retained Mr. Charles Roy of Taylor McCaffrey LLP to act as counsel to the Estate.

## OTHER MATTERS

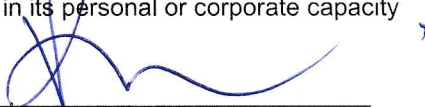
27. Further information with respect to these proceedings will be made available on the Trustee's website <https://mnpdebt.ca/en/corporate/corporate-engagements/northland-healthcare-products-ltd> as it becomes available.

## CONCLUSION

28. Estimated realizations and projected distributions are undetermined at this time.

Dated this 27th day of January 2025

MNP Ltd.  
In its capacity as Trustee of the Estate of  
Northland Healthcare Products Ltd.  
And not in its personal or corporate capacity



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Victor Kroeger, CIRP, LIT, CPA, CA, CFE  
Senior Vice President