

District of: Ontario
Division No. 04-Owen Sound
Court No. 35-3133521
Estate No. 35-3133521

TRUSTEE'S PRELIMINARY REPORT

IN THE MATTER OF THE BANKRUPTCY OF CONSCIOUS LIVING CUISINE PROCESSING LTD.

Trustee: MNP Ltd.

SECTION A – Background

Conscious Living Cuisine Processing Ltd. (“**CLC**” or the “**Company**”) was incorporated December 8, 2008. The sole director is Peter Syrier. The company operated a chicken processing facility in the Township of Proton. In November 2020 a secured creditor, Ducimus Capital Inc. (“**Ducimus**”) issued a Notice of Intention to Enforce Security. We understand the real and personal property owned by the Company was seized and liquidated by Ducimus. Since that time CLC has not operated. The sole remaining asset owned by CLC was 81,350 kilograms of calculated base (the “**Quota**”) issued by the Chicken Farmers of Ontario (“**CFO**”). In August 2022 the Company was deemed inactive by CRA due to failure to file annual corporate tax returns.

In June 2023 MNP Ltd. was appointed receiver (the “**Receiver**”) by another, related, secured lender, Syrier Poultry Ltd. (“**Syrier**”). The Receiver’s mandate was to complete a sale of the Quota. A sale of the Quota has been arranged and approved by CFO. The proceeds of sale are subject to the security held by Syrier.

On September 11, 2024, on application brought by Syrier, CLC was adjudged bankrupt by the Ontario Superior Court of Justice. MNP Ltd. was appointed as Licensed Insolvency Trustee (the “**Trustee**”).

CLASS I - Stocks of merchandise

There was no inventory owned by the Company at the time of bankruptcy.

CLASS II - Plant, machinery, equipment, and office

There was no equipment owned by the Company at the time of bankruptcy.

CLASS III - Buildings and real estate

The Company did not own real estate.

CLASS IV - Books and records

The Trustee has received the books and records required to administer the bankruptcy.

CLASS V - Other assets

As previously stated, the only remaining asset of CLC is the Quota, which has been sold by the Receiver.

Property of Bankruptcy not divisible amongst creditors by virtue of Section 67(b), of the Bankruptcy and Insolvency Act
None known.

Property placed under the guardianship of the Company
None known.

SECTION B

1. Conservatory and protective measures

There are no conservatory and protective measures to be taken by the Trustee.

2. Carrying on business

The Company's operations ceased prior to bankruptcy.

SECTION C - Legal proceedings

None known.

SECTION D - Provable claims

Creditor Class	Per Statement of Affairs	Proven
Deemed Trust	\$nil	\$nil
Secured	\$nil	\$nil
Preferred	\$nil	\$nil
Unsecured	\$4,223,422	\$1,917,408
Total	\$4,223,422	\$1,917,408

Secured Creditors

The following creditors have registered security on the Ontario Personal Property Security Act registration system:

- Praxair Canada Inc.- equipment
- Minister of Finance – general security
- Syrier Poultry Ltd – general security
- Trade-Mark Industrial Inc. – equipment

These creditors have not yet filed claims in the bankruptcy.

SECTION F - Anticipated realizations and projected distribution

Realizations on Quota in the receivership are not sufficient to cover the indebtedness of Syrier. Per the Application for Bankruptcy Order filed with the Court by Syrier, the shortfall is estimated to be approximately \$700,000. There is therefore no distribution expected in the bankruptcy.

SECTION G - Reviewable transactions and preferential payment

There were no operations or bank activity in the Company in over a year. There are no transactions or payments to be reviewed.

SECTION H - Other matters

The Receiver obtained an independent legal opinion confirming the validity and enforceability of Syrier's security prior to consenting to act as trustee in the bankruptcy.

The Trustee received a deposit of \$12,000 from Peter Syrier to cover the fees and costs of the bankruptcy.

Dated at London, Ontario this 10th of October, 2024.

MNP Ltd.
Licensed Insolvency Trustee of
Conscious Living Cuisine Processing Ltd.



Per: Rob Smith CPA, CA, CIRP, LIT
Senior Vice-President

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IN THE MATTER OF THE BANKRUPTCY OF
CONSCIOUS LIVING CUISINE PROCESSING LTD.

Carrying on business in the Village of Dundalk
In the County of Grey
in the Province of Ontario

TRUSTEE'S PRELIMINARY REPORT

MNP Ltd.
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