



Crowe Soberman Inc.

Crowe Soberman Inc.
Licensed Insolvency Trustee
Member Crowe Global

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ESTATE NO. 31-2878986

In the matter of the bankruptcy of
2648658 ONTARIO INC. cob 3D SOLUTIONS
of the City of Markham
in the Province of Ontario

TRUSTEE'S PRELIMINARY REPORT TO THE FIRST MEETING OF CREDITORS

DISCLAIMER:

One of the underlying principles of the Bankruptcy and Insolvency Act (the “Act”), is that of creditor’s control. The Act provides for a First Meeting of Creditors to discuss the collective interest of the creditors in the administration of the bankrupt’s estate.

The purpose of the First Meeting of Creditors is to consider the affairs of the bankrupt, affirm the appointment of the Trustee (or substitution of same), appointment of 1-5 inspectors and to give further direction to the Trustee as may be necessary.

Readers are cautioned that this report is only to provide creditors information gathered by the Trustee to date, so that their collective interests can be discussed at the First Meeting of Creditors. However, the Trustee has not audited or verified the information provided to it in anyway, unless noted otherwise.

The contents of this report should be considered “for general information purposes only” and not definitive.

INTRODUCTION

1. 2648658 ONTARIO INC. cob 3D SOLUTIONS “3D SOLUTIONS” (the “**Company**”) made an assignment in bankruptcy on October 28, 2022. Crowe Soberman Inc. (“**CSI**”), the undersigned, was appointed as Licensed Insolvency Trustee of the Estate of the Bankrupt by the Official Receiver.

BACKGROUND

2. According to the Ontario Profile Report, 3D SOLUTIONS was incorporated under the *Ontario Business Corporations Act* on August 2, 2018. Henry Ching was listed as the Company's Director and Officer. The Company's head office and operations were located at 7-151 Esna Park Drive, Markham, Ontario.
3. Mr. Ching advised that the Company's operations consisted of producing physical objects from a three-dimensional model. As well, Mr. Ching advised that it was his intention for the Company to sell its product locally.

CAUSES OF INSOLVENCY

4. Based on the Trustee's discussions with Henry Ching, the reason for the Company's insolvency was due to the COVID 19 Pandemic. Due to its short existence prior to the COVID 19 Pandemic, the Company did not have an opportunity to establish itself or to earn a profit.
5. The Company ceased its operations in or around April 2020, as the Pandemic caused little to no sales. However, the Company continued to make payments to its main creditor, the Royal Bank of Canada ("**RBC**"). The Company's funds during this period originated from government assistance loans (CEBA loan in the amount of \$60,000). As well, the Trustee has been advised that Henry Ching has been making monthly payments from his personal funds towards the Company's debt owing to RBC.

TRUSTEE'S ACTIONS TO DATE

6. The Trustee's actions up to the First Meeting of Creditors include, but are not limited to, the following:
 - a. Reviewing the Company's books and records that were provided electronically;
 - b. Arranging to secure the physical books and records of the Estate;
 - c. Notifying all known creditors of the bankruptcy on November 2, 2022;
 - d. Reviewing proofs of claim filed to date (if applicable);

- e. Placing a Notice of Bankruptcy in a local newspaper (The Toronto Sun) on November 10, 2022;
- f. Maintaining the Trustee’s website for these proceedings; and
- g. All other statutory duties required under the Act.

CREDITORS

- 7. A listing of the creditors and the claims received up to the First Meeting of Creditors (“Claims Register”) is attached hereto as **Appendix “A”** and is summarized below:

Creditor Type	Per Statement of Affairs		Proof of Claims Filed to Date	
	#	\$	#	\$
Trust	-	-	-	-
Secured	-	-	-	-
Preferred	-	-	-	-
Unsecured	7	285,145.26	-	-
Contingent	-	-	-	-
Totals	7	285,145.26	-	-

VALUATION OF ASSETS AND ANTICIPATED REALIZATION

- 8. As of the date of the bankruptcy (October 28, 2022), the Trustee was not aware of any assets of value belonging to the estate of the bankrupt.

TRANSFERS AT UNDERVALUE/PREFERENTIAL PAYMENTS

- 9. The Trustee is currently reviewing the books and records of the Company to determine if the Company conducted any transactions that would be considered a transfer undervalue or a preferential payment as defined under the Act. The Trustee will report to the creditors/inspectors at a later date.

LEGAL PROCEEDINGS

- 10. The Trustee is not aware of any legal proceedings currently ongoing against the estate of the bankrupt.

CONSERVATORY AND PROTECTIVE MEASURES

11. Given there are no assets of value, the Trustee has not applied conservatory and protective measures with respect to the estate of the bankrupt.

CARRYING ON BUSINESS

12. The Company ceased carrying on its business in March 2020.

OTHER MATTERS

13. The Trustee has been advised that there is an amount owing to CRA in connection with payroll source deductions (\$5,962.49 before interest and penalties) for the fiscal year 2019. As well, the Trustee has been advised that there are no amounts owing to CRA for HST.

14. The Trustee will be seeking directions from the creditors on the following matters:

- a. affirmation of the appointment of the Trustee;
- b. approval of all the Trustee's actions to date, including the actions outlined in this Preliminary Report;
- c. appointment of inspectors (if applicable); and
- d. any other matters which may arise at this First Meeting of Creditors.

DATED at the City of Toronto, in the Province of Ontario, this 16th day of November, 2022.

**CROWE SOBERMAN INC.
Licensed Insolvency Trustee
of the Estate of 2648658 ONTARIO INC.
cob 3D SOLUTIONS,
a bankrupt**



Per: Hans Rizarri, LIT, CIRP

Crowe Soberman Inc., LIT**Claims Register**

In the Matter of the Bankruptcy of
2648658 ONTARIO INC. cob 3D SOLUTIONS
of the City of Markham
in the Province of Ontario

Insolvency Date: 28-Oct-2022

Estate Number: 31-2878986

<i>Creditor Name</i>	<i>Proof of Claim?</i>	<i>Claim Status</i>	<i>Rank / Class</i>	<i>SOA Amount</i>	<i>Amount Filed</i>	<i>Admitted for Dividend</i>
Unsecured creditors						
1. CRA - Tax - Ontario 741750889RP0001	No	Not proved			5,962.49	
2. IDI-Itech Development Inc Landlord	No	Not proved			27,459.00	
3. RBC Royal Bank / Banque Royale Attn: c/o BankruptcyHighway.com 34131079-001	No	Not proved			190,461.00	
4. RBC Royal Bank c/o BankruptcyHighway.com Attn: Razel Bowen 45140588 8888 4901	No	Not proved			60,000.00	
5. RBC Royal Bank Visa c/o BankruptcyHighway.com Attn: Razel Bowen 55212xx xxxx4695	No	Not proved			1,262.77	
Total : Unsecured creditors					<u>285,145.26</u>	
				Grand Total:	285,145.26	
