



Crowe Soberman Inc.

Crowe Soberman Inc.
Licensed Insolvency Trustee
Member Crowe Global

2 St. Clair Avenue East, Suite 1100
Toronto, ON M4T 2T5
1 877 929 2501 Toll Free
416 929 2555 Fax
www.crowesobermaninc.com

ESTATE NO. 31-3057236

In the Matter of the Bankruptcy of
2637205 ONTARIO INC.
of the City of Thornhill
In the Regional Municipality of York
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 "BIA"), is that of creditor's control. The BIA 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. 2637205 ONTARIO INC. (the "**Company**" or "**263**") made an assignment in bankruptcy on March 19, 2024 (the "**Filing Date**"). Crowe Soberman Inc. ("**CSI**" or the "**Trustee**") was appointed as Licensed Insolvency Trustee of the Estate of the Bankrupt by the Official Receiver.

BACKGROUND

2. According to the Ontario Profile Report, the Company was incorporated under the *Ontario Business Corporation Act* on May 24, 2018. Chanoch Nelken (“**Mr. Nelken**”) was listed as the Company’s Director and Officer.
3. The Company operated a kosher pizza restaurant located at 7241 Bathurst St, Thornhill, Ontario (the “**Premises**”).

CAUSES OF INSOLVENCY

4. The Trustee understands that the primary reason for the Company’s insolvency was due to the impact that the COVID-19 Pandemic had and continues to have on the Restaurant Industry. Although the Company continued to operate after the easing of government-imposed restrictions, it was not able to recover from the losses incurred during the Pandemic. Accordingly, the Company ceased its operations on or around December 31, 2021 and engaged CSI to assign the Company into bankruptcy.

TRUSTEE'S ACTIONS TO DATE

5. The Trustee’s actions up to the Date of 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. Notifying all known creditors of the bankruptcy on March 26, 2024;
 - c. Assisting creditors in filling out the proof of claim forms;
 - d. Reviewing proofs of claim filed to date;
 - e. Placing a Notice of Bankruptcy in a local newspaper (The Toronto Sun) on March 28, 2024;
 - f. Maintaining the Trustee’s website for these proceedings; and
 - g. All other statutory duties required under the *BIA*.

CREDITORS

6. A listing of the creditors and the claims received up to the First Meeting of Creditors is attached as Appendix "A" and is summarized below:

Creditor Type	Per Statement of Affairs		Proof of Claims Filed to Date	
	#	\$	#	\$
Trust	-	-	-	-
Secured			-	-
Preferred	-	-	-	-
Unsecured	2	100,000.00		
Contingent	-	-	-	-
Totals	2	100,000.00	-	-

VALUATION OF ASSETS AND ANTICIPATED REALIZATION

7. As of the Filing date, the Trustee was not aware of any assets of value belonging to the estate of the bankrupt.

TRANSFERS AT UNDERVALUE/PREFERENTIAL PAYMENTS

8. 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 *BIA*. The Trustee will report to the creditors/inspectors at a later date.

LEGAL PROCEEDINGS

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

CONSERVATORY AND PROTECTIVE MEASURES

10. The Trustee has not applied conservatory and protective measures with respect to Section 18 of the *BIA*.

CARRYING ON BUSINESS

11. The Company ceased operating on December 31, 2021, and accordingly the Trustee has not carried on the business.

THIRD PARTY DEPOSIT

12. Mr. Nelken has provided a third-party deposit to the Trustee for the purpose of covering the costs of the administration of this bankruptcy.

OTHER MATTERS

13. The Trustee was advised that there was no lease in effect as of the Filing Date.

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 8th day of April 2024.

**CROWE SOBERMAN INC.
Licensed Insolvency Trustee
of the Estate of
2637205 ONTARIO INC. a Bankrupt**

Daniel Posner

Per: Daniel Posner, LIT, CIRP

Crowe Soberman Inc., LIT

Claims Register

In the Matter of the Bankruptcy of
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of the City of Thornhill, in the Regional Municipality of York
in the Province of Ontario

Insolvency Date: 19-Mar-2024

Estate Number: 31-3057236

<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. Chanoch Nelken Shareholder Loan	No	Not proved			40,000.00	
2. TD Canada Trust C/O FCT Default Solutions 923***3-01 Branch #8144	No	Not proved			60,000.00	
Total: Unsecured creditors					<u>100,000.00</u>	
				Grand Total:	100,000.00	
