



Crowe Soberman Inc.

Crowe Soberman Inc.
Licensed Insolvency Trustee
Member Crowe Global

2 St. Clair Avenue East, Suite 1100
Toronto, ON M4T 2T5
416 929 2500
416 929 2555 Fax
1 877 929 2501 Toll Free
www.crowesobermaninc.com

ESTATE NO. 31-2890511

In the Matter of the Bankruptcy of
SIDI DINING INC.
c.o.b. Fionn MacCool's Irish Pub #5847
of the Town of Ajax
in the Regional Municipality of Durham
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. Sidi Dining Inc. ("**Sidi Dining**" or the "**Company**") made an assignment in bankruptcy on December 2, 2022 ("**Date of Bankruptcy**"). 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, Sidi Dining was incorporated under the *Ontario Business Corporations Act* on March 27, 2017. Aryn Kamali and Dean Tesser are listed as the Company's Directors and Officers. The Company's head office and operations were located at 36 Kingston Road East, Ajax, Ontario (the "**Premises**").
3. The Company's operations consisted of operating a restaurant/pub as a franchisee of the Fionn MacCool's Franchise. The Company carried on business as Fionn MacCool's Irish Pub #5847.

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. As well, the Company, in its current business model, operating as an Irish Pub/Restaurant, could not keep up with the changing demographics in the area where the Company's operations were located.
5. The Trustee was advised that prior to the Date of Bankruptcy, the Company was consistently incurring monthly losses (in the tens of thousands), and accordingly, the Directors engaged CSI to assign the Company into bankruptcy.

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. Attending the Premises;

- b. Securing the Company's physical books and records located at the Premises;
- c. Engaging a third party to prepare a list of the Company's inventory that was located on the Premises at the Date of Bankruptcy;
- d. Reviewing the Company's books and records that were provided electronically;
- e. Working towards disclaiming the Company's lease of the Premises (to be approved by the Inspectors);
- f. Notifying the Landlord (Durham Holdings Limited c/o RioCan Real Estate Investment Trust) and the head-tenant (Foodtastic Inc.) that the Trustee is not taking possession of the Premises;
- g. Arranging for the keys of the Premises to be delivered to Foodtastic Inc.;
- h. Discussions with the Canadian Imperial Bank of Commerce ("**CIBC**"), the Company's senior secured lender, and arranged for an appraisal of the Company's assets to be conducted by a representative of CIBC;
- i. Assisting and providing information to the Company's former employees in connection with the Wage Earner Protection Program Act ("**WEPPA**");
- j. Assisting creditors in filling out the proof of claim forms;
- k. Notifying all known creditors of the bankruptcy on December 6, 2022;
- l. Reviewing proofs of claim filed to date;
- m. Placing a Notice of Bankruptcy in a local newspaper (The Toronto Sun) on December 13, 2022;
- n. Maintaining the Trustee's website for these proceedings; and
- o. All other statutory duties required under the Act.

CREDITORS

i) Secured Creditors

- 7. CIBC filed a secured claim in the amount of \$230,122.64.
- 8. As well, the Trustee has received multiple proof of claims that were submitted by former employees of the Company. Accordingly, those claims might be entitled to a super-priority in accordance with Section 81.3 of the Act.

ii) Unsecured Creditors

9. 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	1	232,404.66	1	230,122.64
Preferred	39	2,038.00	5	9,272.96
Unsecured	22	123,202.77	7	82,671.33
Contingent	-	-	-	-
Totals	62	357,645.43	13	322,066.93

VALUATION OF ASSETS AND ANTICIPATED REALIZATION

10. The Company’s assets as of the Date of Bankruptcy, consisted of inventory, equipment, and leaseholds (the “**Assets**”) that were used for the purpose of operating the restaurant/pub. The Trustee understands that the Assets have a value of approximately \$10,000 if the Assets were to be valued on a liquidation basis. However, if the Assets were to be sold in their current state for the purpose of operating a restaurant on a going concern basis, (similar to Fionn MacCool’s Irish Pub #5847), the value of the Assets would be significantly higher.

TRANSFERS AT UNDERVALUE/PREFERENTIAL PAYMENTS

11. 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 at undervalue or a preferential payment as defined under the Act. The Trustee will report to the creditors/inspectors at a later date.

LEGAL PROCEEDINGS

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

CONSERVATORY AND PROTECTIVE MEASURES

13. The Trustee has not applied conservatory and protective measures with respect to the estate of the bankrupt.

CARRYING ON BUSINESS

14. The Company closed its operations on December 1, 2022, and accordingly, the Trustee did not carry on the business after the Date of Bankruptcy.

PAYMENTS TO THE TRUSTEE

15. The Trustee has entered into a Third-Party Deposit Agreement with Aryn Kamali and Dean Tesser pursuant to the provisions of the Act and has received the amount of \$15,000 from Messrs. Kamali and Tesser.

OTHER MATTERS

16. The Trustee has been advised that as of the Date of Bankruptcy the Company was current with respect to amounts owing to the CRA for payroll and HST.

17. 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 21ST day of December, 2022.

CROWE SOBERMAN INC.
Licensed Insolvency Trustee
of the Estate of SIDI DINING INC.,
a bankrupt



Per: Hans Rizarri, LIT, CIRP

Claims Register

In the Matter of the Bankruptcy of
SIDI DINING INC.
c.o.b. Fionn MacCool's Irish Pub #5847
of the Town of Ajax
in the Regional Municipality of Durham
in the Province of Ontario

Insolvency Date: 02-Dec-2022

Estate Number: 31-2890511

<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>
Preferred creditors						
1. Ally, Rahman R Wages	No	Not proved	D	1.00		
2. Andela, Amanda Wages	Yes	Admitted	D	1.00	1,272.96	
3. Arendoque, Maya Wages	No	Not proved	D	1.00		
4. Blackman, Lindsay Wages	Yes	Admitted	D	1.00	2,000.00	
5. Briggs, Renelle Wages	No	Not proved	D	1.00		
6. Cadieux, Kristen Wages	No	Not proved	D	1.00		
7. Drew, Jasmine Wages	No	Not proved	D	1.00		
8. Gallotta, Lauren Wages	No	Not proved	D	1.00		
9. Geisel, Taylor Wages	No	Not proved	D	1.00		
10. Gray, Kevon Wages	No	Not proved	D	1.00		
11. Hymas, Kelly Wages	No	Not proved	D	1.00		
12. Ledlie, Sean Wages	Yes	Admitted	D	1.00	2,000.00	
13. Lewis, Aaron Wages	No	Not proved	D	1.00		
14. Little, Carly Wages	No	Not proved	D	1.00		
15. Lockhart, Natasha Wages	No	Not proved	D	1.00		
16. MacLean, Matthew Wages	Yes	Admitted	D	2,000.00	2,000.00	
17. Mahoney, Kiley Wages	No	Not proved	D	1.00		
18. Mahoney, Noelle Wages	No	Not proved	D	1.00		
19. Martin DelCampo, Gabbie Wages	No	Not proved	D	1.00		
20. McLaughlin-McLean, Tiana Wages	No	Not proved	D	1.00		
21. McLean, Kirk Wages	No	Not proved	D	1.00		

Claims Register for SIDI DINING INC. - Continued

Insolvency Date: 02-Dec-2022

Estate Number: 31-2890511

<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>
22. McMichael, Declan Wages	No	Not proved	D	1.00		
23. Monopoli, Kayla Wages	No	Not proved	D	1.00		
24. Moore, Amanda Wages	No	Not proved	D	1.00		
25. Moulten, Daniel Wages	No	Not proved	D	1.00		
26. Nancoo, Aidan Wages	No	Not proved	D	1.00		
27. Paterson, Vanessa Wages	Yes	Admitted	D	1.00	2,000.00	
28. Petsinis, Justin Wages	No	Not proved	D	1.00		
29. Pickering, Olivia Wages	No	Not proved	D	1.00		
30. Pineda, Kristine Wages	No	Not proved	D	1.00		
31. Place, Nicole Wages	No	Not proved	D	1.00		
32. Plumb, David Wages	No	Not proved	D	1.00		
33. Robertson, Zakariah Wages	No	Not proved	D	1.00		
34. Ross, Katherine Wages	No	Not proved	D	1.00		
35. Scott, Danica Wages	No	Not proved	D	1.00		
36. Stucklschwaiger, Leo Wages	No	Not proved	D	1.00		
37. Tower, Kaitlin Wages	No	Not proved	D	1.00		
38. Tower, Matthew Wages	No	Not proved	D	1.00		
39. VanMassop, Rachel Wages	No	Not proved	D	1.00		
Total : Preferred creditors				2,038.00	9,272.96	

Secured creditors

1. CIBC, c/o Gowling WLG (Canada) LLP Attn: Mia Laister-Peck 04392000115053	Yes	Admitted		10,000.00	230,122.64	
Total : Secured creditors				10,000.00	230,122.64	

Unsecured creditors

1. Blackman, Lindsay Wages	Yes	Admitted			766.00	
2. CIBC Visa c/o TECHCOM Managed Services	No	Not proved		12,031.05		
3. CIBC, c/o Gowling WLG (Canada) LLP Attn: Mia Laister-Peck 04392000115053	Yes	Admitted		222,404.66		

Claims Register for SIDI DINING INC. - Concluded

Insolvency Date: 02-Dec-2022

Estate Number: 31-2890511

<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>
4. CIBC, c/o Gowling WLG (Canada) LLP Attn: Mia Laister-Peck 04392008002258 CEBA	Yes	Admitted		60,000.00	60,000.00	
5. CRA - Tax - Ontario 722057098 RC0001	No	Not proved		1.00		
6. CRA - Tax - Ontario 722057098 RP0001	No	Not proved		1.00		
7. CRA - Tax - Ontario 722057098 RT0001	No	Not proved		1.00		
8. Dillon's Distillers	No	Not proved		376.40		
9. Elexicon Energy 97010783-03	No	Not proved		2,653.33		
10. Enbridge Gas Distribution - Ontario Attn: Back Office Collections Department 910026733885	No	Not proved		2,099.05		
11. Foodtastic Inc. Franchisor	No	Not proved				
12. G & A Unique Cleaners	No	Not proved		1,582.00		
13. Ledlie, Sean Wages	Yes	Admitted				1,720.00
14. Linde Canada Inc	No	Not proved		299.13		
15. MacLean, Matthew Wages	Yes	Admitted		58.73		11,966.00
16. Paterson, Vanessa Wages	Yes	Admitted				4,781.00
17. Purolator Inc. Attn: Wayne Richard/Accounts Receivable	No	Not proved		36.76		
18. Recipe Unlimited Corporation Attn: Yulia Vasilyeva	Yes	Admitted				2,650.98
19. Rentokil Steritech Attn: Accounts Receivable 51525410	Yes	Admitted		262.45		787.35
20. RML-ITF-RC Durham Centre LP, Ajax Management Office	No	Not proved		22,359.68		
21. Sysco Foods	No	Not proved		21,000.00		
22. Underwriters Alliance Inc	No	Not proved		441.19		
Total : Unsecured creditors					345,607.43	82,671.33
				Grand Total:	357,645.43	322,066.93