

TRUSTEE'S REPORT ON PRELIMINARY ADMINISTRATION

IN THE MATTER OF THE BANKRUPTCY OF

2175777 ALBERTA LTD.

BKY 24-3005658

HUDSON & COMPANY INSOLVENCY TRUSTEES INC.

2175777 Alberta Ltd. (hereinafter referred to as the “**Company**”) filed a voluntary assignment into bankruptcy pursuant to Section 49(1) of the *Bankruptcy and Insolvency Act* (“**BIA**”) on November 2, 2023 with Hudson & Company Insolvency Trustees Inc. appointed as Licensed Insolvency Trustee.

SECTION A - The Trustee's duties under Section 16(3) of the BIA:

Class I - Stocks and Merchandise:

- The Company did not own any stock or inventory.

Class II - Machinery and Equipment:

- The Company did not own any machinery or equipment.

Class III - Buildings and Real Estate:

- The Company did not own any buildings or real estate.

Class IV - Books and Records:

- The Trustee has obtained electronic copies of the various books and records of the Company pertinent to the administration of the estate. As the Company had not filed the last year of income tax and other business returns the information was brought to an account prior to signing, and these documents remain at the accountants office until the returns are completed.

Class V - Other Assets:

- The Company remitted its current cash on hand balance of \$15,000.00 to the Trustee. The Trustee has deposited these funds in its trust account.

SECTION B - Conservatory and Protective Measures:

- None that the Trustee is aware of.

SECTION C - Legal Proceedings:

- None that the Trustee is aware of.

SECTION D - Provable Claims:

- At the time of preparing this report, there have been several unsecured claims filed in the bankruptcy proceedings. A detailed claims registered is attached to this report as Exhibit "A."

SECTION E - Secured Creditors:

- Based on the Trustee's review of the Company's Personal Property Registry ("PPR"), it appears that Canadian Imperial Bank of Commerce is the first ranking secured creditor with a general security over the assets of the Company.

SECTION F - Reviewable Transactions and Preference Payments:

- The Trustee understands that prior to the filing of the assignment the various tools and equipment of the Company were liquidated for \$15,000, which made up the cash balance noted above. The assets were sold en bloc to a competitor and, when compared to the auction estimate, appear to be sold at a fair market value.

SECTION G - Other Matters:

- The Trustee understands that Canada Revenue Agency ("CRA") is owed approximately \$98,000 related to unremitted payroll source deductions, and this balance would be considered a deemed trust claim. This claim is subject to audit by the CRA and to date, no claim has been received.
- The Trustee has sought to enter into an Administrative Agreement with CRA to allow for the Trustee's fees and expenses to be paid from the assets realized through the administration of the bankruptcy, in priority to the claim of the CRA. The Trustee is waiting for a response from the CRA to this request.
- Considering the deemed trust claim the Trustee does not anticipate any distribution for unsecured creditors.

DATED at Calgary, Alberta, November 22, 2023.

HUDSON & COMPANY INSOLVENCY TRUSTEES INC.

Per: Breanne Burkard-Smith
Breanne Burkard-Smith, Licensed Insolvency Trustee

Hudson & Company Insolvency Trustees Inc.

Claims Register

In the Matter of the Bankruptcy of
2175777 Alberta Ltd.
of the City of Edmonton, in the Province of Alberta

Exhibit
"A"

Insolvency Date: 02-Nov-2023
Estate Number: 24-3005658

<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. American Express c/o FCT Default Solutions Attn: Insolvency Department 379857837561006	Yes	Admitted		29,000.00	30,094.55	30,094.55
2. Business Development Bank of Canada - Calgary Attn: Margie Penuliar	No	Not proved		76,667.00		
3. CGI Realty Advisors Ltd. Attn: dora@crisallgroup.com	No	Not proved		11,190.22		
4. CIBC c/o TECHCOM Managed Services CEBA Loan	No	Not proved		60,000.00		
5. CIBC c/o TECHCOM Managed Services	No	Not proved		36,791.00		
6. CIBC Visa c/o TECHCOM Managed Services	No	Not proved		21,930.00		
7. CIBC Visa c/o TECHCOM Managed Services	No	Not proved		2,000.00		
8. CRA - Tax - Prairies 701576886RC0001	No	Not proved		1.00		
9. CRA - Tax - Prairies 701576886RT0001	No	Not proved		20,000.00		
10. Dentons Canada LLP.	No	Not proved		1.00		
11. EPCOR Energy Alberta GP Inc. c/o General Credit Services Inc. Attn: Roberta MacDonald	No	Not proved		1.00		
12. Insta Ramp and Mobility	No	Not proved		6,189.75		
13. Justin Nichvalodoff	Yes	Admitted		8,047.78	8,047.78	8,047.78
14. Kyle Elyk	Yes	Admitted		12,368.90	12,368.90	12,368.90
15. LSL Eavestroughing Ld.	No	Not proved		1.00		
16. Plaiser Container Services	No	Not proved		3,400.00		
17. Telus Residential/Business Services Attn: Rick Wan	No	Not proved				
18. Traffic Division of the Provincial Court of AB	No	Not proved		1.00		
19. WCB Workers Compensation Board of Alberta Attn: Collection Department	No	Not proved		1.00		
Total : Unsecured creditors				287,590.65	50,511.23	50,511.23
Deemed Trust Claim						
1. CRA - Tax - Prairies 701576886RP0001	No	Not proved		98,536.79		
Total : Deemed Trust Claim				98,536.79		
Grand Total:				386,127.44	50,511.23	50,511.23