

District of: Ontario
Division No. 09 – Toronto
Court No. 31-2749204
Estate No. 31-2749204

CREDITOR PACKAGE

NATIONWIDE MANUFACTURING LIMITED
of the city of Toronto
in the Province of Ontario

Dodick Landau Inc.
6-4646 Dufferin Street
Toronto, ON M3H 5S4

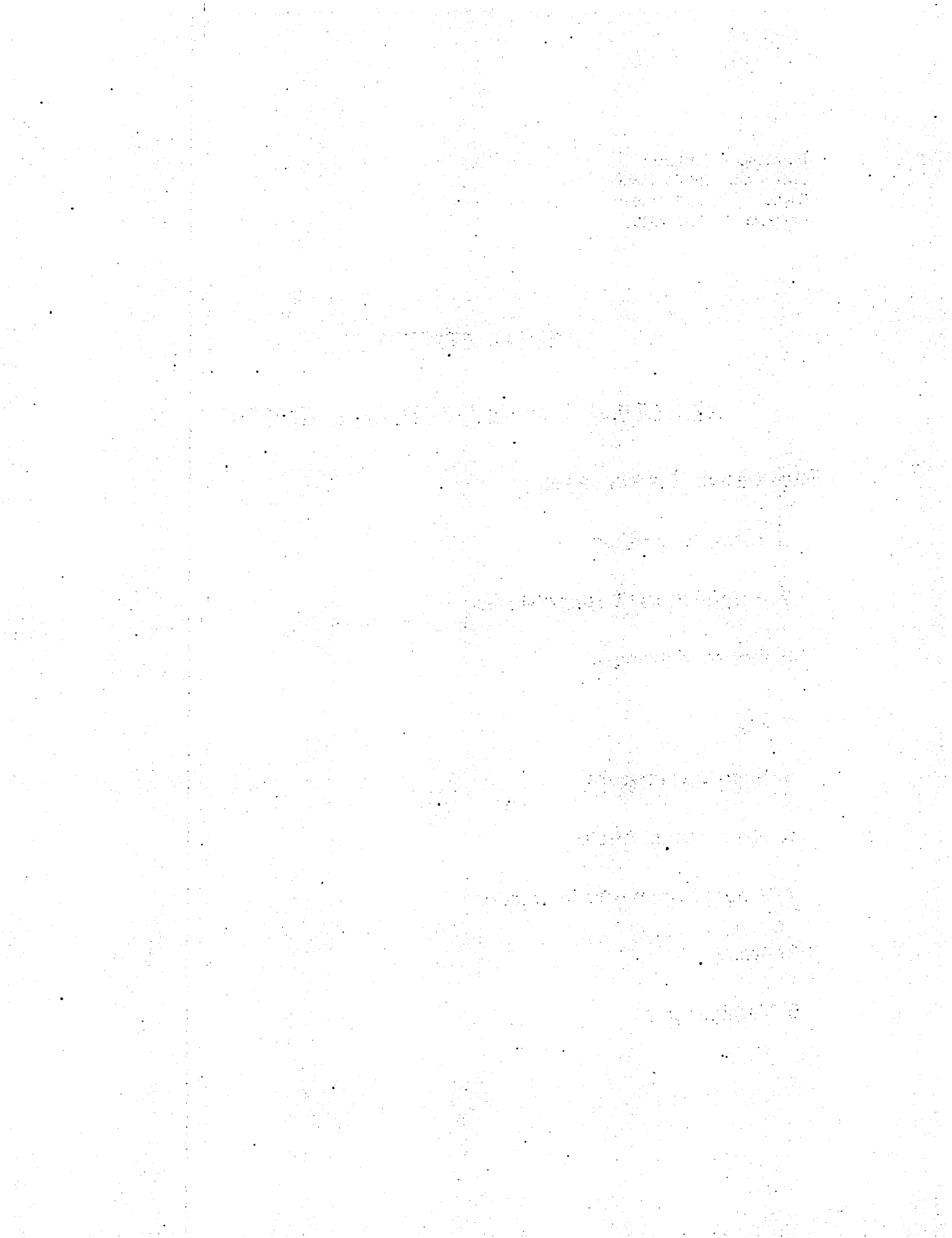
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TABLE OF CONTENTS

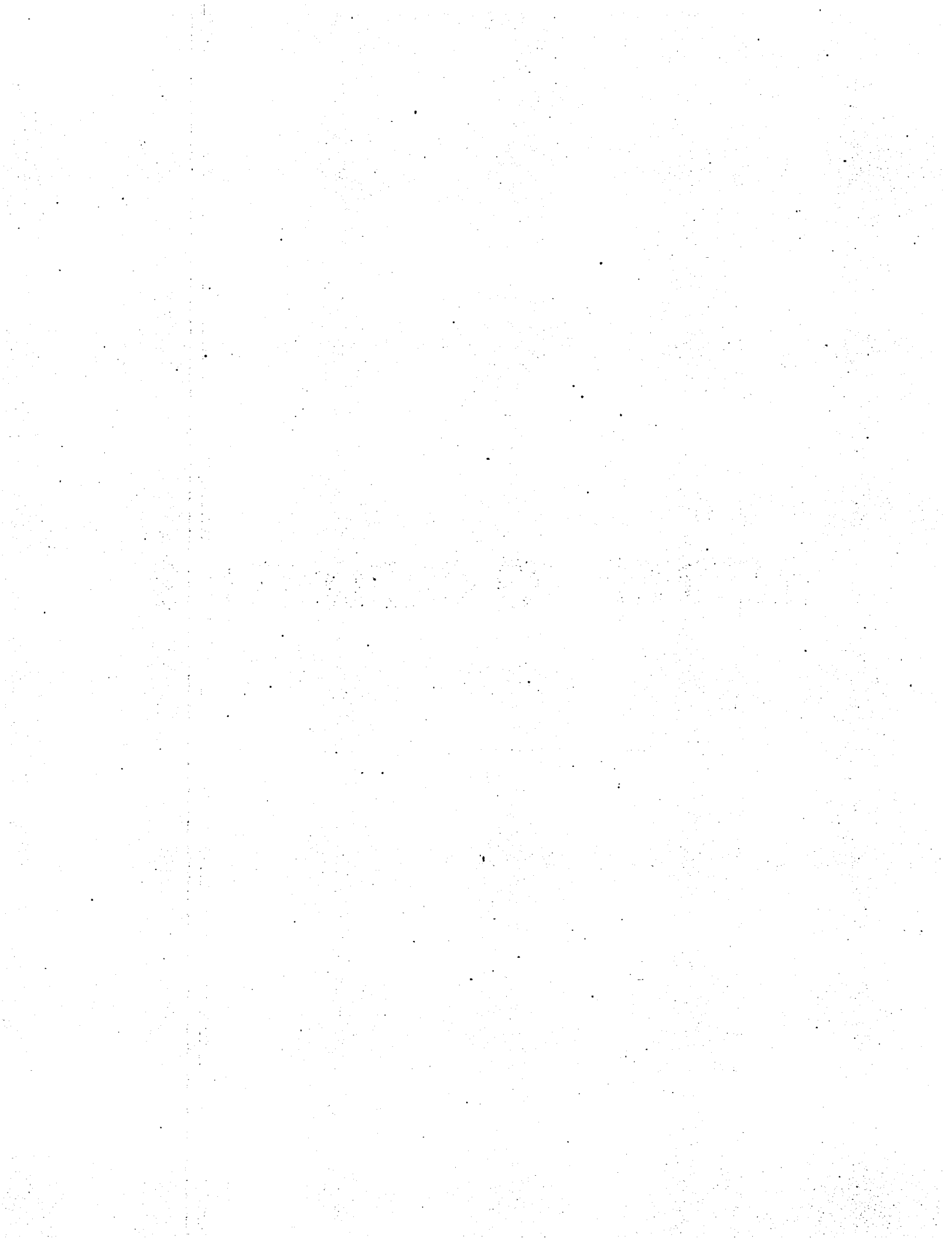
NATIONWIDE MANUFACTURING LIMITED

Included in this package:

- 1. Letter to Creditors**
- 2. Helpful Hints/ Voting/Proxies**
- 3. Notice of Proposal**
- 4. Proposal**
- 5. Report on Proposal**
- 6. Statement of Affairs**
- 7. Proof of Claim with instructions**
- 8. Proxy**
- 9. Voting Letter**



LETTER TO CREDITORS



DODICK LANDAU

September 17, 2021

CREDITOR PACKAGE

To the Creditors of Nationwide Manufacturing Limited, ("Nationwide" or the "Company")

Please be advised that on September 10, 2021, Dodick Landau Inc., in its capacity as Proposal Trustee (the "Proposal Trustee") of the Estate of Nationwide Manufacturing Limited filed with the Official Receiver a proposal in the name, and on behalf, of Nationwide Manufacturing Limited (the "Proposal").

The reason you are receiving this letter and the enclosed creditor information ("Creditor Package") is because Nationwide advised the Proposal Trustee that you are a creditor of Nationwide and may be eligible to vote in the Proposal. The purpose of the Creditor Package is to provide you with the information you require to evaluate, and vote on, the Proposal.

Enclosed in this Creditor Package are the following Proposal documents:

- 1) Notice of Proposal to Creditors;
- 2) Proposal;
- 3) Trustee's Report on Proposal;
- 4) Statement of Affairs;
- 5) Proof of Claim form with instructions;
- 6) Proxy;
- 7) Voting Letter

A Meeting of the Creditors to consider the Proposal will be held by Zoom videoconference on the 12th day of October, 2021 at 11:00 a.m. The Zoom link is as follows:

<https://us06web.zoom.us/j/85166641913?pwd=UllqUE94ckVGMll4amJqQXBsQ1pidz09>

In order to be eligible to attend and vote at the meeting of creditors, creditors must have filed with the Proposal Trustee before the meeting, a proof of claim form signed and witnessed as required and accompanied by a statement of account. Those Creditors who do not intend to have a personal representative at the meeting held on October 12, 2021, may complete and submit the voting letter which is enclosed in this Creditor Package prior to the meeting indicating their vote for or against the acceptance of the Proposal. The Trustee has also enclosed a form of proxy should a Creditor wish to appoint a proxy to represent them at the meeting. Additional details relating to the filing of claims prior to the meeting of creditors are outlined throughout this Creditors Package.

THE HISTORY OF THE UNITED STATES

The history of the United States is a story of growth and change. From the first European settlers to the present day, the nation has evolved through various stages of development. The early years were marked by exploration and the establishment of colonies. The American Revolution led to the birth of a new nation, and the subsequent years saw the expansion of territory and the growth of a diverse population.

The American Civil War was a pivotal moment in the nation's history, as it resolved the issue of slavery and preserved the Union. Following the war, the country experienced a period of reconstruction and industrialization. The late 19th and early 20th centuries were characterized by westward expansion and the rise of a powerful industrial economy.

The 20th century brought significant challenges and achievements. The United States emerged as a global superpower after World War II, leading the world in economic and technological innovation. The civil rights movement of the 1950s and 1960s sought to end racial discrimination and promote equality for all citizens. The Vietnam War and the Cold War with the Soviet Union were also defining events of this era.

The late 20th and early 21st centuries have seen continued growth and change. The United States has remained a leading world power, facing new challenges such as globalization, terrorism, and climate change. The 2008 financial crisis and the subsequent recovery have shaped the current economic landscape. The ongoing struggle for social justice and equality remains a central theme in the nation's history.

The history of the United States is a testament to the resilience and ingenuity of its people. Despite numerous challenges, the nation has persevered and grown into a global leader. The values of freedom, democracy, and equality continue to guide the American people as they move forward into the future.

The American dream, the belief that anyone can achieve success and prosperity through hard work and determination, is a central part of the nation's identity. This dream has inspired generations of Americans to pursue their goals and contribute to the betterment of the country. The history of the United States is a story of hope and possibility.

The United States is a nation of immigrants, and its diverse population is a source of strength and innovation. The contributions of people from all backgrounds have shaped the American character and the nation's progress. The history of the United States is a story of unity and shared purpose.

The future of the United States is bright and full of potential. As the nation continues to grow and evolve, it will face new challenges and opportunities. The American people are committed to upholding the values of freedom, democracy, and equality, and to building a better future for all. The history of the United States is a story that will continue to inspire and guide the nation for generations to come.

DODICK LANDAU

Please read the Helpful Hints, Voting and General Proxy information following this letter for details on how to file your claim and vote on the Proposal. In the Proof of Claim section of this package you will also find an Information sheet detailing how to complete your Proof of Claim and what must be returned with it. Please utilize this information.

Completed proofs of claim, and other documents may be returned to the Proposal Trustee to the attention of Brenda McKnight by fax (416-649-7725) or electronic mail (brenda.mcknight@dodick.ca). Should you need further assistance, you may contact our office by telephone at 416-645-0542.

Properly completed Proofs of Claims not received at the Proposal Trustee's office prior to the start of the October 12, 2021 meeting will result in that creditor not being able to vote at the meeting on the Proposal. We encourage all creditors who wish to vote at the meeting to send to the Proposal Trustee's office their completed proof of claim as soon as possible. We also encourage creditors to vote by voting letter in advance as well if they are able.

Please refer to the Trustee's Report on the Proposal. Please note that the Proposal Trustee is recommending that creditors vote in favour of the Proposal for the reasons as noted in the report.

To access further information pertaining to the Nationwide proceedings, including an electronic copy of the Creditor Package, and link to the October 12, 2021 meeting, please visit the Trustee's website (<http://dodick.ca/public-documents/>).

DODICK LANDAU INC.,

Proposal Trustee of the estate of Nationwide Manufacturing Limited
and not in its personal or
corporate capacity.

Per:



Rahn Dodick, CPA, CA, CIRP, LIT
President

The first part of the document discusses the importance of maintaining accurate records of all transactions. It emphasizes that proper record-keeping is essential for the integrity of the financial system and for the ability to detect and prevent fraud.

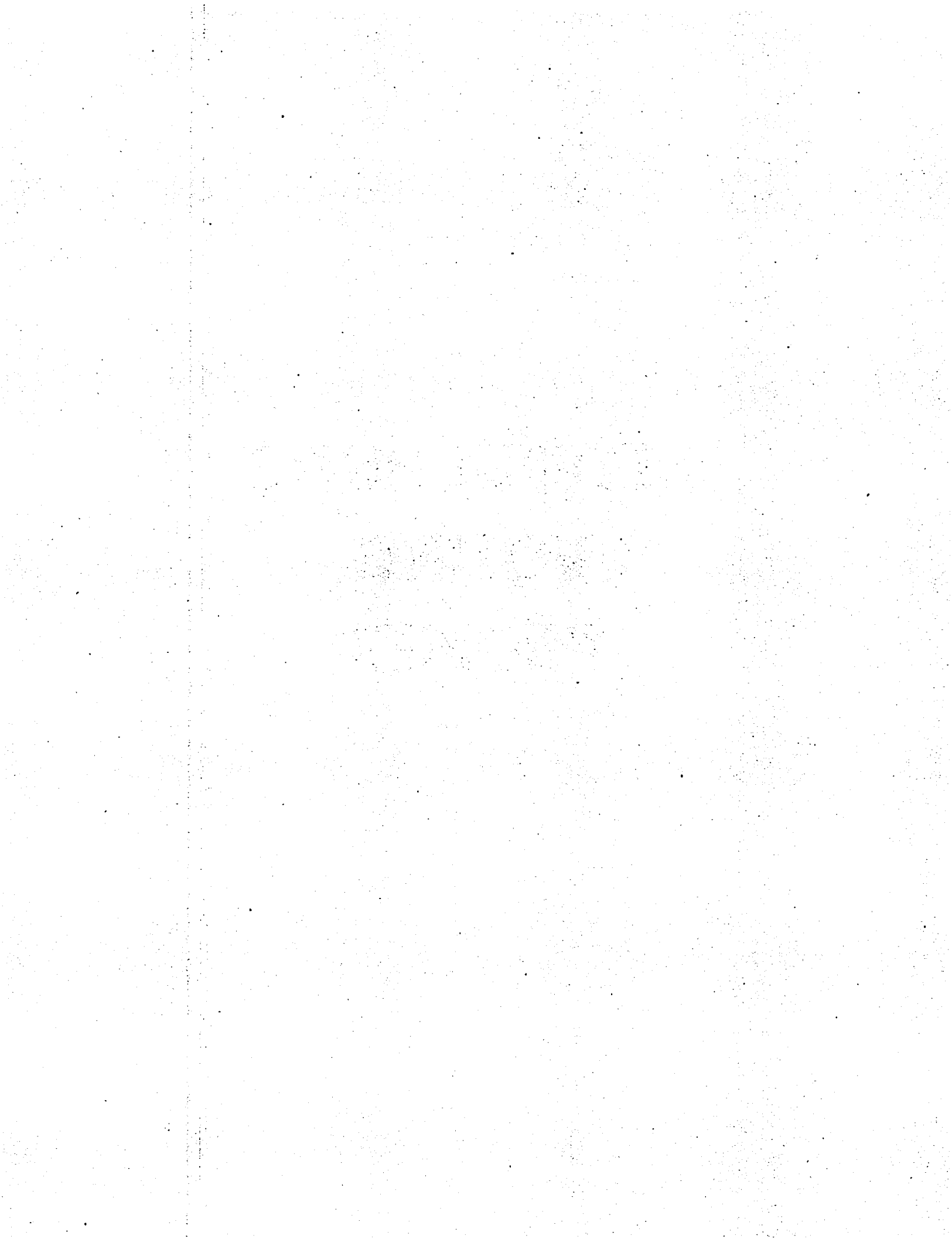
It is noted that the current system of record-keeping is outdated and inefficient. The document proposes a new system that would utilize modern technology to streamline the process and reduce the risk of errors.

The proposed system would require the implementation of a new software platform. This platform would be designed to handle all financial transactions and to generate reports in a clear and concise manner. It would also include built-in controls to prevent unauthorized access and to ensure the accuracy of the data.

It is estimated that the implementation of the new system would result in significant cost savings and a reduction in the time required to process transactions. The document also outlines the steps that will be taken to ensure a smooth transition to the new system.

The document concludes by stating that the proposed system is a necessary and timely reform. It is hoped that the implementation of the new system will lead to a more efficient and secure financial system.

**HELPFUL HINTS
VOTING
PROXIES**



DODICK LANDAU

Helpful Hints

- o You are receiving this Creditor Package as Nationwide Manufacturing Limited has informed the Proposal Trustee that you are one of their creditors.
- o Please note that a Meeting of Creditors will be held on October 12, 2021 at 11:00 a.m. via Zoom. The Zoom link is noted on the cover page of the Creditor Package letter, or contact Brenda McKnight for the link.
- o To participate in the Proposal, all creditors MUST file a Proof of Claim form and submit it to the Proposal Trustee in advance of the Meeting of Creditors. The Proof of Claim and the instruction sheet can be found close to the end of the Creditor Package.
- o Please remember that your claim must include a Schedule "A" which is proof of the amount that you are claiming. This should be invoices of the amount owing to you or similar documentation.
- o You can submit your claim by email, mail or by fax. If you use the fax, please be sure to direct your fax to Dodick Landau Inc. In order to be eligible to vote at the Meeting, the Proof of Claim with supporting documents MUST arrive at the office of the Proposal Trustee in advance of the Meeting.
- o Please read the Proposal document and the Report on the Proposal written by the Proposal Trustee in order to understand the Proposal and the voting at the meeting.

Voting

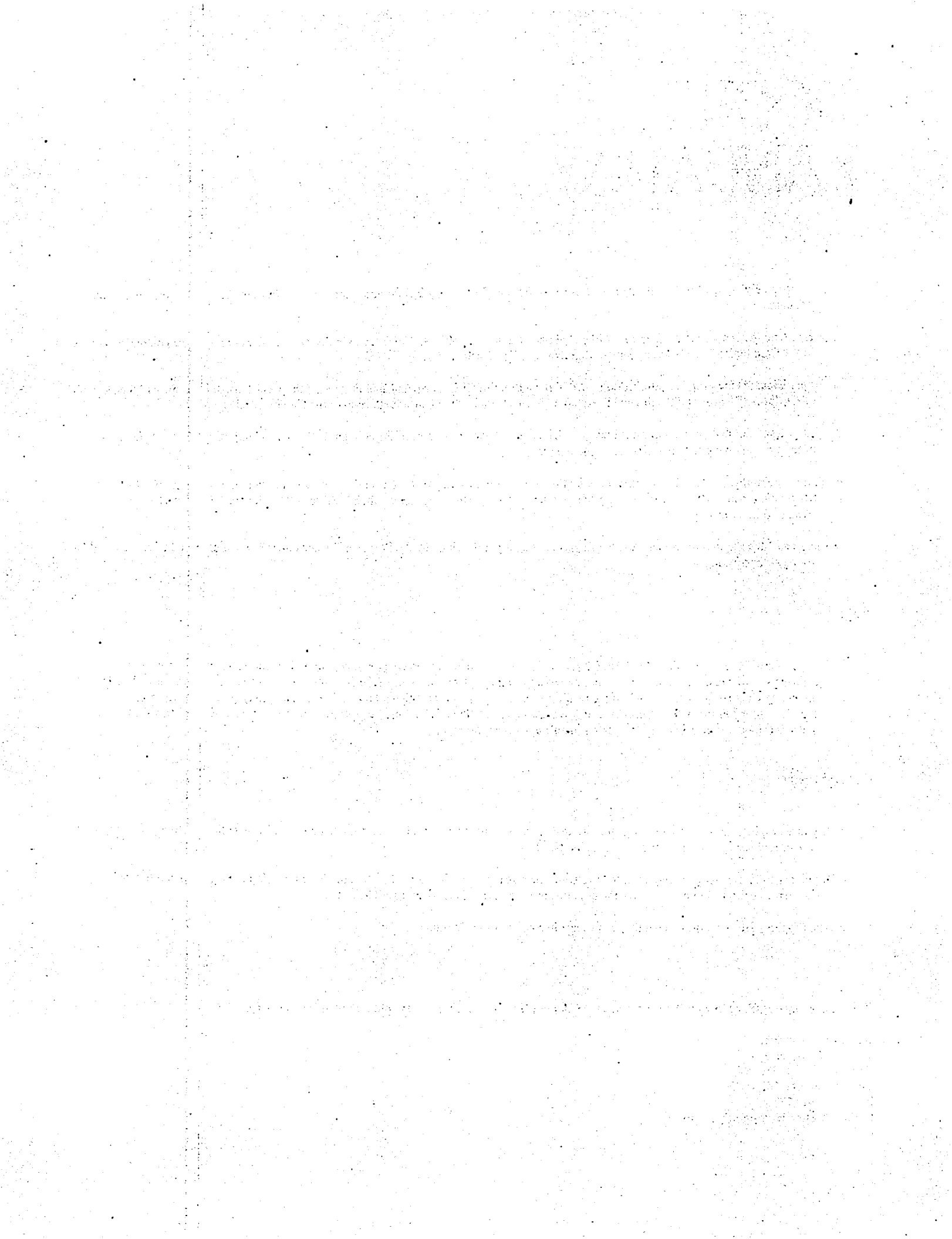
- o The Meeting of Creditors will be held using Zoom videoconferencing. As carrying out a vote by videoconference can at times be challenging, we are encouraging all creditors to vote by voting letter in advance of the Meeting. In order to vote in advance of the Meeting, the voting letter (form is at the back of the creditor package) with your completed Proof of Claim and proxy (if applicable) must be submitted to the Proposal Trustee's office in advance of the Meeting of Creditors. Please note that all corporations voting on the proposal must appoint a proxy to vote on behalf of the corporation.

General Proxy:

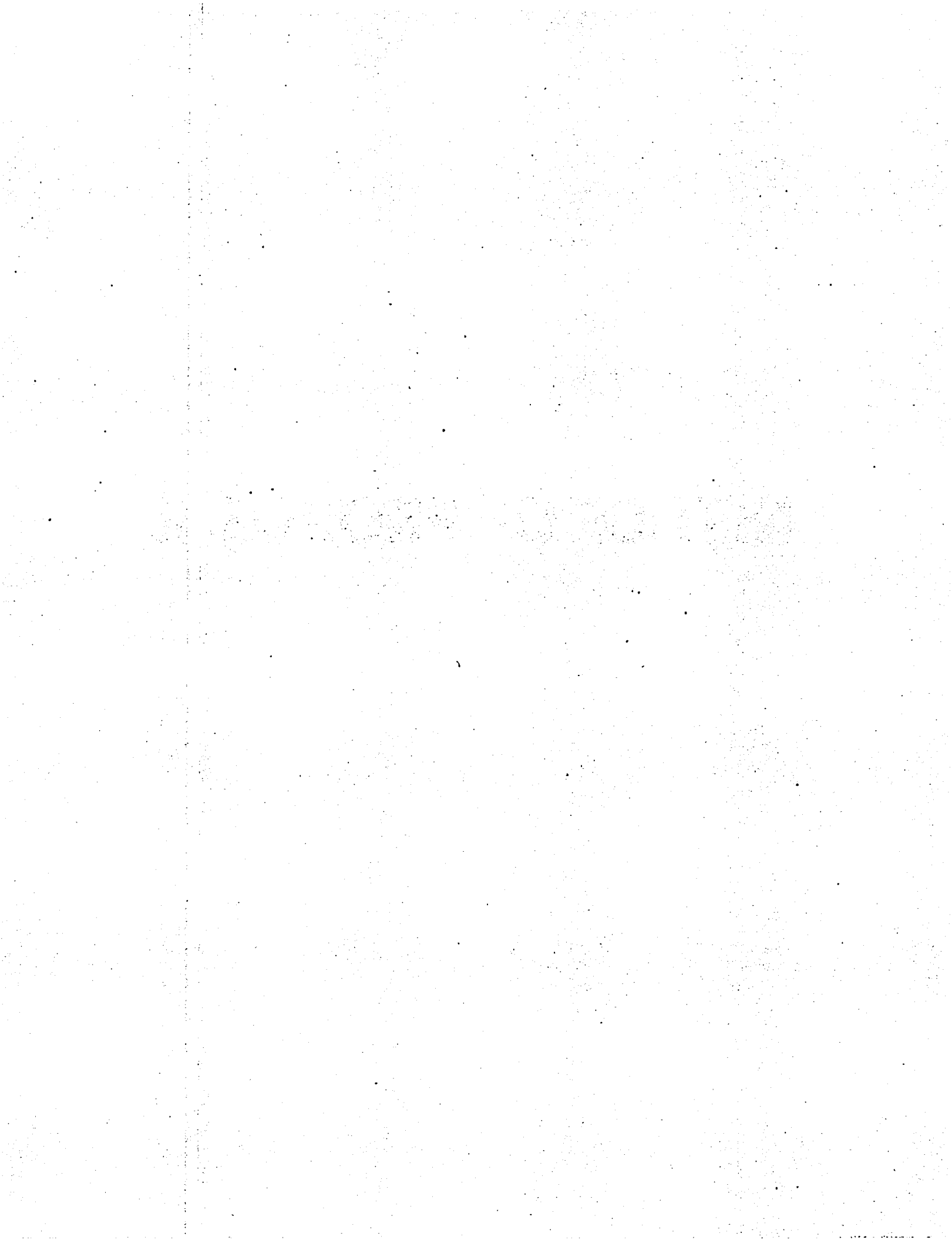
- o If you are representing a corporation, you must have a proxy from the corporation to act on its behalf and vote at the Meeting, whether you vote in advance by voting letter or in person at the Meeting.
- o If you are an individual, you may wish to have someone else represent you at the Meeting of Creditors. You must give that individual a signed proxy form. We must receive the proxy form in advance of the Meeting of Creditors.
- o The Proposal Trustee must receive the proxy form in advance of the Meeting.

If there are any questions in completing the proof of claim, please write, email or telephone the office of the trustee:

Dodick Landau Inc.
6 - 4646 Dufferin Street
Toronto, ON M3H 5S4
Telephone: 416-645-0542
Fax: 416-649-7725
Email: brenda.mcknight@dodick.ca



NOTICE OF PROPOSAL



District of: Ontario
Division No. 09-Toronto
Court No. 31-2749204
Estate No. 31-2749204

FORM 92
Notice of Proposal to Creditors

In the matter of the Proposal of
Nationwide Manufacturing Limited
of the City of Toronto, in the Province of Ontario

Take notice that Nationwide Manufacturing Limited of the City of Toronto in the Province of Ontario has lodged with me a proposal under the *Bankruptcy and Insolvency Act*.

A copy of the proposal, a condensed statement of the debtor's assets, and liabilities, and a list of the creditors affected by the proposal and whose claims amount to \$250 or more are enclosed.

A general meeting of the creditors will be held on the 12th day of October, 2021 at 11:00 a.m. to be held by Zoom videoconferencing at:

<https://us06web.zoom.us/j/85166641913?pwd=UllqUE94ckVGMll4amJqQXBsQ1pjdz09>

The creditors or any class of creditors qualified to vote at the meeting may by resolution accept the proposal either as made or as altered or modified at the meeting. If so accepted and if approved by the court the proposal is binding on all the creditors or the class of creditors affected.

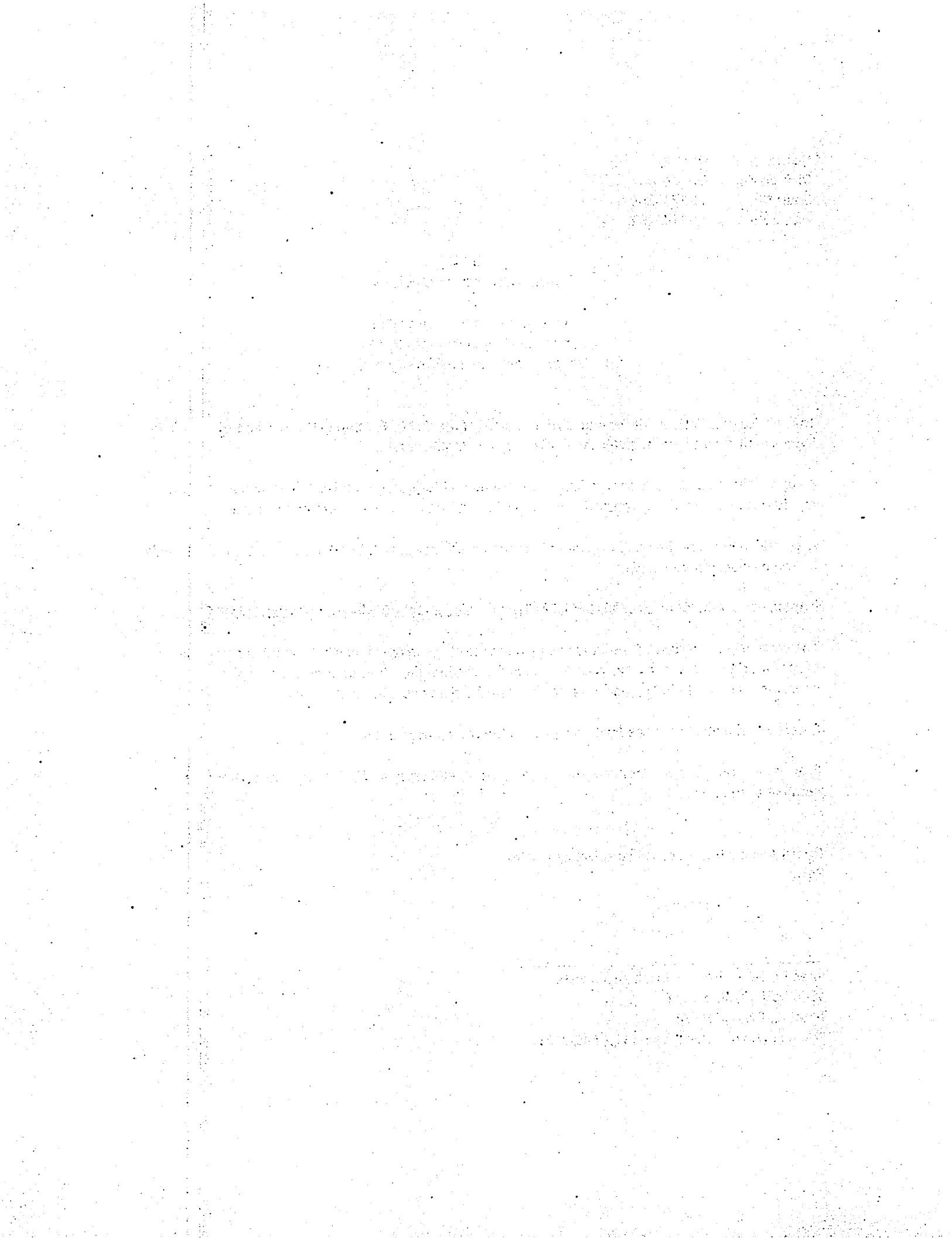
Proofs of claim must be lodged with me prior to the commencement of the meeting.

Proxies and voting letters intended to be used at the meeting may be filed at any time up until the moment a vote is called.

Dodick Landau Inc. – Licensed Insolvency Trustee
Per:



Rahn Dodick – Licensed Insolvency Trustee
4646 Dufferin St., Suite 6
Toronto, ON M3H 5S4
Phone: (416) 645-0542 Fax: (416) 649-7725



PROPOSAL

Court No. 31-2749204
Estate No. 31-2749204

**ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY AND INSOLVENCY)**

**IN THE MATTER OF THE PROPOSAL OF
NATIONWIDE MANUFACTURING LIMITED,
OF THE CITY OF TORONTO,
IN THE PROVINCE OF ONTARIO**

PROPOSAL

NATIONWIDE MANUFACTURING LIMITED hereby submits the following Proposal under the provisions of the *Bankruptcy and Insolvency Act*.

**PART I
INTERPRETATION**

Definitions

i. In this Proposal:

- (a) "Act" means the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended.**
- (b) "Administrative Fees and Expenses" means the fees and expenses of the Trustee incidental to the NOI and the preparation and facilitation of the Proposal and any amendments thereto, including, without limitation, fees incurred by the Trustee in the administration of the Funded Proposal Payments; and, the legal fees and expenses of the Trustee and the Company before and following execution, acceptance and approval of this Proposal and in connection with the NOI and the preparation of this Proposal, as well as advice to the Company in connection therewith;**
- (c) "Affected Creditors" means those Creditors of the Company forming the Secured Class and the Unsecured Class, as defined in Part III of this Proposal;**

- (d) **"Approval Order"** means an order of the Court approving this Proposal to be granted pursuant to the provisions of the Act, the appeal period having expired, and no appeal having been filed or any appeal therefrom having been dismissed and such dismissal having become final;
- (e) **"Bankruptcy Reserve"** means a reserve amount of \$10,000 to be held by the Trustee as security for the administrative costs of the bankruptcy of the Company, in the event that this Proposal is annulled, and the Company becomes bankrupt;
- (f) **"Business Day"** means a day, other than a Saturday or Sunday, on which banks are generally open for business in Toronto, Ontario;
- (g) **"Certificate of Full Performance"** means the certificate that the Trustee issues to the Company and to the Official Receiver pursuant to Section 65.3 of the Act;
- (h) **"Claim"** means any right of any Person with indebtedness, liability or obligation of any kind against the Company which indebtedness, liability or obligation is in existence at the Date of Filing, whether or not reduced to judgement, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, present, future, known, unknown, by surety or otherwise and whether or not such a right is executory in nature including, without limitation, the right or ability of any Person to advance a claim for contribution or indemnity or otherwise with respect to any matter, action, cause, chose in action, whether existing at present or commenced in the future based in whole or in part on facts which exist prior to or at the time of Date of Filing;
- (i) **"Company"** means Nationwide Manufacturing Limited;
- (j) **"Court"** means the Ontario Superior Court of Justice in Bankruptcy and Insolvency;
- (k) **"Court Approval Date"** means the date on which the Approval Order is issued;
- (l) **"Creditors"** means any person having a Claim;
- (m) **"Creditors Meeting"** means the meeting of the Affected Creditors called for the purpose of considering and voting upon this Proposal;
- (n) **"Crown Claims"** means Claims Her Majesty in right of Canada or any province of all amounts of a kind contemplated by Section 60(1.1) of the Act;
- (o) **"Date of Filing"** means the date on which the Company filed the NOI;

- (p) **"Employee Preferred Claim"** means a Claim by a current or former employee of the Company, or such portion of such Claim, that would be payable in priority under Subsection 136(1) of the Act;
- (q) **"Effective Date"** means the date on which the transactions and agreements provided for in this Proposal are to become effective which shall be the date on which the Approval Order is issued;
- (r) **"Event of Default"** has the meaning given to it in Part VIII of this Proposal;
- (s) **"Funded Secured Proposal Payments"** shall mean funds which will be advanced to the Trustee for distribution pursuant to Part V of this Proposal to the Secured Creditors;
- (t) **"Funded Unsecured Proposal Payments"** shall mean funds which will be advanced to the Trustee for distribution pursuant to Part V of this Proposal to the Unsecured Creditors;
- (u) **"Inspectors"** means the inspectors appointed pursuant to Part X of this Proposal;
- (v) **"Levy"** means the levy imposed by the Superintendent of Bankruptcy under the Act;
- (w) **"Maturity Date"** means the date on which all payments to the Creditors have been made, provided that no Event of Default has occurred that has not been cured or waived;
- (x) **"NOI"** means the Notice of Intention to Make a Proposal filed by the Company on June 30, 2021;
- (y) **"Person"** means any individual, partnership, joint venture, trust corporation, unincorporated organization, government or any agency or instrumentality thereof, or any other entity howsoever designated or constituted;
- (z) **"Post-Filing Crown Claims"** means all Crown Claims that became due or shall become due on or after the Date of Filing;
- (aa) **"Post-Filing Goods and Services"** means the goods supplied, services rendered and other consideration given or provided to the Company on or after the Date of Filing;
- (bb) **"Pre-Filing Crown Claims"** means all Crown Claims that were outstanding as at the Date of Filing;
- (cc) **"Preferred Claim"** means any claim that is afforded priority under Section 136(1) of the Act;

- (dd) **"Preferred Creditor"** means any Unsecured Creditor holding a Preferred Claim, solely in respect to that Preferred Claim;
- (ee) **"Proposal"** means this proposal dated July 30, 2021, together with any amendments or additions thereto;
- (ff) **"Proposal Period"** means the period between the Court Approval Date and the Maturity Date;
- (gg) **"Proven"** as used in relation to any Claim means such Claim as finally accepted or determined by the Trustee in accordance with the provisions of the Act and this Proposal, subject to the Creditor's right of appeal to Court, the Court's determination of that Claim or any applicable appeal periods having expired and no appeal having been made,
- (hh) **"Secured Creditor"** means a Person holding a mortgage, hypothec, pledge, charge, lien or privilege on or against the property of the Company or any part thereof as security for a Claim, but excludes the Canada Revenue Agency to the extent of its Crown Claims, and shall include Her Majesty In Right of Ontario represented by the Minister of Finance for Employer Health Tax ("EHT");
- (ii) **"Secured Claim"** means those Claims of a Secured Creditor with security over the assets of the Company;
- (jj) **"Trustee"** means Dodick Landau Inc., solely in its capacity as Proposal Trustee of the Company;
- (kk) **"Unsecured Claim"** means the value of any Proven Claim in respect of which no Security is held and shall not include EHT; and
- (ll) **"Unsecured Creditors"** means those Persons with Claims in respect of which no Security is held and which is not afforded priority under Section 136(1) of the Act, or payment in accordance with paragraph 15 of this Proposal.

Headings

2. The division of this Proposal into parts, paragraphs and subparagraphs, and the insertion of headings herein, is for convenience of reference only and is not to affect the construction or interpretation of this Proposal.

Number, etc.

3. In this Proposal, where the context requires, a word importing the singular includes the plural and vice versa, and a word importing gender includes the masculine, feminine and neuter genders.

Date for Action

4. In the event that any date on which any action is required to be taken hereunder is not a Business Day, such action will be required to be taken on the next succeeding day that is a Business Day.

Accounting Principles

5. Accounting terms not otherwise defined in this Proposal have the meanings assigned to them in accordance with generally accepted Canadian accounting principles.

**PART II
PURPOSE AND EFFECT OF THIS PROPOSAL**

Purpose of Proposal

6. The purpose of this Proposal is to affect a restructuring of the indebtedness of the Company in the manner contemplated herein and as permitted by the Act in the expectation that all Creditors will derive a greater benefit from the restructuring and the continued operation of the business and affairs of the Company than would result from a bankruptcy of the Company.

Effect of Proposal

7. This Proposal restructures the indebtedness of the Company and provides the essential terms on which all Creditors' Claims will be fully and finally resolved and settled. During the Proposal Period, and provided that an Event of Default has not occurred and is continuing hereunder, all Creditors will be stayed from commencing or continuing any proceeding or remedy against the Company or any of its property or assets in respect of a Claim including, without limitation, any proceeding or remedy to recover payment of any monies, to recover or enforce any judgment against the Company in respect of a Claim or to commence any formal proceedings against it other than as provided for under this Proposal.
8. Upon implementation of all elements of this Proposal, and the filing of the Certificate of Full Performance by the Trustee, all Claims against the Company and its directors shall be fully, finally and completely satisfied.

**PART III
CLASSIFICATION OF CREDITORS**

9. For the purpose of this Proposal, the Creditors of the Company shall be comprised of two classes as follows:

- (a) Creditors having Proven Preferred Claims and Unsecured Claims ("Class 1"), which, for greater certainty, shall include Preferred Creditors entitled to vote pursuant to the Act and claims of Her Majesty In Right of Canada and any province for all amounts other than Crown Claims; and
- (b) Creditors having Proven Secured Claims ("Class 2").

**PART IV
SECURED CREDITORS**

10. The Secured Creditors shall file proofs of claim for the full value of their indebtedness as a Secured Creditor in the Class 2, and the Secured Creditors shall only be entitled to receive payment from the Funded Secured Proposal Payments as set out in Sections 14 and 17 and 18 below.

**PART V
TREATMENT OF VARIOUS CLAIMS,
FUNDING OF PROPOSAL AND DISTRIBUTION**

Crown Claims

11. The Company covenants and agrees to, within six months after the Effective Date, pay in full all amounts that were outstanding at the Date of Filing of a kind that could be subject to a demand under: (i) Subsection 224(1.2) of the ITA; (ii) any provision of the *Canada Pension Plan* or of the *Employment Insurance Act* that refers to s.224(1.2) of the *ITA* and provides for the collection of a contribution, as defined in the *Canada Pension Plan*, or an employee's premium, or employer's premium, as defined in the *Employment Insurance Act*, and of any related interest, penalty or other amounts; or (iii) under any substantially similar provision of provincial legislation, including all amounts contemplated by Section 60(1.1) of the Act. This payment of Crown Claims (if any) will be made in addition to the Funded Proposal Payments.

At the date of filing, the company is aware of approximately \$20,000 owed to Canada Revenue Agency ("CRA") for employee source deductions withheld but not remitted. During the period between the Proposal Date and the Effective Date, the Company shall pay and keep current Her Majesty In Right of Canada and In Right of Ontario all amounts of a kind that could be subject to a demand under Sub-Section 224(1.2) of the *Income Tax Act* (Canada) or otherwise as provided for in Sub-Section 60(1.1) of the Act or any substantially similar provision of Ontario Legislation.

Preferred Claims (in addition to Employee Preferred Claims)

12. Proven Preferred Claims, set out in the Statement of Affairs, other than Employee Preferred Claims (which shall be satisfied pursuant to Paragraph 13 of this Proposal), shall be paid in full, without interest, out of the Funded Unsecured Proposal Payments, in priority to Proven Unsecured Claims.

Employee Preferred Claims

13. All proven Employee Preferred Claims (if any) shall be paid out of additional funds to be delivered by the Company to the Trustee and shall be remitted by the Trustee to the entitled claimants (if any) immediately after the Court Approval Date.

Secured Claims

14. Secured Creditors with Proven Secured Claims shall vote in Class 2 and shall be paid out of the Funded Secured Proposal Payments on a *pro rata* basis.

Unsecured Claims

15. Proven Unsecured Claims shall vote in the Class 1 and shall be paid out of the Funded Unsecured Proposal Payments on a *pro rata* basis after payment of Preferred Claims, if any.

Related-Party Creditors

16. The following Creditors have agreed, as evidenced by such Creditors' signed confirmation appended hereto as Schedule "A", not to file Claims in this Proposal and will not participate in distributions to Creditors under this Proposal:
- (a) Edward Nishi; and
 - (b) Joanne Nishi.

Funding the Proposal

17. Upon the full satisfaction of the Crown Claims and Employee Preferred Claims, the Company will cause to be paid to the Trustee the:
- (a) Funded Secured Proposal Payments in the form of one lump sum payment in the amount of the lesser of 40% of the total of the Proven Secured Claims and \$36,000 for the Secured Creditor Class. and
 - (b) Funded Unsecured Proposal Payments in the form of one lump sum payment in the amount of the lesser of 10% of the total of the Proven Unsecured Claims and \$15,000 for the Unsecured Creditor Class.

on the expiry of the appeal period from the Approval Order.

18. The Funded Secured Proposal Payments will be made until an amount is paid to the Trustee equal to the lesser of 40% of the total of the Proven Secured Claims and \$36,000, plus Administrative Fees and Expenses.
19. The Funded Unsecured Proposal Payments will be made until an amount is paid to the Trustee equal to the lesser of 10% of the total of the Proven Unsecured Claims and \$15,000, plus Administrative Fees and Expenses.

Distribution

20. **Interim distributions will be made to Secured and Unsecured Creditors by the Trustee when sufficient Funded Secured and Unsecured Proposal Payments have, in the Trustee's discretion, accumulated to warrant an interim distribution.**
21. **A final distribution will be made to the Secured and Unsecured Creditors by the Trustee when the aggregate of all Funded Secured and Unsecured Proposal Payments made to the Trustee is equal to the amount required under Paragraph 18 and 19 hereof.**
22. **The Funded Secured and Unsecured Proposal Payments shall be distributed by the Trustee in the following order of priority:**
 - (a) **first, to the Administrative Fees and Expenses;**
 - (b) **second, to establish the Bankruptcy Reserve, to be held in trust by the Trustee, which amount shall be used to fund the administrative costs of the bankruptcy of the Company in the event that this Proposal is annulled, and the Company becomes bankrupt, failing which such amount shall be distributed in accordance with Part V;**
 - (c) **third, to Proven Claims of Preferred Creditors, other than Employee Preferred Claims which will have been paid, without interest (if any); and**
 - (d) **fourth, the balance of the Funded Secured and Unsecured Proposal Payments shall be distributed *pro rata* among the Secured and Unsecured Creditors by class on account of Proven Secured and Unsecured Claims.**

Amendments to Agreements

1. **Notwithstanding the terms and conditions of all agreements or other arrangements with Creditors entered into before the Date of Filing, provided that no Event of Default has occurred and is continuing hereunder, all such agreements or other arrangements will be deemed to be amended to the extent necessary to give effect to all the terms and conditions of this Proposal. In the event of any conflict or inconsistency between the terms of such agreements or arrangements and the terms of this Proposal, the terms of this Proposal will govern. All Creditors will provide such acknowledgments, agreements, discharges or other documentation as may be necessary to give effect to the intent of this Proposal.**

Treatment of Claims

2. **For purposes of this Proposal, each Creditor holding a Claim will receive the treatment provided for in this Proposal on account of such Claim.**

**PART VI
POST-FILING OBLIGATIONS**

Payment of Post-Filing Goods & Services

3. During the Proposal Period, all Post-Filing Goods and Services shall be paid in full in the ordinary course of business by the Company

Post-Filing Crown Claims

4. During the Proposal Period, the Company shall remit all Post-Filing Crown Claims as and when due.

Reporting by the Company

5. During the Proposal Period, the Company shall provide to the Trustee every three months commencing on first day of the month following the month in which the Approval Order is issued, a report containing the information set out below:
- (i) a cash flow statement for the Company's business and affairs for the prior three months; and
 - (ii) evidence of Company's filing and remittance of source deductions and HST.

**PART VII
LEVY, MANDATORY PAYMENTS AND PREFERRED CLAIMS**

Levy

6. The Levy, if applicable, shall be deducted by the Trustee from payments to creditors by the Trustee.

Payment of Fees and Expenses

7. The Administrative Fees and Expenses, on and incidental to the proceedings arising out of the Proposal, or in a bankruptcy, if any, shall be paid in priority to the Crown Claims, the Claims of Secured Creditors, the Claims of Preferred Creditors and the Claims of Unsecured Creditors. The Trustee will be at liberty to withdraw and pay such Administrative Fees and Expenses at any time and from time-to-time subject to final approval by the Registrar in Bankruptcy upon completion of the Proposal. The Trustee's disbursements will be charged in addition to its fees based on the actual costs incurred and/or as allowed by tariff.

Employee Claims

8. As per Part V of this Proposal, all Employee Preferred Claims will be paid in priority to other Claims immediately in the month after the month in which the Approval Order is issued.

Preferred Claims

9. As per Part V of this Proposal, Proven Claims of Preferred Creditors, without interest, are to be paid in full priority to all Claims of the Unsecured Creditors including, without limitation, any entitlement of the Unsecured Creditors to the payments to be made under Part V of this Proposal.

**PART VIII
EVENTS OF DEFAULT**

10. The following events will constitute Events of Default for purposes of Section 63 of the Act and otherwise under this Proposal:
- (a) the non-payment by the Company of any of its obligations hereunder within thirty (30) days after written notice has been given by the Trustee that such payment is past due; and
 - (b) the breach or failure by the Company to observe and perform any other covenant and provision of this Proposal, other than payment as provided for in this Paragraph 32(a) which is not remedied within thirty (30) days after written notice thereof has been given to the Company by the Trustee.

**PART IX
TRUSTEE**

11. The Trustee is acting solely in its capacity as proposal trustee under the Act and not in its personal capacity and no officer, director, employee or agent of the Trustee shall incur any obligations or liabilities in connection with this Proposal or in connection with the business or liabilities of the Company.
12. Any payments made by the Trustee to Creditors hereunder shall be made by the Trustee net of any levies payable or due under the Act.

PART X INSPECTORS

Appointment of Inspectors

13. At the Creditors Meeting, the Affected Creditors will be entitled to appoint one or more, but not exceeding five (5) Inspectors in total.

Powers of Inspectors

14. The Inspectors, by way of majority, will have the following powers, but will have no personal liability to the Company or other Creditors:
- (a) the power to extend the dates the Funded Proposal Payments are due under this Proposal;
 - (b) the power to waive any default in the performance of any provision of this Proposal; and
 - (c) the power to advise the Trustee in respect of such matters as may be referred to the Inspectors by the Trustee.

PART XI CONDITIONS PRECEDENT

Creditor Approval

15. The Trustee shall call a meeting of the Affected Creditors of the Company to seek creditor approval for the Proposal in the requisite majority in number and value of the classes, as set out in the Act, of each of the classes of creditors described in this Proposal. The performance of this Proposal by the Company shall be conditional upon approval of the Affected Creditors. If the Affected Creditors do not approve the Proposal, the Trustee shall report on the result of the vote as required under Section 57 of the Act and the Company shall be deemed bankrupt.

Court Approval

16. In the event the Proposal is approved by the Affected Creditors the Proposal Trustee shall, within five (5) days of such approval, apply to the Court for a hearing to seek the Approval Order. The performance of this Proposal by the Company shall be conditional upon the issuance of the Approval Order. In the event that the Court does not approve the Proposal, the Company shall be deemed bankrupt.

PART XII

RELEASE

17. **As at 12:01 a.m. the Maturity Date, the Company, shall be released and discharged from any and all Claims. This release shall have no force or effect if the Company becomes bankrupt before the terms of the Proposal are fully performed.**
18. **As of 12:01 a.m. the Maturity Date, each and every present and former officer and director of the Company shall be released from claims against them that arose before the Date of Filing and that relate to the obligations of the Company where such persons are by law liable in their capacity as directors for the payment of such obligations, provided that nothing herein shall release or discharge any director or officer of the Company from any claims coming within the exceptions set out in section 50(14) of the Act. This release shall have no force or effect if the Company becomes bankrupt before the terms of the Proposal are fully performed.**

**PART XIII
MISCELLANEOUS****Preferential Payments**

19. **Sections 95 to 101 of the Act shall not apply to any dealings by the Company at any time prior to the Date of Filing unless the Company becomes bankrupt before the terms of the Proposal are fully performed. The releases contemplated in Paragraph 39 of this Proposal include releases in favour of the released parties from all claims, actions, or remedies available to Creditors or others pursuant to Sections 95 to 101 of the Act, provided that nothing herein shall release any director of the Company from any claims coming within the exceptions set out in Section 50(14) of the Act.**

Consents, Waivers and Agreements

20. **On the Effective Date, all Creditors will be deemed to have consented and agreed to all of the provisions of this Proposal in its entirety. For greater certainty, each such Creditor will be deemed to have waived any default by the Company in any provision, express or implied, in any agreement existing between the Creditor and the Company that has occurred on or prior to the Date of Filing, and to have agreed that, to the extent that there is any conflict between the provisions of any such agreement and the provisions of this Proposal, the provisions of this Proposal take precedence and priority and the provisions of any such agreement are amended accordingly.**

Further Actions

21. **The Company and the Creditors will execute and deliver all such documents and instruments and do all such acts and things as may be necessary or desirable to carry out the full intent and meaning of this Proposal and to give effect to the transactions contemplated hereby.**

Performance

22. All obligations of the Company under this Proposal will commence as of the Effective Date. All obligations of the Company under this Proposal will be fully performed for the purposes of Section 65.3 of the Act only upon the Company having made the payments to the Trustee provided for herein and a Certificate of Full Performance is issued by the Trustee to the Company and the Office of the Superintendent of Bankruptcy.

Acceleration of Payments

23. Notwithstanding the payment structure set out in Part V of this Proposal, nothing herein prevents or restricts the Company from accelerating any of the Funded Proposal Payments or from satisfying the full amount of the Funded Proposal Payments in advance of the time period contemplated in Part V of this Proposal.

Binding Effect

24. The provisions of this Proposal will be binding on the Creditors and the Company, and their respective heirs, executors, administrators, successors and assigns, upon issuance of the Approval Order after all appeal periods have expired.

**PART XIV
ANNULMENT OF PROPOSAL**

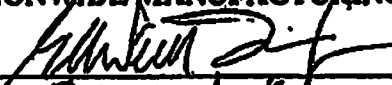
25. If this Proposal is annulled by an order of the Court, all payments on account of Claims made pursuant to the terms of this Proposal will reduce the Claims of Creditors.

**PART XV
AMENDMENTS**

26. The Company may propose amendments to the Proposal at any time prior to the conclusion of the Creditors Meeting provided that any such amendment does not reduce the rights and benefits given to the Creditors pursuant to the Proposal before such amendment and that any and all amendments shall be deemed to be a part of and incorporated into the Proposal.

DATED at the City of Toronto, in the Province of Ontario, this 10th day of September, 2021.

NATIONWIDE MANUFACTURING LIMITED

Per: 

Name: Edward Nishi

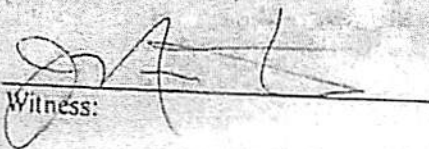
Title: President

SCHEDULE "A"

CONFIRMATION OF RELATED-PARTY CREDITORS

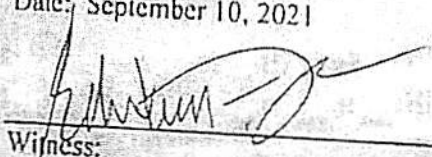
Pursuant to this Proposal, the following Creditors hereby confirm, acknowledge and agree that they will not file a Claim in this Proposal and will not participate in any distributions to Unsecured Creditors under this Proposal.

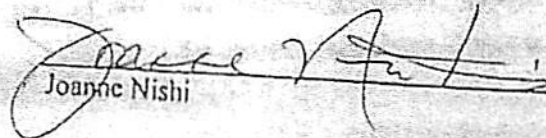
Date: September 10, 2021

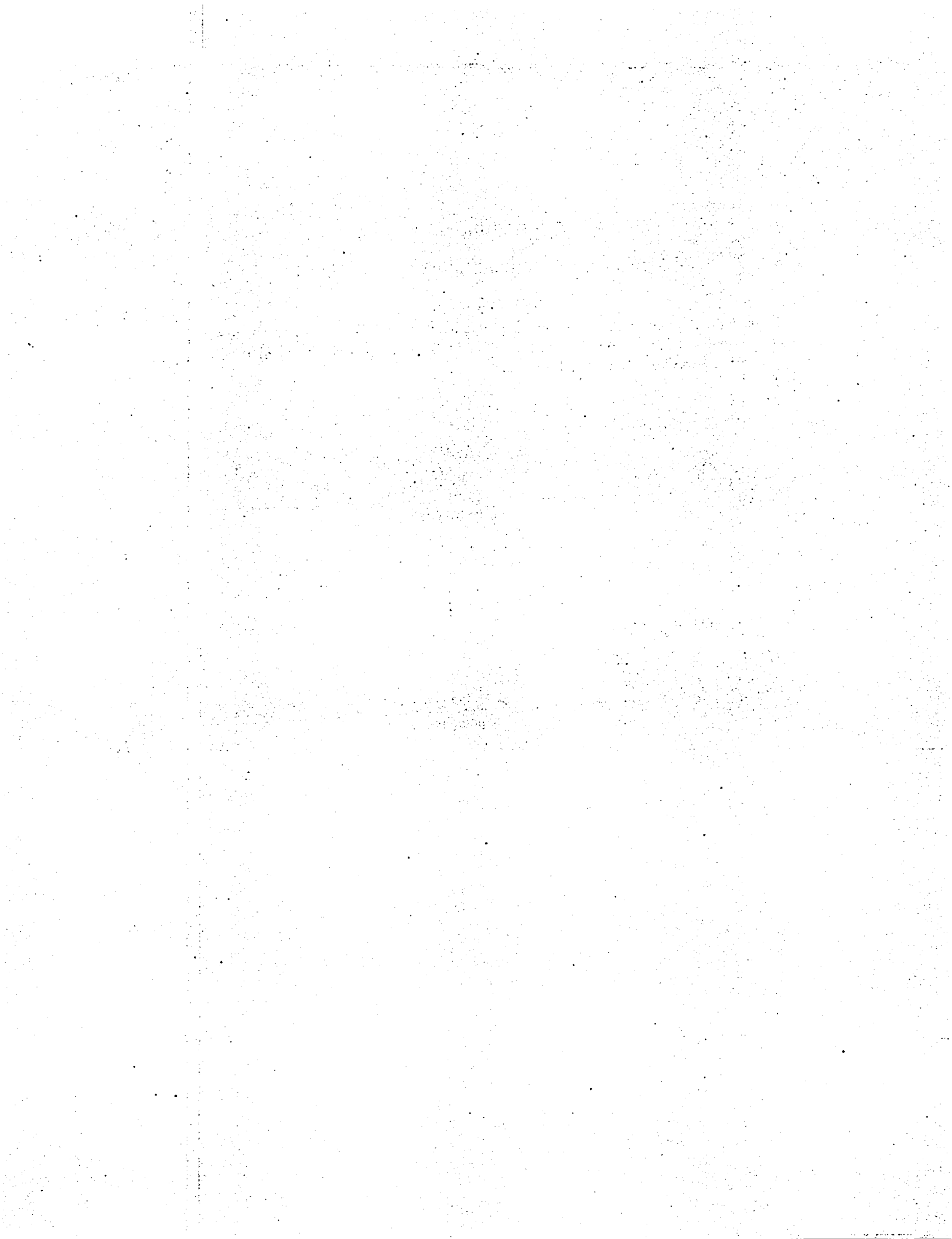

Witness:


Edward Nishi

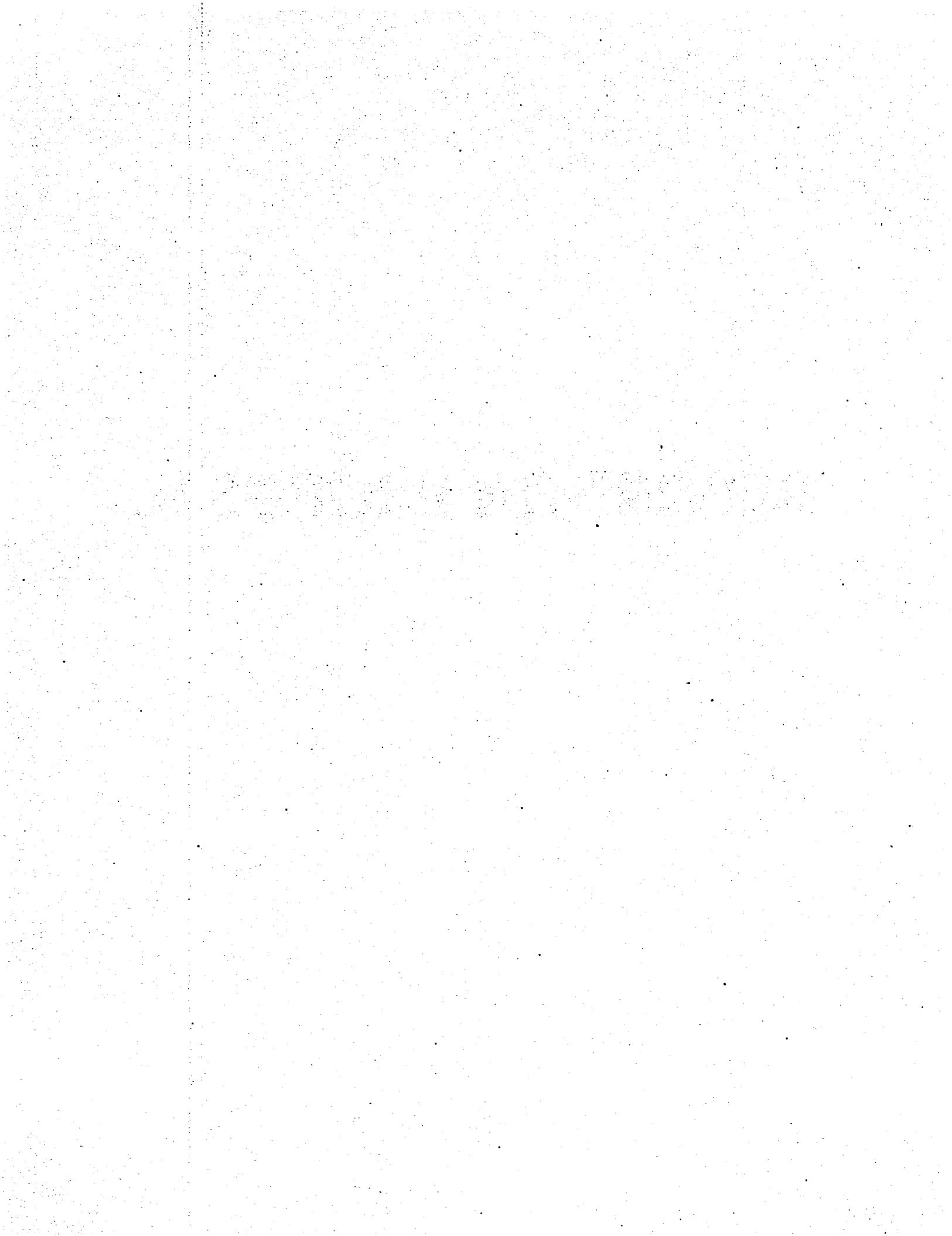
Date: September 10, 2021


Witness:


Joanne Nishi



REPORT ON PROPOSAL



**IN THE MATTER OF THE PROPOSAL OF
NATIONWIDE MANUFACTURING LIMITED
OF THE CITY OF TORONTO
IN THE PROVINCE OF ONTARIO**

REPORT OF PROPOSAL TRUSTEE ON PROPOSAL

September 24, 2021

INTRODUCTION

1. On June 30, 2021 ("**Filing Date**"), Nationwide Manufacturing Limited (the "**Debtor**" or "**Nationwide**") filed with the Official Receiver a Notice of Intention to Make a Proposal ("**NOI**") to its creditors and named Dodick Landau Inc. as Proposal Trustee (the "**Proposal Trustee**"). Attached as **Appendix "A"** is the Certificate of Filing of the NOI of the Debtor.
2. On August 4, 2021 (the "**Stay Extension Order**"), the Debtor sought and obtained approval from the Court for an extension of the time for filing the Proposal, and the stay of proceedings herein, up to and including September 13, 2021. Enclosed as **Appendix "B"** is a copy of the Stay Extension Order.
3. On September 10, 2021, pursuant to section 62 of the Bankruptcy and Insolvency Act ("**BIA**"), the Debtor filed with the Official Receiver a proposal (the "**Proposal**"). Enclosed as **Appendix "C"** is a copy of the Certificate of Filing of a Proposal.
4. The purpose of this report (the "**Report**") is to provide information to the creditors of the Debtor (the "**Creditors**") to assist in their evaluation of the Proposal.
5. The Proposal has been developed to effect a restructuring of the Debtor with the expectation that all existing Creditors will derive a greater benefit from the completion of the restructuring than would result from a liquidation of the Debtor's assets in a bankruptcy proceeding.
6. **A meeting of the Creditors to consider the Proposal will be held by video conference on Tuesday October 12, 2021 at 11:00 a.m. ("Creditor's Meeting"). Details relating to the filing**

of claims, and other documents, prior to the meeting of the creditors, are outlined in this Report and will be mailed to each known Creditor, or their duly appointed representative.

DISCLAIMER

7. In preparing this Report, the Proposal Trustee has relied upon certain unaudited, draft and/or internal financial information, Nationwide's books and records, discussions with the management of Nationwide ("Management") and information from other third-party sources (collectively, the "Information").
8. Except as described in this Report, the Proposal Trustee has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Generally Accepted Assurance Standards ("GAAS") pursuant to the Canadian Institute of Chartered Accountants Handbook (the "CPA Handbook") and, accordingly, the Proposal Trustee expresses no opinion or other form of assurance contemplated under GAAS in respect of the Information.
9. Some of the information referred to in this Report consists of forecasts and projections. An examination or review of the financial forecast and projections, as outlined in the CPA Handbook, has not been performed. Future oriented financial information referred to in this Report was prepared based on Management's estimates and assumptions. Readers are cautioned that since projections are based upon assumptions about future events and conditions that are not ascertainable, the actual results will vary from the projections, even if the assumptions materialize, and the variations may be material.
10. The capitalized terms not defined in this report are defined in the Proposal and this Report should only be read in conjunction with the Proposal. While this Report summarizes key aspects of the Proposal, Creditors are advised to carefully read the Proposal in full. Should there be any discrepancy between the summary contained in this Report and the Proposal, the Proposal shall govern.
11. Unless otherwise stated, all monetary amounts contained herein are in Canadian dollars.

BACKGROUND

Operations

12. Nationwide and three related companies, Nationwide Distribution and Fulfillment Services Inc. ("**Nationwide Distribution**"), Nishi Capital Corporation ("**Nishi Capital**") and 947626 Ontario Inc. ("**947**") operated as manufacturers and distributors of consumer electronic products.

Amalgamation

13. Effective July 1, 2019 Nationwide, Nationwide Distribution, Nishi Capital and 947 were amalgamated pursuant to an Amalgamation Agreement entered into on May 28, 2019. The name of the new amalgamated corporation that was formed is Nationwide Manufacturing Limited, the Debtor. Ownership of the amalgamated entity remained the same with Edward Nishi Junior and Joanne Nishi remaining as the shareholders.
14. The Proposal Trustee understands that the purpose of the amalgamation was to maximize tax savings between members of the related group.
15. On May 28, 2019, pursuant to subsection 178(2) of the Business Corporations Act, each amalgamated corporation was required to make the following statement by its director or officer:

"There are reasonable grounds for believing that:

- (i) each of the Amalgamating Corporations is, and the amalgamated corporation to be formed by their amalgamation, will be able to pay its liabilities as they become due; and
- (ii) the realizable value of such amalgamated corporation's assets will not be less than the aggregate of its liabilities and stated capital of all classes.

There are reasonable grounds for believing that no creditor of any of the Amalgamating Corporations will be prejudiced by the amalgamation."

Causes of Financial Difficulties

16. Nationwide first encountered significant financial difficulties in late 2014 when Air Miles, one of its largest customers changed their rewards program and these difficulties continued into 2015 when one of its most popular products was discontinued by its manufacturer. The growth of Amazon, Costco, Wayfair and Canadian Tire further hampered the Debtor's operations. In 2016, in an effort to address the significant quantum of older and obsolete inventory Nationwide had on hand, it

established an e-commerce site and retail outlet which it ran out of its warehouse. While these initiatives allowed Nationwide to sell some of its old/obsolete merchandise it was not sufficient and significant inventory write downs were necessary as inventory needed to be thrown out or destroyed.

17. Despite its best efforts, in March 2020 Management determined that there was no going concern business remaining and Nationwide began an orderly wind down of its operations, laying off its employees and completing a gradual liquidation of its assets including the sale of its warehouse from which it had operated.
18. The proceeds from the liquidation of the assets including the sale of the warehouse were insufficient to settle all of the Debtor's secured and unsecured debts. Accordingly, Nationwide filed its NOI on the Filing Date to restructure its remaining liabilities.

Financial Results

19. Nationwide's recently prepared amalgamated financial statements, indicate that for its fiscal years ended March 31, 2020 and March 31, 2021, the amalgamated entities had together:
 - i) gross sales of approximately \$827,000 and \$564,000, respectively;
 - ii) net losses from operations of approximately \$304,000 and \$989,000, respectively; and
 - iii) total debt of approximately \$6.6 million and \$1.3 million, respectively.
20. The reduction in debt of approximately \$5.3 million in fiscal year-ended March 31, 2021, was the result of the orderly liquidation of the assets of the Debtor carried out by the shareholders, which included the sale of a building in which the Debtor had its operations. According to the Debtor's March 31, 2021 fiscal year-end financial statements prepared by the Debtor's external accountant, Fuller Landau LLP, proceeds from the sale of the building, and other assets, was used to repay approximately \$3.6 million of mortgages, \$1.1 million of secured shareholder advances and \$940,000 of accounts payable.

SECURED AND UNSECURED CREDITORS

Secured Creditors

Third-Party Secured Creditor

21. As at the Date of Filing, Nationwide was indebted to Toronto Dominion Bank in the amount of \$90,000 in respect of a loan secured by a general security agreement.

Related Party Secured Creditors

22. In addition, as at the Date of Filing, Nationwide was indebted to Edward and Joanne Nishi for approximately \$868,000 in total in respect of shareholder loans, each secured by general security agreements ("**Related Party Creditors**") dated April 26, 2019. Pursuant to the terms of the Proposal, the Related Party Creditors have agreed not to file Claims in the Proposal and to not participate in distributions to Creditors under the Proposal.

Crown Priority Claims

23. As of the date of this Report, Nationwide has no remaining employees and accordingly no ongoing source deduction remittance obligations. Nationwide is current in filing its respective returns to the Canada Revenue Agency ("**CRA**"). As at the Filing Date, Nationwide is aware of approximately \$20,000 owed to CRA for employee source deductions withheld but not remitted (the "**Crown Priority Claims**").

Unsecured Creditors

Employee Priority Claims

24. As of the date of this Report, Nationwide is not aware of any Claims by former employees of Nationwide that would be payable in priority under Subsection 136(1) of the BIA ("**Employee Priority Claims**").

Preferred Creditors

25. As of the date of this Report, Nationwide is not aware of any creditors with a Preferred Claim.

Unsecured Trade Creditors

26. According to Nationwide's Statement of Affairs, Nationwide's unrelated unsecured debt totaled approximately \$116,000 ("**Unsecured Creditors**") as at the Filing Date. The unsecured indebtedness is owed to approximately 46 known unsecured creditors.

Contingent Creditors

27. On May 4, 2020, four former employees of Nationwide have issued statements of claim against Nationwide for damages for wrongful dismissal, among other claims, amounting to \$720,000. Until such time as these potential claims can be determined, they have been classified as contingent and unliquidated for purposes of the Proposal proceeding.

THE PROPOSAL

Classes

28. For the purpose of the Proposal, the Creditors of the Debtor are comprised of two classes as follows:
- i) Creditors having Proven Preferred Claims and Unsecured Claims ("**Class 1**"); and
 - ii) Creditors having Proven Secured Claims ("**Class 2**").
29. For greater certainty, the Creditors entitled to vote in Class 1 consist of Unsecured Creditors (i.e., holding claims without priority under the BIA) including: Preferred Creditors pursuant to the BIA, and claims of Her Majesty in right of Canada and any province for all amounts other than Crown Priority Claims.

Treatment of Creditors in the Proposal

30. **Crown Priority Claims** will be paid in full, with only payment of Administrative Fees and Expenses and the Bankruptcy Reserve being paid in priority to such amounts. The Proposal provides that proven Crown Priority Claims will be remitted from additional funds to be delivered by the Debtor to the Proposal Trustee ("**Additional Funds**") and delivered by the Proposal Trustee to the CRA, or the province, as applicable, within six months of the Court approving the Proposal ("**Approval Order**").

31. **Secured Creditors** shall vote in Class 2 and shall be paid out of Funded Secured Proposal Payments on a *pro rata* basis as provided for in paragraph 17 of the Proposal and summarized below.
32. **Employee Priority Claims** shall vote as part of Class 1 and will be paid from Additional Funds and shall be remitted by the Proposal Trustee to the entitled claimants, if any, immediately after the Court approval. As at the Filing Date, there are no known claim amounts in respect of Employee Priority Claims.
33. **Preferred Claims** shall vote as part of Class 1 and shall be paid in full without interest out of the Funded Unsecured Proposal Payments (defined further herein), in priority to Proven Unsecured Creditors, in accordance with the scheme of distribution set forth in the BIA.
34. **Unsecured Creditors** shall vote as part of Class 1 and after satisfaction of any Preferred Claims, will be paid out of the Funded Unsecured Proposal Payments on a *pro rata* basis as provided for in paragraph 17 of the Proposal and summarized below.
35. **Contingent Claims** are not permitted to vote in a proposal until such time as they can be determined and valued.

Funding the Proposal

36. Upon full satisfaction of the Crown Priority Claims and Employee Preferred Claims and on the expiry of the appeal period from the Approval Order, the Debtor will cause to be paid to the Proposal Trustee the:
 - i) secured Proposal payments in the form of one lump sum payment in the amount of the lesser of 40% of the value of the Proven Secured Claims and \$36,000 for the Secured Creditor Class ("**Funded Secured Proposal Payments**") ; and
 - ii) unsecured Proposal payments in the form of one lump sum payment in the amount of the lesser of 10% of the total Proven Unsecured Claims and \$15,000 for the Unsecured Creditor class ("**Funded Unsecured Proposal Payments**").
37. The Administrative Fees and Expenses of the Proposal Trustee, and its legal counsel, will be funded by Nationwide in addition to the Funded Secured Proposal Payments and the Funded Unsecured Secured Proposal Payments.

Distributions in the Proposal

Crown Priority Claims and Employee Priority Claims

38. In accordance with the terms of the Proposal, the Proposal Trustee shall issue distributions out of Additional Funds in respect of all Proven Crown Priority Claims and Employee Priority Claims.

Unsecured Creditors

39. In accordance with the terms of the Proposal, the Funded Unsecured Proposal Payments shall be used by the Proposal Trustee to distribute to Preferred Creditors on account of their Preferred Claims and the Proposal Trustee shall distribute the remaining amount to the Unsecured Creditors on a *pro-rata* basis.
40. All distributions made by the Proposal Trustee pursuant to the Proposal are subject to the Superintendent's Levy in accordance with the BIA.
41. For further clarity, the Funded Secured and Unsecured Proposal Payments, will be distributed by the Proposal Trustee in the following order of priority:
- i) *Administrative Fees and Expenses* - To fund any residual administrative fees and expenses, if any, of the Proposal Trustee, including the legal fees of the Proposal Trustee and the Debtor that relate to the Proposal proceeding.
 - ii) *Bankruptcy Reserve* - To establish a reserve of \$10,000 to be held in trust by the Proposal Trustee, which amount shall be used to fund the administrative costs of a bankruptcy of the Debtor in the event that the Proposal is annulled, and the Debtor becomes bankrupt, failing which such amount shall be distributed to the Creditors.
 - iii) *Proven Claims of Preferred Creditors* – To pay all Proven Preferred Claims, other than Employee Priority Claims which will have been satisfied out of Additional Funds without interest. The Preferred Creditor Claims, if any, will be funded by the Unsecured Proposal Payments.
 - iv) *Proven Claims of Secured and Unsecured Creditors* – The remainder will be distributed *pro rata* among the Secured and Unsecured Creditors by class on account of Proven Secured and Unsecured Claims.

Reporting by the Debtor

42. During the Proposal period, the Debtor shall provide to the Proposal Trustee every three months commencing on the first day of the month following the month in which the Approval Order is issued, a report containing the information set out below:
- i) a cash flow statement for the Debtor's actual cash flow for the business for the prior three months; and
 - ii) evidence of the Debtor's filing and remittance of source deductions (if applicable) and HST.

OVERVIEW OF THE DEBTOR'S WEEKLY CASH FLOW FORECAST

43. The Debtor, with the assistance of the Proposal Trustee, has prepared a cash flow forecast for the period from September 25, 2021 to December 24, 2021 ("**Cash Flow Forecast**"). A copy of the Cash Flow Forecast is attached hereto as **Appendix "D"** to this Report. The Cash Flow Forecast has been prepared by Management of the Debtor for the purpose of this motion, using probable and hypothetical assumptions set out in notes 1 to 5 attached to the Cash Flow Forecast. The Cash Flow Forecast reflects receipts and disbursements to be received or paid over the thirteen-week forecast period in Canadian dollars.
44. The Cash Flow Forecast projects that the Debtor will have sufficient liquidity to fund its expenses in the Proposal proceeding through to December 24, 2021.
45. The Proposal Trustee's review of the Cash Flow Forecast consisted of inquiries, analytical procedures and discussion related to information supplied to the Proposal Trustee by certain of the Management and employees of the Debtor. Since hypothetical assumptions need not be supported, the Proposal Trustee's procedures with respect to them were limited to evaluating whether they were consistent with the purpose of the Cash Flow Forecast. The Proposal Trustee has also reviewed the support provided by Management of the Debtor for the probable assumptions, and the preparation and presentation of the Cash Flow Forecast.
46. Based on the Proposal Trustee's review, nothing has come to its attention to cause it to believe that, in all material respects:
- i) the hypothetical assumptions are not consistent with the purpose of the Cash Flow Forecast;

- ii) as at the date of this Report, the probable assumptions developed by Management are not suitably supported and consistent with the plans of the Debtor or do not provide a reasonable basis for the Cash Flow Forecast, given the hypothetical assumptions; or
 - iii) the Cash Flow Forecast does not reflect the probable and hypothetical Assumptions.
47. As described above, since the Cash Flow Forecast is based on assumptions regarding future events, actual results will vary from the information presented, even if the hypothetical assumptions occur, and the variations may be material.
48. The Cash Flow Forecast has been prepared solely for the purpose described above, and readers are cautioned that it may not be appropriate for other purposes.

LIQUIDATION ANALYSIS / ESTIMATED RECOVERY IN A LIQUIDATION

Liquidation Analysis

49. As discussed above, Nationwide has wound down its operations and liquidated and distributed all of its assets. In the event that the Proposal is not accepted by the Creditors and the Debtor is deemed bankrupt, there will be no assets available for the Proposal Trustee to realize on and accordingly there will be nothing available for distribution to the Nationwide's creditors.

Estimated Recovery – Proposal vs. Liquidation Scenarios

50. The following chart (which is rounded to the nearest thousands of dollars) sets out the expected recovery to the Secured Creditors, and the Unsecured Creditors under a Liquidation/Bankruptcy scenario and the Proposal scenario. As summarized below, the net estimated recovery to:
- i) the Unsecured Creditors in a Liquidation/Bankruptcy scenario is **NIL** versus approximately **12%** in the Proposal scenario; and
 - ii) Secured Creditors in a Liquidation/Bankruptcy Scenario is **NIL** versus approximately **31%** in the Proposal scenario.

Estimated Recovery in a Liquidation Scenario		Estimated Recovery in a Proposal Scenario		
			Secured	Unsecured
Liquidation Value of Assets	NIL	Estimated Funded Proposal Payments (note 1)	36	15
		Less: Estimated Professional fees and expenses (note 2)	-	-
		Less: Superintendent's Levy (note 3)	(2)	(1)
Net amount available for Secured Creditors	NIL	Net amount available	34	14
Estimated Claims of Secured Creditors	978	Estimated Claims (note 4)	110	116
Estimated Claims of Unsecured Creditors	116			
		Shortfall	(76)	(102)
Estimated Recovery to Secured Creditors	NIL	Estimated Recovery to Secured Creditors	31%	
Estimated Recovery to Unsecured Creditors	NIL	Estimated Recovery to Unsecured Creditors	12%	

Notes to Liquidation vs. Proposal Scenarios:

1. *For the purposes of the above analysis the Funded Secured Proposal Payment has been estimated at \$36,000 and the Funded Unsecured Proposal Payment has been estimated at \$15,000, and are each payable in one lump sum, in accordance with the terms of the Proposal. However, the funded proposal payment amounts will differ based on the actual value of Proven Secured and Unsecured Claims once all proofs of claim are received by the Proposal Trustee.*

In accordance with the terms of the Proposal the Debtor will pay to the Proposal Trustee: (i) Funded Secured Proposal payment equal to the lesser of 40% of the value of the Proven Secured Claims and \$36,000; and (ii) Funded Unsecured Proposal payment equal to the lesser of 10% of the value of the Proven Unsecured Claims and \$15,000.

2. *The Proposal provides that Administrative Fees will be paid by the Debtor from Additional Funds, accordingly for the purposes of the above analysis no amounts have been included for Administrative Fees in the Proposal Scenario.*
3. *The Superintendent's Levy is applicable to payments made to Secured, Preferred and Unsecured Creditors and is calculated as 5% of each payment.*
4. *The Secured Creditor pool includes Related Party Creditor claims totaling approximately \$868,000. Under the terms of the Proposal these creditors have agreed to not file Claims and to not participate in any distributions. Accordingly, for the purpose of the Proposal Scenario the Related Party Creditors have been excluded in the Proposal scenario.*
5. *Should any of the contingent claims be determined to be valid and enforceable, it will reduce the recovery to the unsecured creditors which reduction may be material.*

CREDITOR'S MEETING/VOTING PROCEDURE AND CLASSES OF CREDITORS

Creditor's Meeting/Voting Procedure

51. **The Creditor's Meeting to consider the Proposal will be held by video conference on October 12, 2021 at 11:00 a.m. (Toronto Time). Details relating to the filing of claims, and other documents, prior to the Creditor's Meeting, are outlined below and will be mailed to each known Creditor, or their duly appointed representative. Immediately following the Creditor's Meeting the Proposal Trustee will hold a separate meeting for the Secured Creditors for the purposes of the Secured Creditors voting on the Proposal.**
52. **The primary purpose of the Creditor's Meeting is to permit Creditors to consider the acceptance or rejection of the Proposal. For the Proposal to be accepted, at least two-thirds (66.67%) of each creditor class by dollar value, and more than 50% of each creditor class by number, must vote in favour of the Proposal at the Creditor's Meeting either in person, by proxy or by mailing a voting letter to the Proposal Trustee in advance of the Creditor's Meeting. Only Creditors who actually vote are counted for the purpose of determining whether the necessary thresholds have been reached. Creditors related to the Debtor may not vote for the Proposal.**
53. **To be eligible to vote on the Proposal, Creditors must have filed with the Proposal Trustee, prior to the commencement of Creditor's Meeting, a secured or unsecured proof of claim form, as applicable, signed and witnessed as required and accompanied by a statement of account or affidavit in support of the claim. Those Creditors who do not intend to have a personal representative at the Creditors' Meeting may complete and submit the voting letter which is enclosed in the creditor package prior to the Creditor's Meeting indicating their vote for or against the acceptance of the Proposal. The Proposal Trustee has also enclosed a form of proxy should a Creditor wish to appoint a proxy to represent them at the Creditor's Meeting. If the Proposal is not accepted by the required majorities of Secured and Unsecured Creditors, the Debtor will be deemed bankrupt.**
54. **If the Proposal is accepted by the required statutory majorities in each class as referenced above, the Proposal Trustee will then make an application to the Court for approval of the Proposal. If the Court provides such approvals, the Proposal will be binding on all Creditors and such Creditors, and their respective heirs, executors, administrators, successors and assigns, shall have no further Claim against the Debtor other than for the distributions provided in the Proposal.**

55. The Proposal does not compromise the following Creditor Claims:
- i) Claims for goods and/or services delivered to the Debtor on or after the Filing Date, June 30, 2021;
 - ii) Crown Priority Claims; and
 - iii) Proven Claims of Preferred Creditors, payable in priority to all claims of Unsecured Creditors in accordance with the scheme of distribution set forth in the BIA.
56. Distributions to Creditors will be made as described in the "Distribution" section of this Report.

ALTERNATIVES TO THE PROPOSAL

57. At the Creditor's Meeting, the Creditors are being asked by the Proposal Trustee to choose between two alternatives, namely accepting the Proposal, or rejecting the Proposal, which would result in the Debtor being deemed bankrupt.
58. For the reasons described above, the Proposal Trustee is of the view that the Proposal Scenario, will produce a more favourable result for the Creditors of the Debtor than would the liquidation sale of the assets in a bankruptcy.

CONDUCT OF THE DEBTOR

Preference Transactions and Transfers at Undervalue

59. The Proposal contemplates that Sections 95-101 of the BIA shall not apply in connection with this Proposal and, as a result, the Proposal Trustee shall have no responsibility, liability or authority whatsoever under the operation of those provisions. Accordingly, the Proposal Trustee has not undertaken a detailed review for possible preference transactions or transfers at undervalue.
60. If the Debtor was to become bankrupt, and either preference transactions or transfers at undervalue did exist, it is possible that some of these transactions could be found to be void through Court proceedings.

Conduct Post-Filing

61. Pursuant to Section 50(10) of the BIA, the Proposal Trustee is required to monitor the affairs of the Debtor until the Proposal is approved by the Court.
62. During the NOI period, the Debtor worked diligently with the Proposal Trustee to prepare its Proposal. In the view of the Proposal Trustee, the Debtor and its Management have acted in accordance with the required duties and obligations imposed on the Debtor and its Management under the BIA.

CREDITORS' CLAIMS

63. To date, no proofs of claim in the Proposal have been received by the Proposal Trustee.

PREVIOUS BUSINESS DEALINGS WITH NATIONWIDE

64. The Proposal Trustee has not had any business dealings with Nationwide prior to its appointment as Proposal Trustee and is not in a conflict of interest.

SUMMARY COMMENTS/RECOMMENDATION

65. For the reasons set out in this Report it is the Proposal Trustee's opinion that:
- i) the Proposal will allow for a greater recovery to the Creditors of Nationwide than they would receive in a bankruptcy proceeding; and
 - ii) acceptance of the Proposal is in the best interest of the Creditors. If the Proposal is rejected by the Creditors, Nationwide will be deemed automatically bankrupt.
66. Accordingly, the Proposal Trustee recommends that the Creditors vote in favour of the Proposal.

Yours very truly,

DODICK LANDAU INC.

In its capacity as the Proposal Trustee of
Nationwide Manufacturing Limited
and not in its personal or corporate capacity.

Per: 

Rahn Dodick, CPA, CA, CIRP, LIT
President

APPENDIX "A"





Industry Canada
**Office of the Superintendent
of Bankruptcy Canada**

Industrie Canada
**Bureau du surintendant
des faillites Canada**

District of Ontario
Division No. 09 - Toronto
Court No. 31-2749204
Estate No. 31-2749204

In the Matter of the Notice of Intention to make a proposal of:

Nationwide Manufacturing Limited

Insolvent Person

DODICK LANDAU INC.
Licensed Insolvency Trustee

Date of the Notice of Intention:

June 30, 2021

CERTIFICATE OF FILING OF A NOTICE OF INTENTION TO MAKE A PROPOSAL
Subsection 50.4 (1)

I, the undersigned, Official Receiver in and for this bankruptcy district, do hereby certify that the aforementioned insolvent person filed a Notice of Intention to Make a Proposal under subsection 50.4 (1) of the Bankruptcy and Insolvency Act;

Pursuant to subsection 69. (1) of the Act, all proceedings against the aforementioned insolvent person are stayed as of the date of filing of the Notice of Intention.

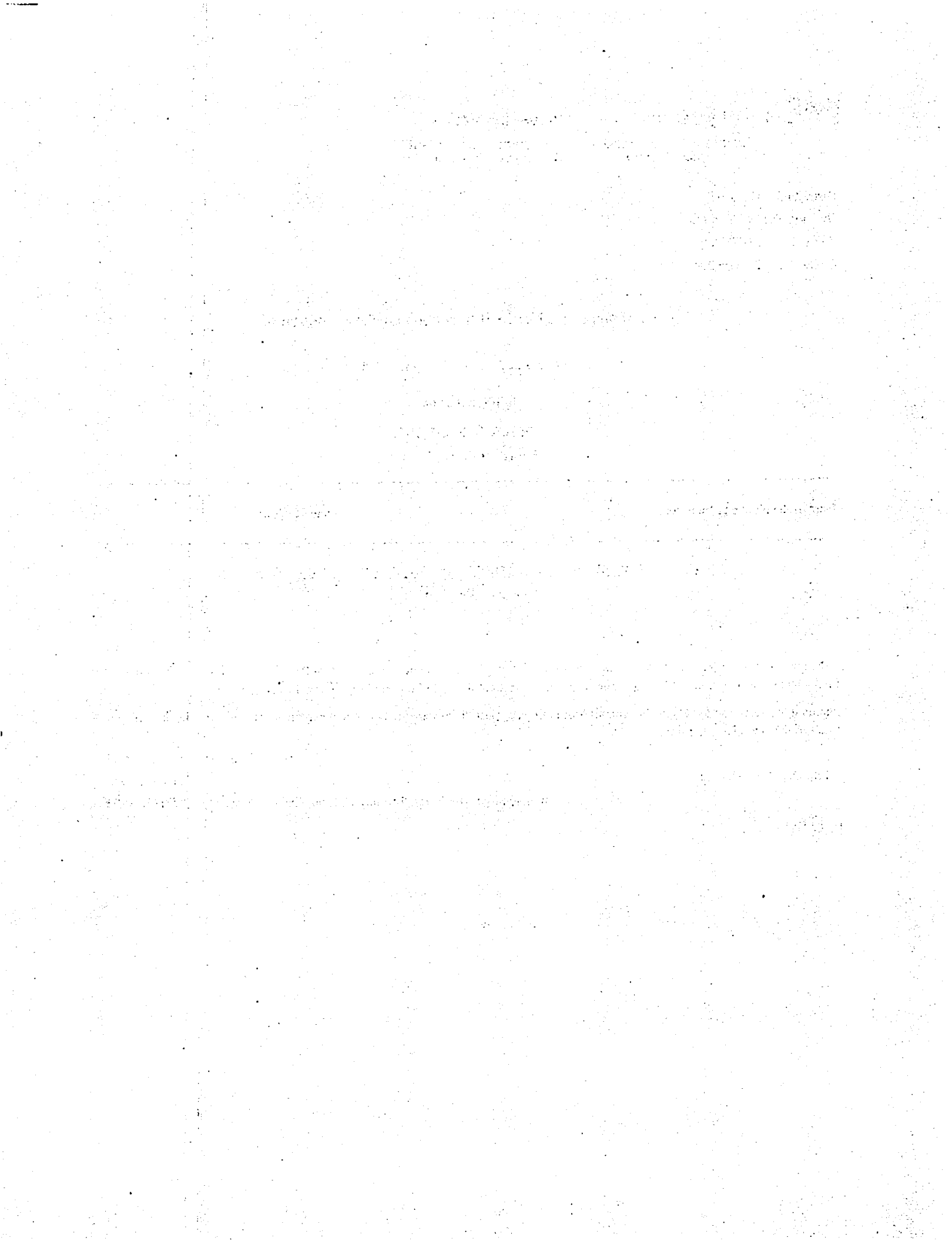
E-File/Dépôt Electronique

Date: June 30, 2021, 15:04

Official Receiver

151 Yonge Street, 4th Floor, Toronto, Ontario, Canada, M5C2W7, (877)376-9902

Canada



APPENDIX "B1"

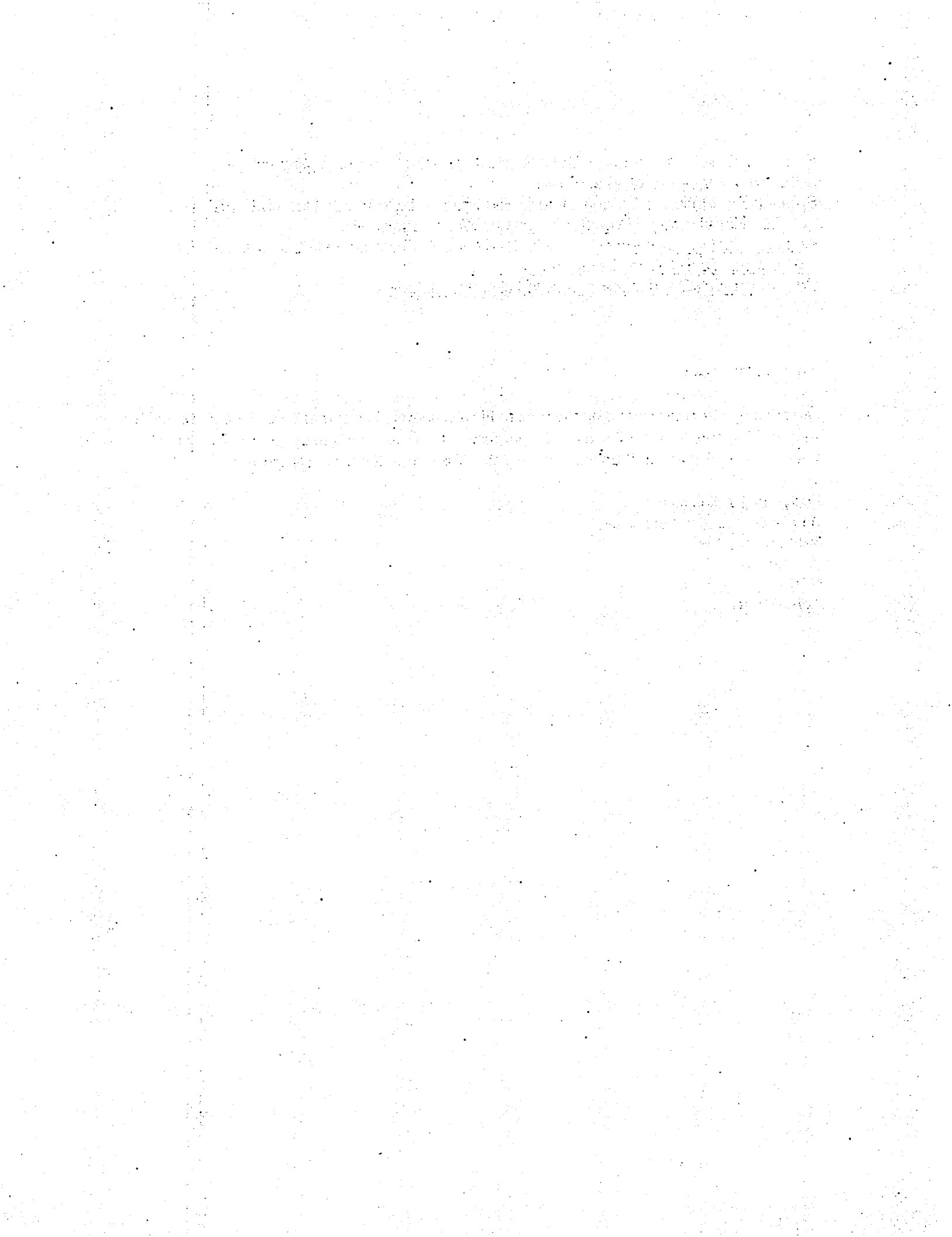


From: Koehnen, Mr. Justice Markus (SCJ) <Markus.Koehnen@scj-csj.ca>
Date: Wed, Aug 4, 2021 at 9:35 AM
Subject: Re: Motion to Extend Time to File Proposal: Court File No. 31-2749204
To: Tara Hobel <thobel@weirfoulds.com>, Wojtek Jaskiewicz
<wjaskiewicz@weirfoulds.com>, JUS-G-MAG-CSD-Toronto-SCJ Commercial List
<MAG.CSD.To.SCJCom@ontario.ca>
Cc: rahn.dodick@dodick.ca <rahn.dodick@dodick.ca>

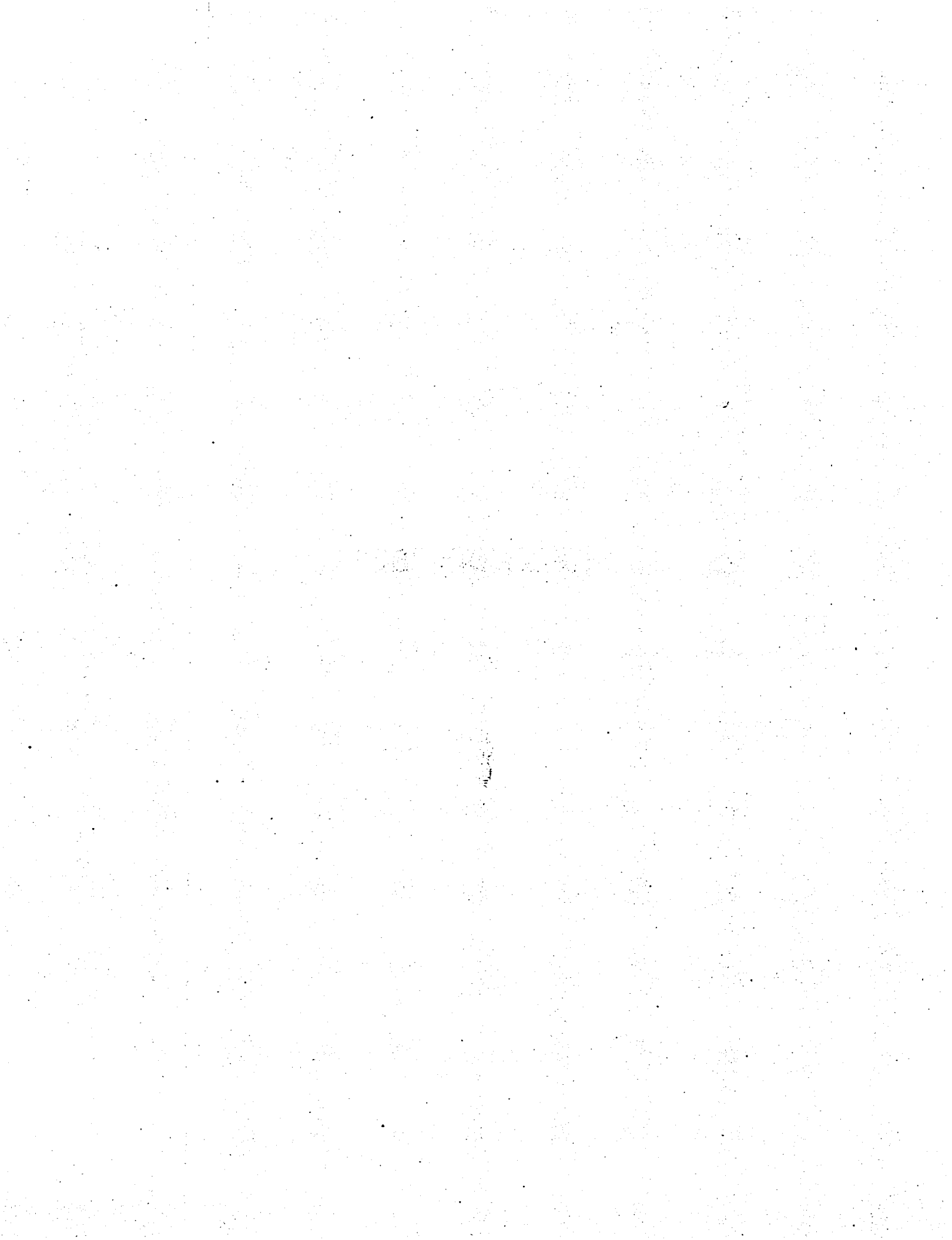
Email Endorsement

I attach a signed order extending the time to file a proposal. The extension is unopposed and is supported by the Proposal Trustee. The purpose of the extension is to permit the auditors of the Debtor to prepare audited financials which will promote the proposal process.

Justice Markus Koehnen
Ontario Superior Court of Justice
361 University Ave.
Toronto, Ont.
M5G 1T3
416-327-5284



APPENDIX "B2"



IN THE MATTER OF THE PROPOSAL OF NATIONWIDE MANUFACTURING LIMITED, OF THE CITY OF TORONTO, IN THE PROVINCE OF ONTARIO

Court File No.: 31-2749204

Estate File No.: 31-2749204

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY & INSOLVENCY)

Proceeding Commenced at TORONTO

ORDER

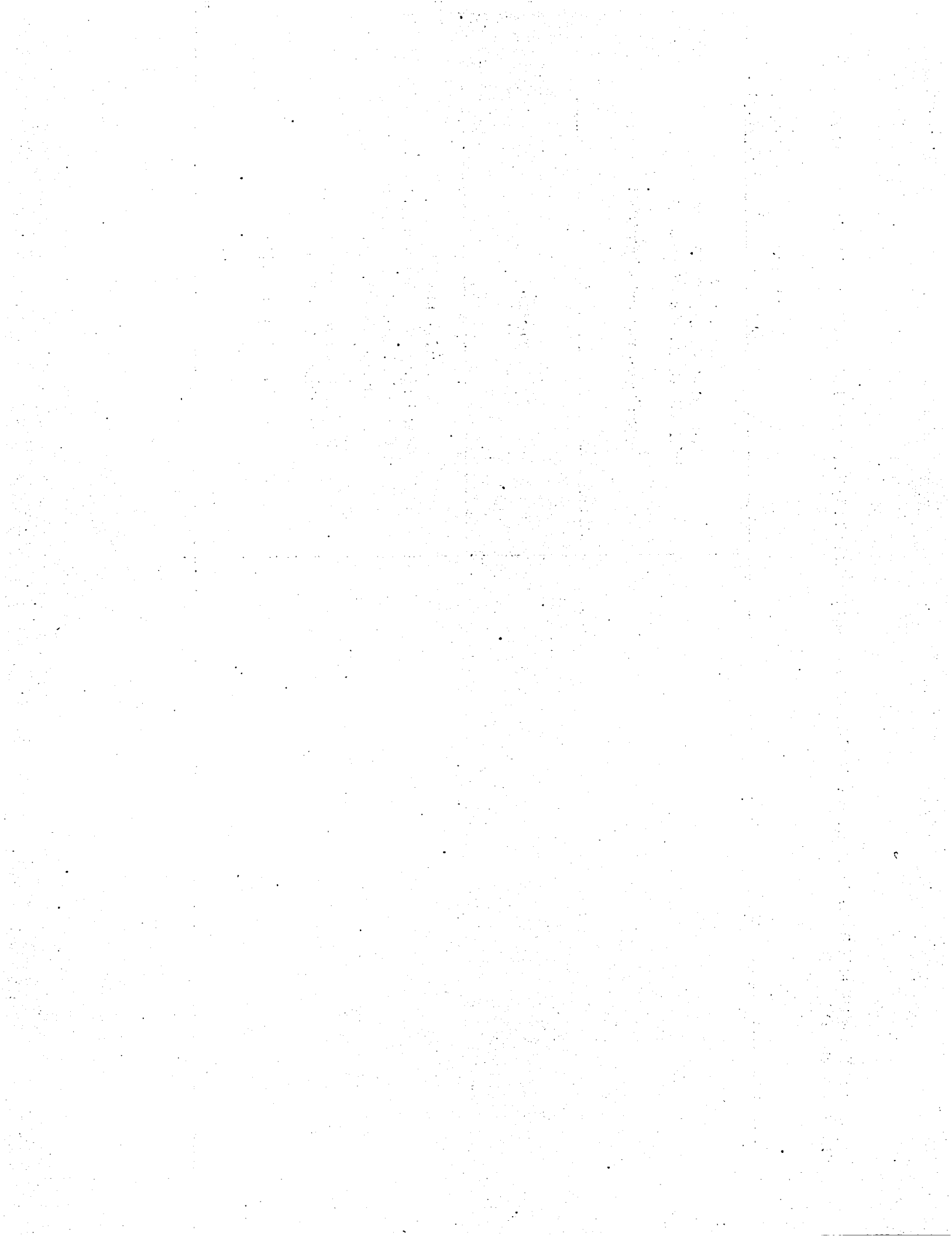
WEIRFOULDS LLP

66 Wellington Street West, Suite 4100
P.O. Box 35, Toronto-Dominion Centre
Toronto ON M5K 1B7

Wojtek Jaskiewicz (LSO #49809L)
wjaskiewicz@weirfoulds.com

Tel: (416) 365-1110

Lawyers for the Proposal Trustee



APPENDIX "C"



Industry Canada
Office of the Superintendent
of Bankruptcy Canada

Industrie Canada
Bureau du surintendant
des faillites Canada

District of Ontario
 Division No. 09 - Toronto
 Court No. 31-2749204
 Estate No. 31-2749204

In the Matter of the Proposal of:

Nationwide Manufacturing Limited

Debtor

DODICK LANDAU INC.

Licensed Insolvency Trustee

Date of Proposal:	September 10, 2021	Security:	\$
Meeting of Creditors:	October 12, 2021, 11:00 Zoom meeting: 85166641913 4646 Dufferin Street, Suite 6 Toronto, Ontario Canada,		
Chair:	Trustee		

CERTIFICATE OF FILING OF A PROPOSAL - Section 62

-- AMENDED --

I, the undersigned, Official Receiver in and for this bankruptcy district, do hereby certify that:

- a proposal in respect of the aforementioned debtor was filed under section 62 of the *Bankruptcy and Insolvency Act*.

The aforementioned trustee is required:

- to provide to me, without delay, security in the aforementioned amount; and
- to send to all creditors, at least ten days prior to the meeting, a notice of a meeting of creditors, which will be held at the aforementioned time and place.

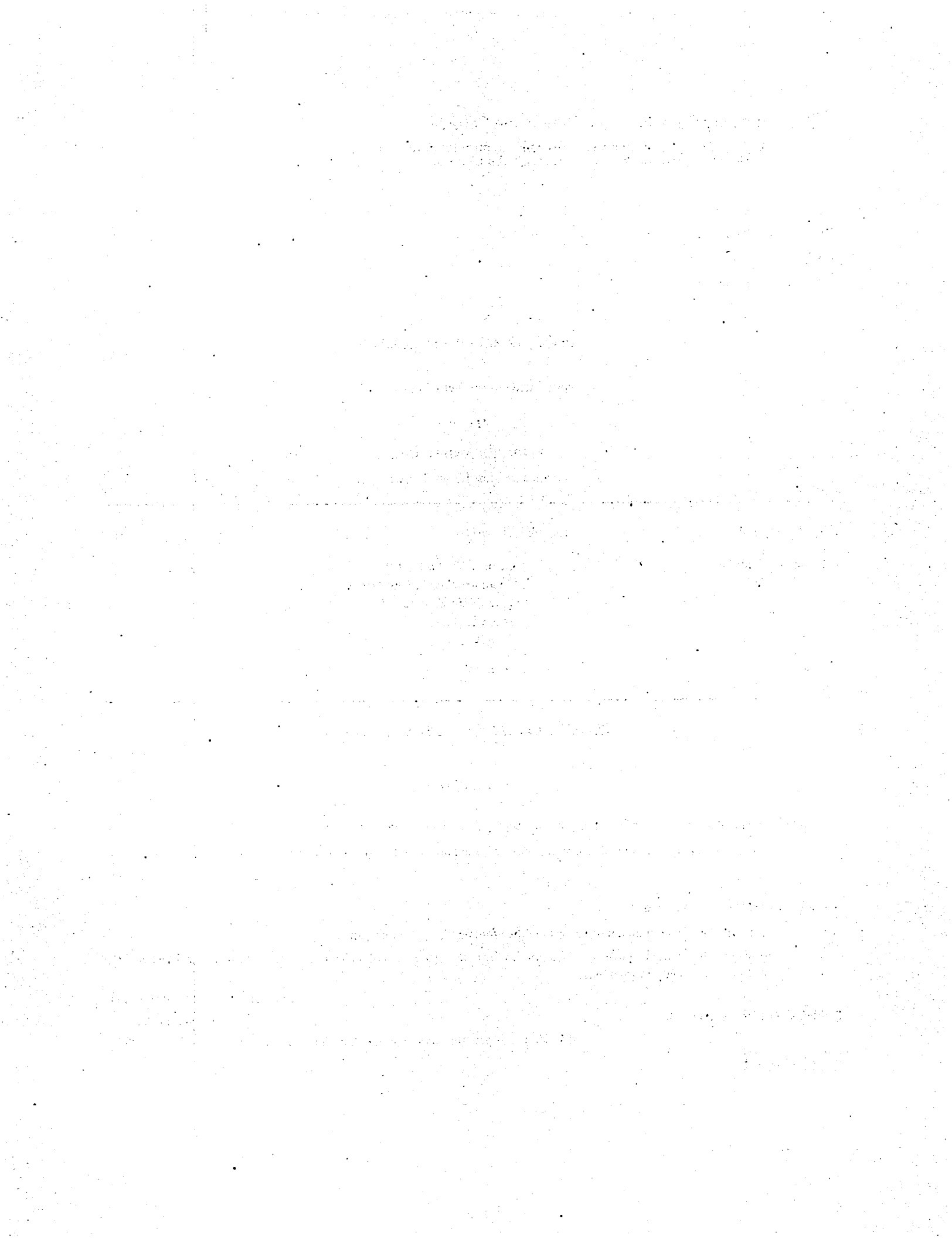
Date: September 14, 2021, 07:54

Official Receiver

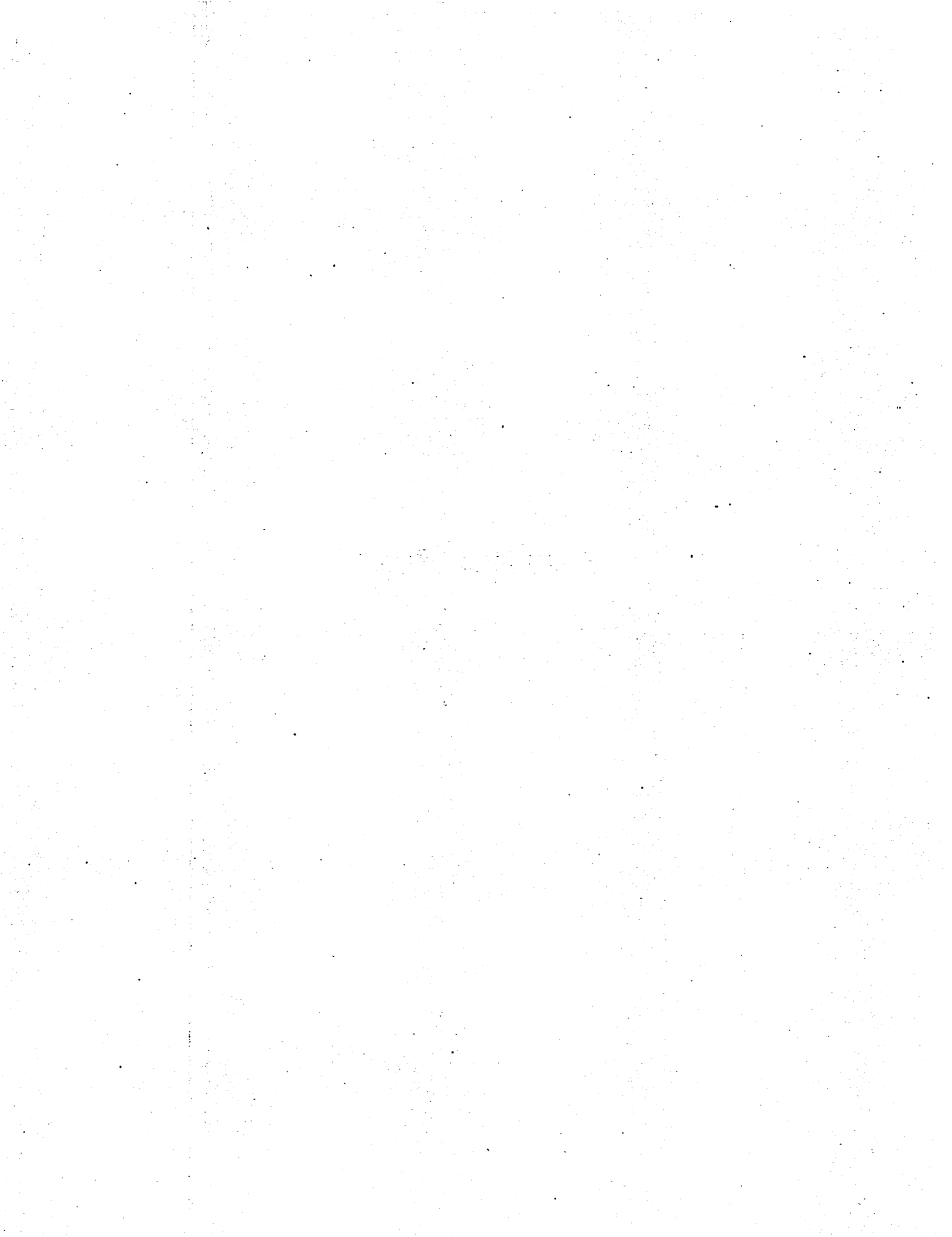
E-File/Dépôt Electronique

151 Yonge Street, 4th Floor, Toronto, Ontario, Canada, M5C2W7, (877)376-9902





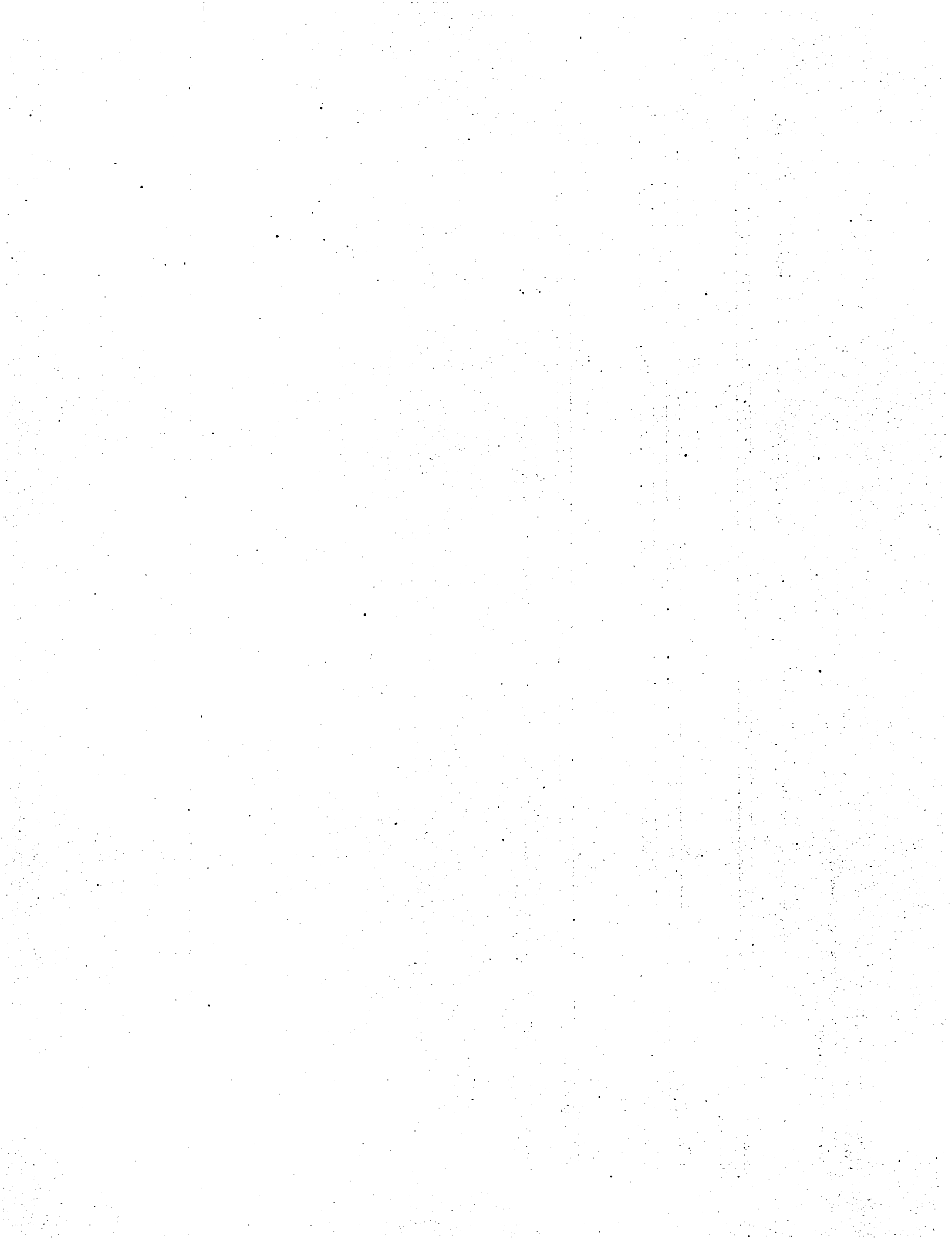
APPENDIX "D1"



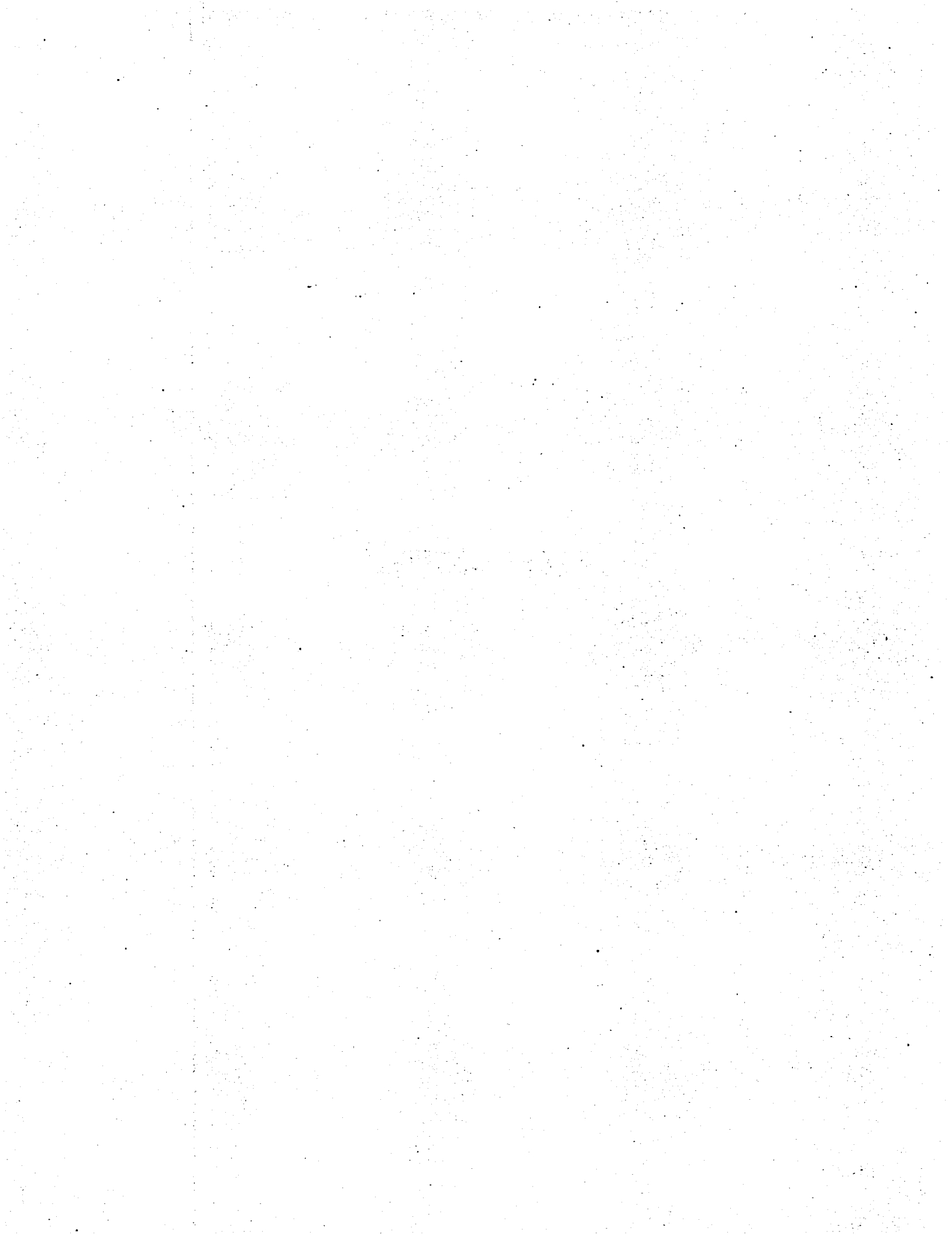
Nationwide Manufacturing Limited
Weekly Cash Flow Forecast
For the period from September 25, 2021 to December 24, 2021
Prepared by Management

Week Ending	Notes	¹ 01-Oct-21	² 08-Oct-21	³ 15-Oct-21	⁴ 22-Oct-21	⁵ 29-Oct-21	⁶ 05-Nov-21	⁷ 12-Nov-21	⁸ 19-Nov-21	⁹ 26-Nov-21	¹⁰ 03-Dec-21	¹¹ 10-Dec-21	¹² 17-Dec-21	¹³ 24-Dec-21	TOTAL
Receipts	2														-
Disbursements															
G&A Expenses	3	-	350	-	-	-	350	-	-	-	350	-	-	-	1,050
Professional Fees	4	-	8,500	-	-	-	-	8,500	-	-	-	-	-	-	17,000
Total Disbursements		-	8,850	-	-	-	350	8,500	-	-	350	-	-	-	18,050
Net Cash Flow		-	(8,850)	-	-	-	(350)	(8,500)	-	-	(350)	-	-	-	(18,050)
Bank Balance															
Opening Bank Balance	5	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Add: Net Cash Flow		-	(8,850)	-	-	-	(350)	(8,500)	-	-	(350)	-	-	-	(18,050)
Add: Shareholder Loan	6	-	8,850	-	-	-	350	8,500	-	-	350	-	-	-	18,050
Closing Bank Balance		-	-	-	-	-	-	-	-	-	-	-	-	-	-

This statement of forecast cash flow of Nationwide Manufacturing Limited is prepared in accordance with section 50.4 (2) of the Bankruptcy and Insolvency Act and should be read in conjunction with the accompanying notes.



APPENDIX "D2"



Nationwide Manufacturing Limited (“Nationwide” or the “Company”)
Major Assumptions
Cash Flow Forecast
For the Period September 25, 2021 to December 24, 2021 (the “Period”)

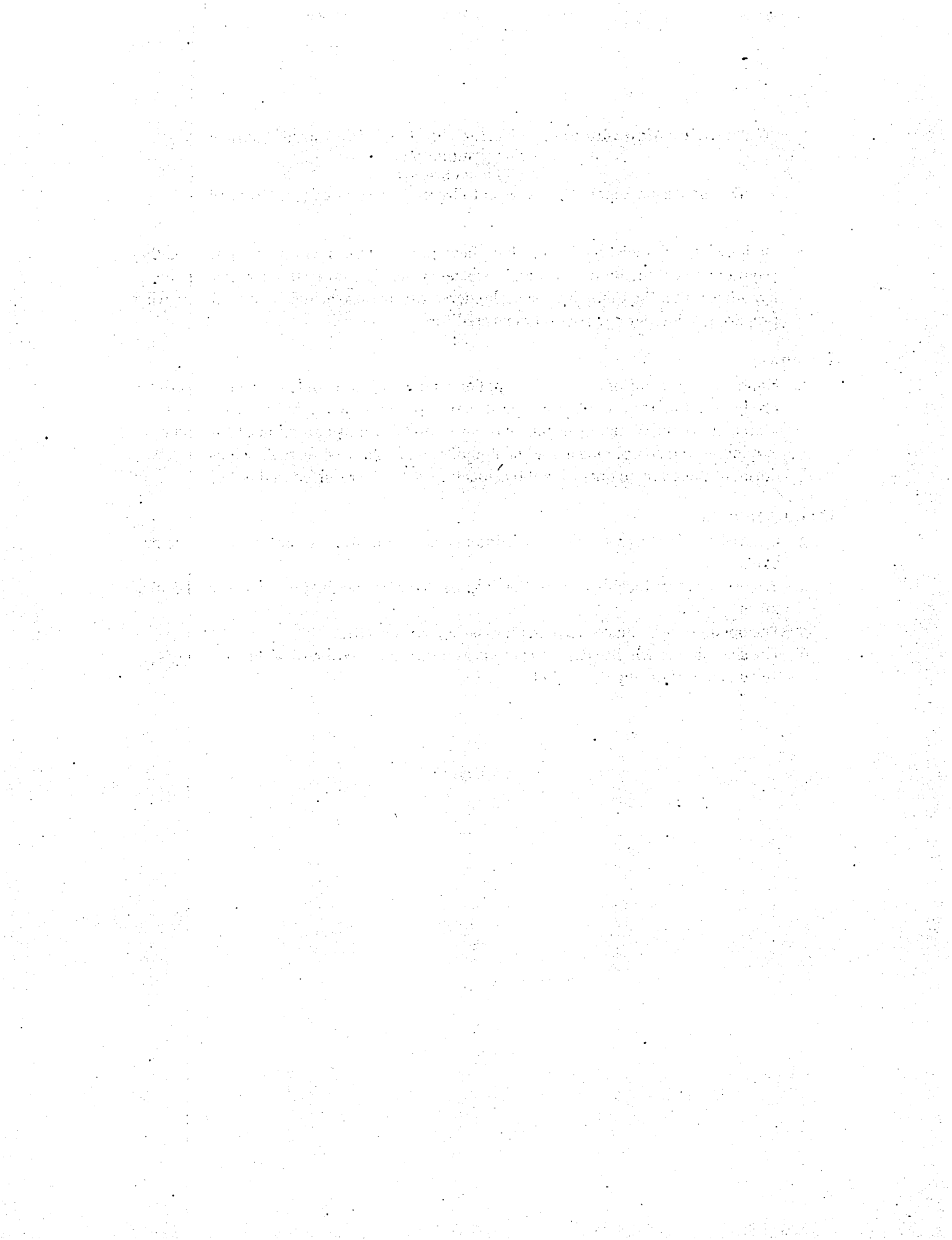
1. Nationwide’s financial projections have been prepared for the purpose of meeting the requirements of the Bankruptcy and Insolvency Act. The Projection is based on the hypotheses that the Company’s shareholders, who are also secured creditors, will be preparing a liquidating proposal to its creditors.

Receipts:

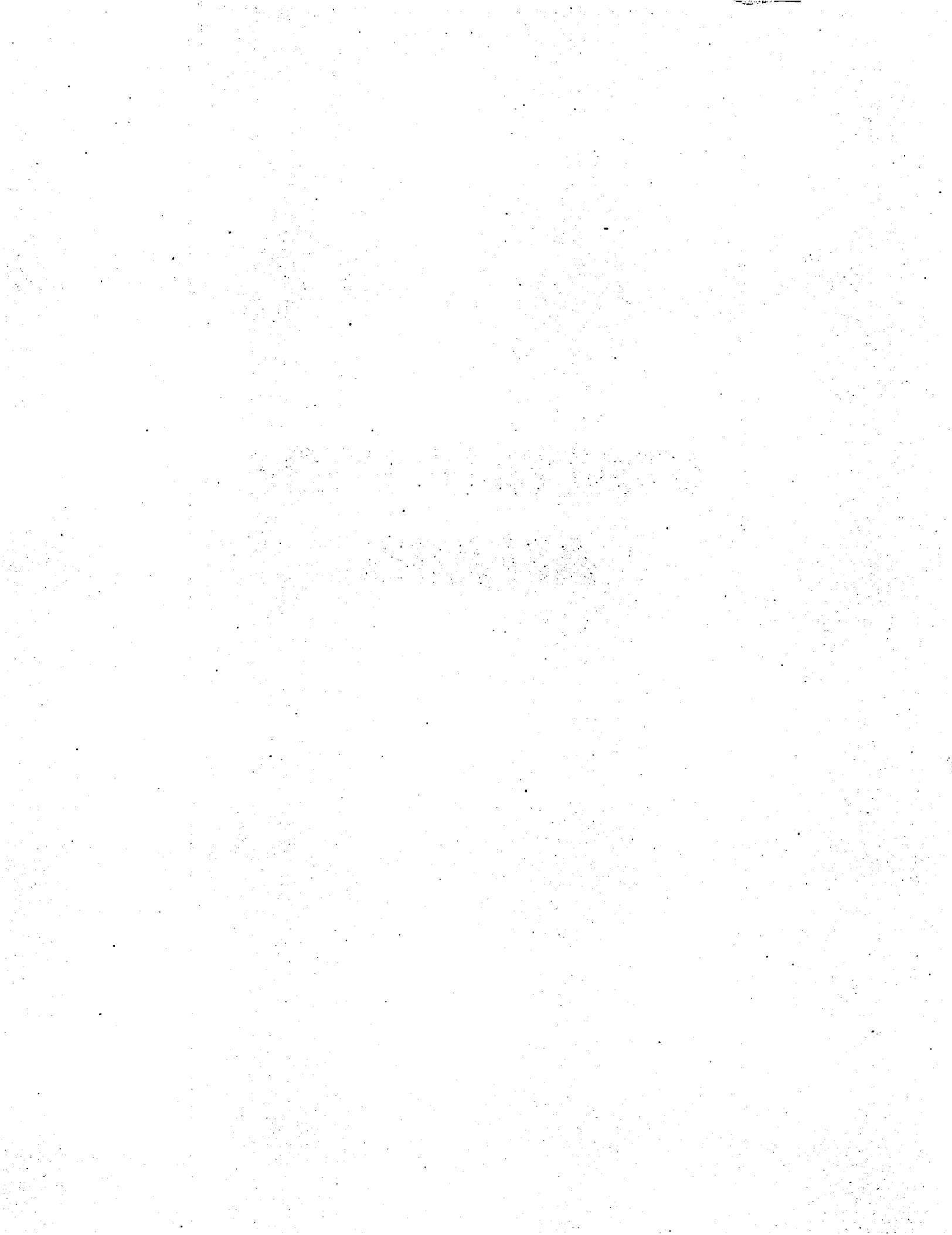
2. Nationwide was one of the largest suppliers and distributors of loyalty and incentive products in Canada providing a wide variety of premium name-brand products. In March 2020, the Company began an orderly wind down its operations, laying off its employees and completing a gradual liquidation of its assets. As the business is now dormant there are no operational receipts forecast to be received in the Period.

Disbursements:

3. General administrative costs include interest and monthly account fees payable to its bank.
4. Professional fees include fees for the Proposal Trustee and the Company’s legal counsel for the Period.
5. The opening cash balance as of September 25, 2021 is NIL.
6. The shareholder will be advancing funds as necessary to cover all of the Company’s disbursements during the Period.



STATEMENT OF AFFAIRS



District of: Ontario
 Division No. 09 - Toronto
 Court No. 31-2749204
 Estate No. 31-2749204

Original Amended

-- Form 78 --
Statement of Affairs (Business Proposal) made by an entity
 (Subsection 49(2) and Paragraph 158(4) of the Act / Subsections 50(2) and 62(1) of the Act)
 In the Matter of the Proposal of
Nationwide Manufacturing Limited
 of the city of Toronto, in the Province of Ontario

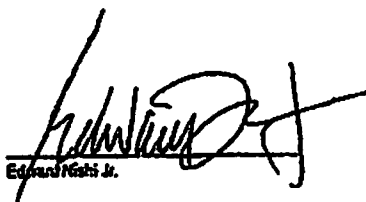
To the debtor:
 You are required to carefully and accurately complete this form and the applicable attachments showing the state of your affairs on the date of the filing of your proposal (or notice of intention, if applicable), on the 30th day of June 2021. When completed, this form and the applicable attachments will constitute the Statement of Affairs and must be verified by oath or solemn declaration.

LIABILITIES (as stated and estimated by the officer)		ASSETS (as stated and estimated by the officer)	
1. Unsecured creditors as per list "A"	116,201.16	1. Inventory	0.00
Balance of secured claims as per list "B"	973,065.00	2. Trade fixtures, etc.	0.00
Total unsecured creditors	1,089,266.20	3. Accounts receivable and other receivables, as per list "E"	
2. Secured creditors as per list "B"	5,001.60	Good	5,000.00
3. Preferred creditors as per list "C"	0.00	Doubtful	5,000.00
4. Contingent, trust claims or other liabilities as per list "D"		Bad	0.00
estimated to be reclaimable for	720,000.00	Estimated to produce	5,000.00
Total liabilities	1,814,267.20	4. Bills of exchange, promissory note, etc., as per list "F" ...	0.00
Surplus	NIL	5. Deposits in financial institutions	0.00
		6. Cash	0.00
		7. Livestock	0.00
		8. Machinery, equipment and plant	0.00
		9. Real property or immovables as per list "G"	0.00
		10. Furniture	0.00
		11. RRSPs, RRRPs, life insurance, etc.	0.00
		12. Securities (shares, bonds, debentures, etc.)	0.00
		13. Interests under will	0.00
		14. Vehicles	0.00
		15. Other property, as per list "H" ..	1.00
		If debtor is a corporation, add:	
		Amount of subscribed capital	0.00
		Amount paid on capital	0.00
		Balance subscribed and unpaid	0.00
		Estimated to produce	0.00
		Total assets	5,001.00
		Deficiency	1,809,266.20

I, Edward Nishi Jr., of the city of Toronto in the Province of Ontario, do swear (or solemnly declare) that this statement and the attached lists are to the best of my knowledge, a full, true and complete statement of the affairs of the Corporation on the 10th day of September 2021 and fully disclose all property of every description that is in my possession or that may devolve on me in accordance with the Act.

SWORN (or SOLEMNLY DECLARED)
 before me at the city of Toronto in the Province of Ontario, on this 10th day of September 2021.


 Rahn Dodick, Commissioner of Oaths
 For the Province of Ontario
 Expires July 20, 2023


 Edward Nishi Jr.

Rahn Dodick, a Commissioner, etc.
 Province of Ontario, for Dodick
 Landau Inc. and Dodick Landau
 Partnership, Expires July 20, 2023

District of: Ontario
 Division No. 09 - Toronto
 Court No. 312749204
 Estate No. 312749204

FORM 78 - Continued

Let "V"
 Unsecured Creditors

Nitorinto Manufacturing Limited

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
1	Advarium Optics	2464 Ontario Street Toronto ON M6H 2P8	2,175.25	0.00	2,175.25
2	Reynolds	71 Woodway Road Toronto ON M8W 1X1	1.00	0.00	1.00
3	Reynolds	20 TAZZ P. O. Box 4222, S.A. Toronto ON M5W 2A9	7,300.11	0.00	7,300.11
4	Amco Bank of Canada Trust Ltd	350 Bay Street, 18th Floor Toronto ON M5H 2S8	1.00	0.00	1.00
5	Bank of Montreal	922 Royal York Road Toronto ON M5V 2U7	250.00	0.00	250.00
6	Bank of Montreal	563 GPO Road Leedsburg ON L5L 2V7	134.87	0.00	134.87
7	Case & Walker	6455 Bayview Blvd., 4th Floor Etterton Drive CA 01111 USA	7,707.21	0.00	7,707.21
8	Case & Walker	64 Denby Crescent Camden ON L1K 3A9	388.57	0.00	388.57
9	Case & Walker	2701 Riverside Drive Oshawa ON M1A 1L7	12,394.47	0.00	12,394.47
10	Case & Walker	201 Woodstock Blvd., Box 102 Brimley ON M1T 6G8	1,207.02	0.00	1,207.02
11	Case & Walker	166 Toronto Drive, Unit #7 Toronto ON M2L 1X8	152.55	0.00	152.55
12	Case & Walker	28 Cedar Crescent Toronto ON M8W 2K5	1.00	0.00	1.00
13	Case & Walker	4 Grand Avenue Toronto ON M1V 2V6	389.57	0.00	389.57
14	Case & Walker	2160 Queen St. W., #20 Cagway AB T1V 7C4	1,160.91	0.00	1,160.91
15	Case & Walker	4445 Sheppard Ave. East Scarborough ON M1S 1T4	250.00	0.00	250.00
16	Case & Walker	4445 Sheppard Ave. East Scarborough ON M1S 1T4	14,771.92	0.00	14,771.92
17	Case & Walker	4445 Sheppard Ave. East Scarborough ON M1S 1T4	9,531.39	0.00	9,531.39
18	Case & Walker	555 Chalmers (RT) Marked ON M1M 2H0	7,500.00	0.00	7,500.00
19	Case & Walker	142 - 76 Thebes Ave Markham ON L4Z 3E5	7,163.01	0.00	7,163.01
20	Case & Walker	350 Bay Street, 18th Floor Toronto ON M5H 2S8	1.00	0.00	1.00

[Handwritten Signature]
 Estate No. 312749204

Date
 10-Sep-2021

District of: Ontario
 Division No. 09 - Toronto
 Court No. 31-2749204
 Estate No. 31-2749204

FORM 78 - Continued

List "K"
 Unsecured Creditors

National's Manufacturing Limited

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
21	Ecobee Inc.	28 Dundas West, Suite 700 Toronto ON M5A 6B5	12,769.89	0.00	12,769.89
22	Edward (Ted) Nash	x x x XIX IX1	0.00	638,337.16	638,337.16
23	Electronics Recycling Alberta 19042660	P. O. Box 189 Edmonton AB T6J 2J1	30.00	0.00	30.00
24	Exbridge Gas Distribution - Ontario Atr: Bank Office Collections Department 91806100623	500 Consumers Road North York ON M2J 1P9	13,209.59	0.00	13,209.59
25	EPRA BC R80004084	c/o 4684 IC, P. O. Box 6441, Station Terminal Vancouver BC V6B 6R3	58.67	0.00	58.67
26	Fediga, Mark	63 Vedstow Drive Toronto ON M8Z 2G3	1.00	0.00	1.00
27	Gibert, Donald	221 - 781 The Kingsway Toronto ON M8Z 6A8	1.00	0.00	1.00
28	GoCo Technology LP (Radiant) 83384	161 Ruth Riverdale Road Concord ON L4K 0C4	7,498.08	0.00	7,498.08
29	Higher Ground & Home	50 East Walnut Street, #B1 Richmond Hill ON L4B 3Z3	1,430.47	0.00	1,430.47
30	Image Financial Services	x x x XIX IX1	53.65	0.00	53.65
31	Jankovic, Vesna	11 317 The Kingsway Toronto ON M8A 3V3	1.00	0.00	1.00
32	Josine Nash	x X x XIX IX1	0.00	230,000.00	230,000.00
33	Marja Soosla c/o Samina Turmanin LLP Atr: Civil Justice CV-21-01861783-0000	350 Bay Street, 18th Floor Toronto ON M5H 2S8	1.00	0.00	1.00
34	Merkala, Aasa	336 The Westway Toronto ON M8R 1H2	250.00	0.00	250.00
35	Mila Waste 340-007251	328 Clarence Street Brampton ON L6N 1T5	84.01	0.00	84.01
36	New Electric Enterprises Inc.	1315 North Service Rd. E., Suite 300 Oshawa ON L8H 1A7	631.36	0.00	631.36
37	Ong, Diana	38 Alga Avenue Toronto ON M8Z 5J8	1.00	0.00	1.00
38	Pony, Danyel	72 Beaufort Trail Toronto ON M1W 1V4	250.00	0.00	250.00
39	Performance Awards Group	x x x XIX IX1	185.45	0.00	185.45
40	Piney Boxes Canada Ltd. c/o BankruptcyHighway.com Atr: Mike Tinko	PO Box 57100 Ettobicoke ON M9Y 3Y2	567.17	0.00	567.17
41	Purditor Inc. Atr: Wayne Richard/Accounts Receivable	PO Box 1160, Post Sta A Ettobicoke ON M9C 5K2	115.95	0.00	115.95
42	Sampson 1022430	305 C.H. Meier Blvd. Scarboro ON M1A 0H4	14,712.79	0.00	14,712.79
43	Signature Air Systems	7 Howard Court, Unit B8 Babine ON L7E 1E5	1,320.34	0.00	1,320.34

10-Sep-2021

Date


 Edward Nash J.

District of: Ontario
 Division No. 09 - Toronto
 Court No. 31-2749204
 Estate No. 31-2749204

FORM 78 - Continued

List "A"
 Unsecured Creditors

National Manufacturing Limited

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
44	TD Canada Trust CIO FCI Default Solutions	PO Box 2514, Station 6 London ON N6A 4G9	0.00	80,068.00	80,068.00
45	Tajinder Thind c/o Sandra Tomashin LLP Att: Chris Justice CV-21-01281780-0000	150 Bay Street, 16th Floor Toronto ON M5H 2B8	1.00	0.00	1.00
46	Talent Tajinder	6 Leitchburg Crescent Brampton ON L6X 3A7	250.00	0.00	250.00
47	Tyco Integrated Security	2450 Shymark Ave. Mississauga ON L4W 6K5	1,983.98	0.00	1,983.98
48	Webster Stephen Canada OCB027	c/o Lockyer #3157R, PO Box 4098 Stn. A Toronto ON M5W 6E9	2,988.44	0.00	2,988.44
49	World Paints	333 Confederation Pkwy Concord ON L4X 4S1	108.15	0.00	108.15
50	YRC Freight 357-700701-7	P. O. Box 3531, Station A Toronto ON M5W 3Q4	68.60	0.00	68.60
Total:			118,291.18	873,065.08	1,089,356.23

10-Sep-2021

Date


 Edward Muhl J.

District of: Ontario
 Division No. 09 - Toronto
 Court No. 31-2749204
 Estate No. 31-2749204

FORM 75 - Continued

List "B"
 Secured Creditors

Nationalite Manufacturing Limited

No.	Name of creditor	Address	Amount of claim	Particulars of security	When given	Estimated value of security	Estimated surplus from security	Balance of claim
1	CRA - Tax - Ontario 103-879519F0001	Shenandoan-Sud National Verification and Collection Centre 4885 Shewchigan-Sud Blvd Shenandoan-Sud QC G8P 6H9	19,727.92	Debits Due - Business - Accounts Receivable	01-Jan-2015	5,000.00		14,727.92
2	Edward (Tax) Hest	x x x XIX 1X1	638,337.16	Debits Due - Business - Accounts Receivable	26-Apr-2015	0.00		638,337.16
3	Jessie Hest	x X x XIX 1X1	230,000.00	Debits Due - Business - Accounts Receivable	26-Apr-2015	0.00		230,000.00
4	LBC Capital 760-090415-08 US02	6015 South Service Road Burlington ON L7L 6M3	1.00	Other - Copies and Accessories (lease)	30-Mar-2016	1.00		
5	TD Canada Trust CTD FCT Default Solutions	PO Box 2514, Station B London ON N6A 4G9	50,000.00	Debits Due - Business - Accounts Receivable	29-May-2015	0.00		50,000.00
Total:			979,065.08			5,001.00	0.00	973,064.08

10-Sep-2021

Date


 Edward Hest

District of: Ontario
Division No. 09 - Toronto
Court No. 31-2749204
Estate No. 31-2749204

FORM 78 -- Continued

List "C"
Preferred Creditors for Wages, Rent, etc.

National Manufacturing Limited

No.	Name of creditor	Address and occupation	Nature of claim	Paid during which claim accrued	Amount of claim	Amount payable in full	Difference ranking for dividend
				Total:	0.00	0.00	0.00

10-Sep-2021

Date


Edward Walsh Jr.

District of: Ontario
 Division No. 09 - Toronto
 Court No. 31-2749204
 Estate No. 312749204

FORM 78 - Continued

List "D"
 Contingent or Other Liabilities

Nationaloid Manufacturing Limited

No.	Name of creditor or claimant	Address and occupation	Amount of liability or claim	Amount expected to rank for dividend	Date when liability incurred	Nature of liability
1	Bouton, Marie CV-21-00051783-0000	922 Royal York Road Toronto ON M5Y 2L7	156,000.00	0.00		First Execution Creditor
2	Marlet, Arna	336 The Westway Toronto ON M5R 1H2	197,000.00	0.00		First Execution Creditor
3	Peary, Delydd	72 Doorknob Trail Toronto ON M1W 1V4	210,000.00	0.00		First Execution Creditor
4	Thind, Tejinder	6 Leisberg Crescent Etobicoke ON L6K 3A7	153,000.00	0.00		First Execution Creditor
Total:			720,000.00	0.00		

10-Sep-2021

Date


 Edward Nash Jr.

District of: Ontario
 Division No. 09 - Toronto
 Court No. 31-2749204
 Estate No. 31-2749204

FORM 79 - Continued

List E
 Debts Due to the Debtor
 National Manufacturing Limited

No.	Name of debtor	Address and occupation	Nature of debt	Amount of debt (paid, doubtful, bad)	Place of ledger or other book where particulars to be found	When contracted	Estimated to produce	Particulars of any securities held for debt
1	Accounts Receivable	...	Accounts Receivable	5,000.00 5,000.00 0.00		01-Jan-2020	5,000.00	
Total:				5,000.00 5,000.00 0.00			5,000.00	

10 Sep 2021

Date


 Edward Nash Jr.

District of: Ontario
 Division No. 09 - Toronto
 Court No. 31-2749204
 Estate No. 31-2748204

FORM 79 - Continued

List F

Bills of Exchange, Promissory Notes, Loan Notes, Cheques,
 Mortgages, etc., Available as Assets

Nationwide Manufacturing Limited

No.	Name of all promissory, acceptance, endorser, mortgagee, and guarantors	Address	Occupation	Amount of bill or note, etc.	Date when due	Estimated to produce	Particulars of any property held as security for payment of bill or note, etc.
Total:				0.00		0.00	

10-Sep-2021

Date


 Edward H. Hall Jr.

District of: Ontario
Division No. 09 - Toronto
Court No. 312748204
Estate No. 312748204

FORM 78 - Continued

List "G"
Real Property or Innovations Owned by Debtor

Nationalde Manufacturing Limited

Description of property	Nature of debtor interest	In whose name does title stand	Total value	Particulars of mortgages, hypothecs, or other encumbrances (name, address, amount)	Equity or surplus
Total:			0.00		0.00

10-Sep-2021

Date


Edward Michal J.

District of: Ontario
 Division No. 09 - Toronto
 Court No. 312748204
 Estate No. 312748204

FORM 78 - Continued

List 'F'
 Property

Nationwide Manufacturing Limited
 FULL STATEMENT OF PROPERTY

Nature of property	Location	Details of property	Original cost	Estimated to produce
(a) Stock-in-trade			0.00	0.00
(b) Trade claims, etc.			0.00	0.00
(c) Cash in financial institutions			0.00	0.00
(d) Cash on hand			0.00	0.00
(e) Inventory			0.00	0.00
(f) Machinery, equipment and plant			0.00	0.00
(g) Furniture			0.00	0.00
(h) Life insurance policies, RRSPs, etc.			0.00	0.00
(i) Securities			0.00	0.00
(j) Interests under wills, etc.			0.00	0.00
(k) Vehicles			0.00	0.00
(l) Tools			0.00	0.00
(m) Other		Copiers and Accessories (lease)	0.00	1.00
			Total:	1.00

10-Sep-2021

Date


 Edward Kuhl Jr.

Court No. 31-2749204

File No. 31-2749204

**In the Matter of the Proposal of
Nationwide Manufacturing Limited
of the city of Toronto, in the Province of Ontario**

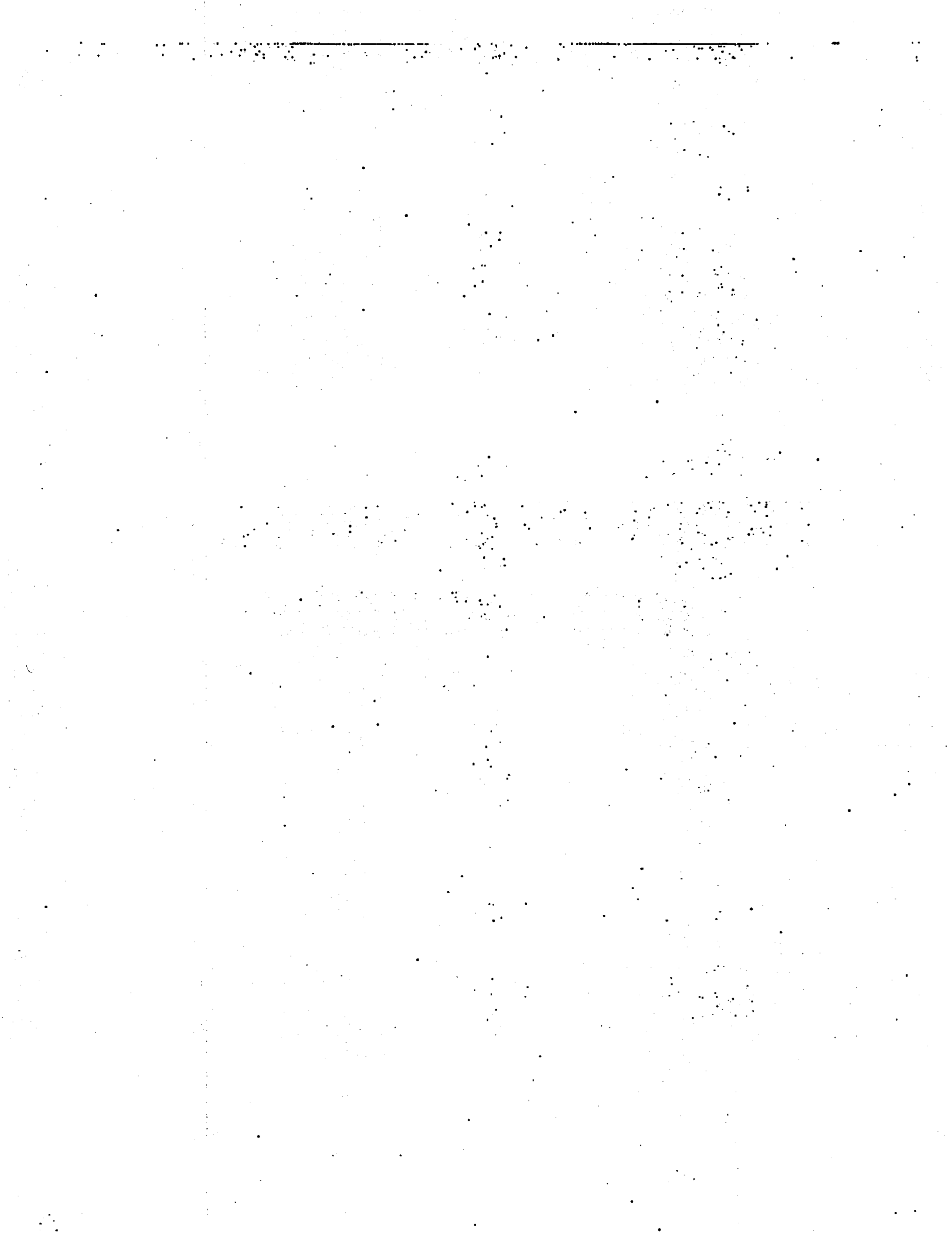
**Form 78 (Bill C-12)
Statement of affairs (Business bankruptcy)**

**Trustee: Rahn Dodick
License: 3276
Email: rahn.dodick@dodick.ca**

Dodick Landau Inc. - Licensed Insolvency Trustee

**4646 Dufferin St., Suite 6
Toronto ON M3H 5S4
Phone: (416) 736-4357 Fax: (416) 649-7725**

PROOF OF CLAIM WITH INSTRUCTIONS



DODICK LANDAU

PROOF OF CLAIM FORM 31

IN THE MATTER OF THE PROPOSAL OF **Nationwide Manufacturing Limited** (referred to in this form as "the debtor")
and the claim of _____ (referred to in this form as "the creditor")

All notices or correspondence regarding this claim to be forwarded to the creditor at the following address:

Telephone : _____ Fax : _____ Email : _____

I, _____ residing in the _____
(name of person signing claim) (city, town, etc.)
of _____ in the Province of _____
(name of city, town, etc.)

Do hereby certify that:

If an officer of the company, state position or title

1. I am the creditor or I am _____ of the creditor.
(state position or title)

2. I have knowledge of all the circumstances connected with the claim referred to in this form.

The attached statement of account must include invoices or other evidence in support of the claim

3. The debtor was, at the date of the Proposal, namely the June 30, 2021 and still is, indebted to the creditor in the sum of \$ _____ as specified in the statement of account attached hereto and marked Schedule "A", after deducting any counterclaims to which the debtor is entitled.

Check and complete appropriate category.

4. A Unsecured claim of \$ _____
In respect to the said debt, I do not hold any assets of the debtor as security and

Check appropriate description and attach a separate sheet to detail and support priority claim, if applicable.

(i) I do not claim a right to a priority
or
(ii) I do claim a right to a priority under section 136 of the Bankruptcy and Insolvency Act (the "Act").

Give full particulars of the claim, including the calculations upon which the claim is based.

B Claim of landlord for disclaimer of a lease of \$ _____
That I hereby makes a claim under subsection 65.2(4) of the Act, particulars of which are as follows: _____

Give full particulars of the security, including the date on which the security was given and the value at which you assess the security, and attach a copy of the security documents.

C Secured claim of \$ _____
In respect of the said debt, I hold assets of the debtor valued at \$ _____ as security, particulars of which are as follows: _____

Attach a copy of sales agreement and delivery receipts.

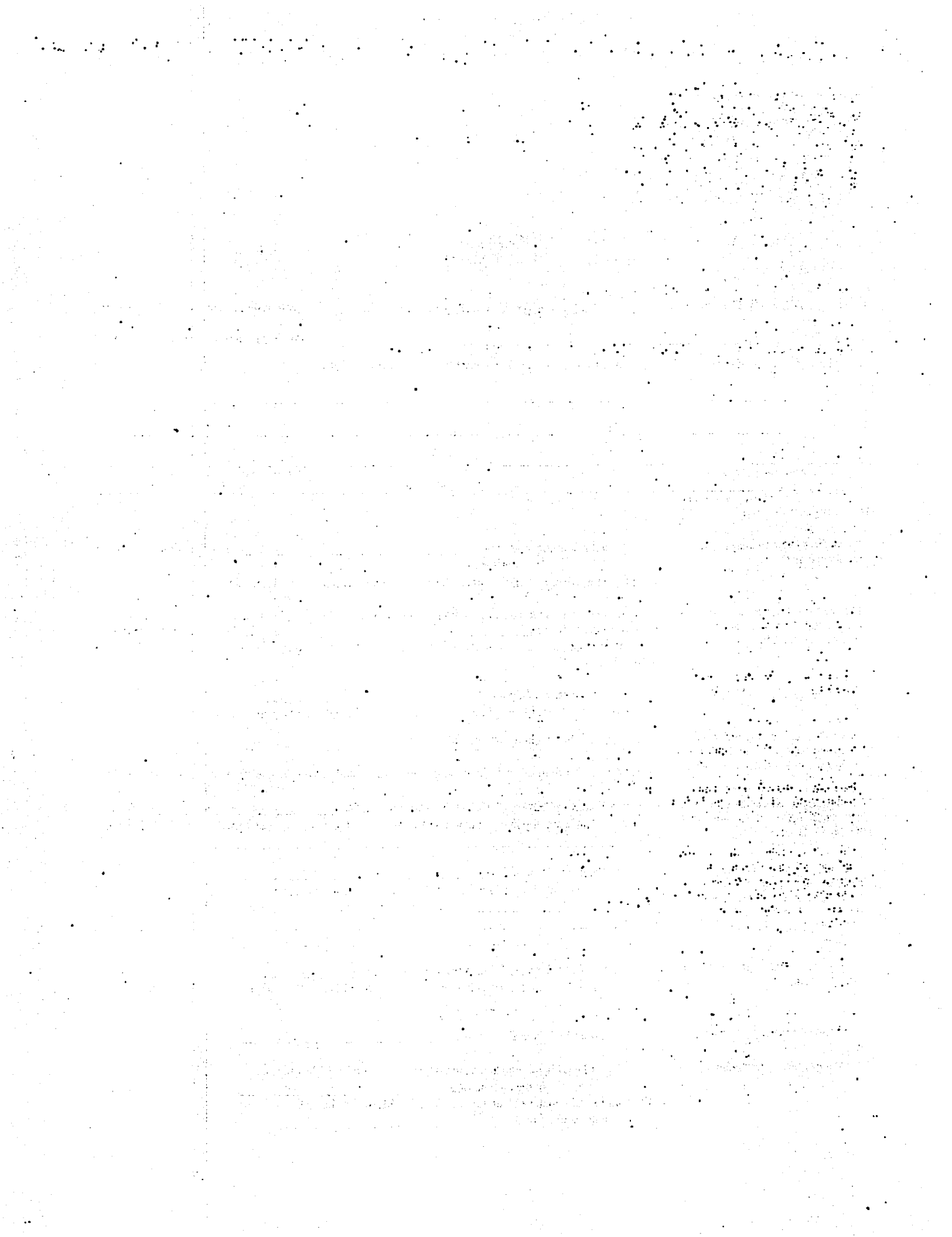
D Claim by farmer, fisherman, or aquaculturist of \$ _____
That I hereby makes a claim under subsection 81.2(1) of the Act for the unpaid amount \$ _____

Check and complete appropriate category.

E Claim by Wage Earner of \$ _____

Check appropriate description.

(i) That I hereby make a claim under subsection 81.3(8) of the Act in the amount of \$ _____
(ii) That I hereby make a claim under subsection 81.4(8) of the Act in the amount of \$ _____



**PROOF OF CLAIM
FORM 31
PAGE TWO**

To be filed when a proposal provides for the compromise of claims against directors.

F **Claim against Director of \$** _____
That I hereby make a claim under subsection 50(13) of the Act, particulars of which are as follows: _____

Give full particulars of the claim, including the calculations upon which the claim is based.

G **Claim of a Customer of a Bankrupt Securities Firm of \$** _____
That I hereby make a claim as a customer for net equity as contemplated by section 262 of the Act, particulars of which are as follows:

Strike out "is" or "is not".

5. To the best of my knowledge, the creditor **is / is not** related to the debtor within the meaning of section 4 of the Act.

Attach a separate schedule if necessary.

6. The following are the payments that the creditor has received from and the credits that the creditor has allowed to the debtor within the three months (or, if the creditor and the debtor are related within the meaning of section 4 of the Act, within the twelve months) immediately before the date of the initial bankruptcy event (June 30, 2021) within the meaning of section 2 of the Act.

Dated at _____ this _____ day of _____, 20____

Must be signed and witnessed

Witness

(Signature of individual completing this form)

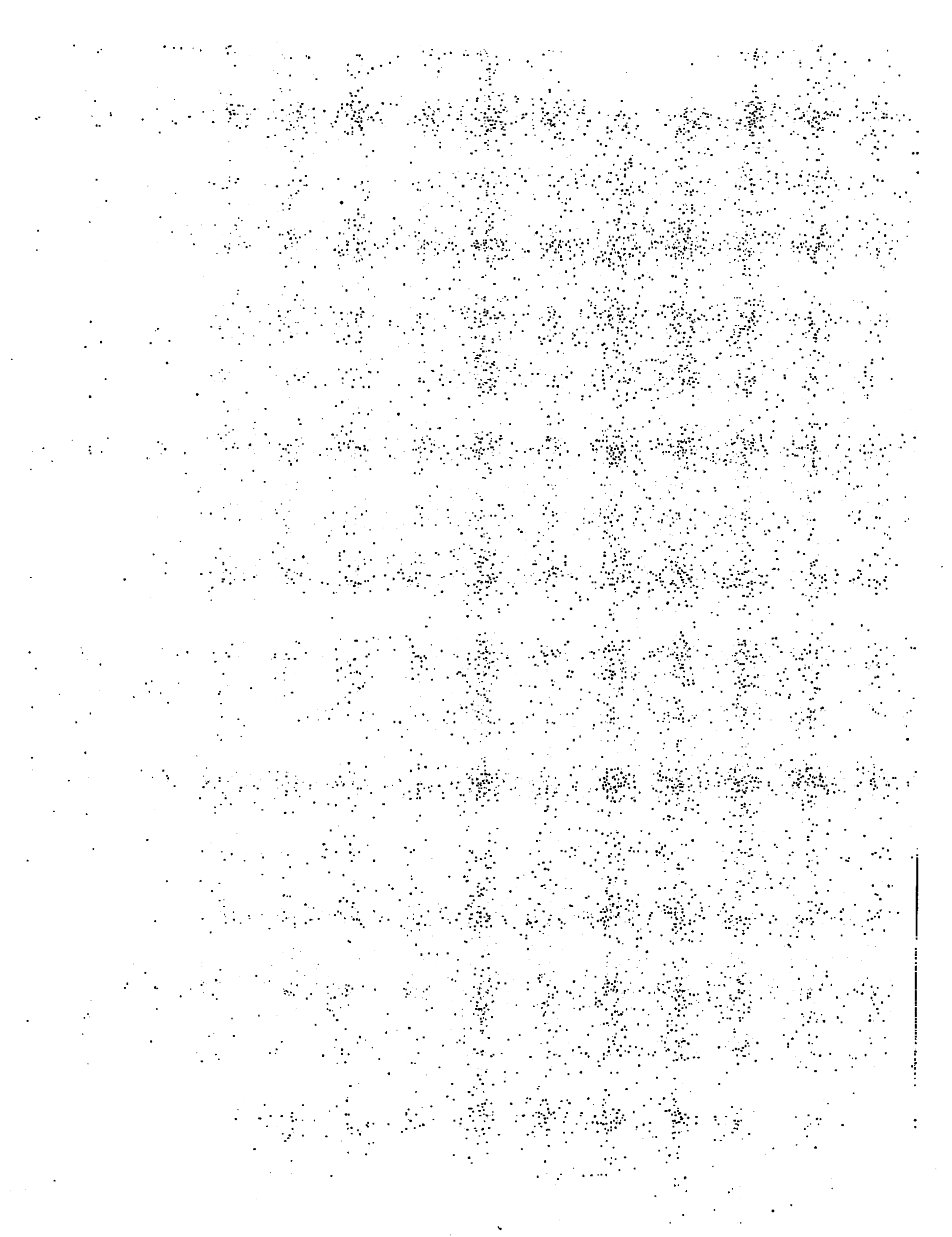
Print Name: _____

Print Name: _____

Notes: All references to "the Act" refer to the Bankruptcy and Insolvency Act. If a copy of this Form is sent electronically by means such as email, the name and contact information of the sender, prescribed in Form 1.1, must be added at the end of the document.

If an affidavit or solemn declaration is attached, it must have been made before a person qualified to take affidavits or solemn declarations.

Warning: A trustee may, pursuant to subsection 128(3) of the Act, redeem a security on payment to the secured creditor of the debt or the value of the security as assessed, in a proof of security, by the secured creditor. Subsection 201(1) of the Act provides severe penalties for making any false claim, proof, declaration or statement of account.



Instructions for completing proof of claim forms

Every creditor who does not prove his claim is not entitled to share in any distribution. Claims not completed correctly in every respect will be returned. As well, in order to vote at a meeting of creditors, a properly completed Proof of Claim must be returned to the Trustee's office before the time of the meeting.

In completing the attached form, your attention is directed to the marginal notes on the form and to the following requirements:

Proof of Claim:

1. The form must be completed by an individual and not by a corporation. If you are acting for a corporation or other person, you must state the capacity in which you are acting, such as, "Credit Manager", "Treasurer", "Authorized Agent", etc.
2. The person signing the form must have knowledge of the circumstances connected with the claim.
3. The debtor's name and date of the bankruptcy must be filled in and a Statement of Account containing details of the claim must be attached and marked "Schedule A". The date at which claims are to be calculated and the correct name of the debtor may be found as well on the Notice sent to the creditor.
4. The nature of the claim must be indicated by placing a check mark at the type of claim which applies, for example:

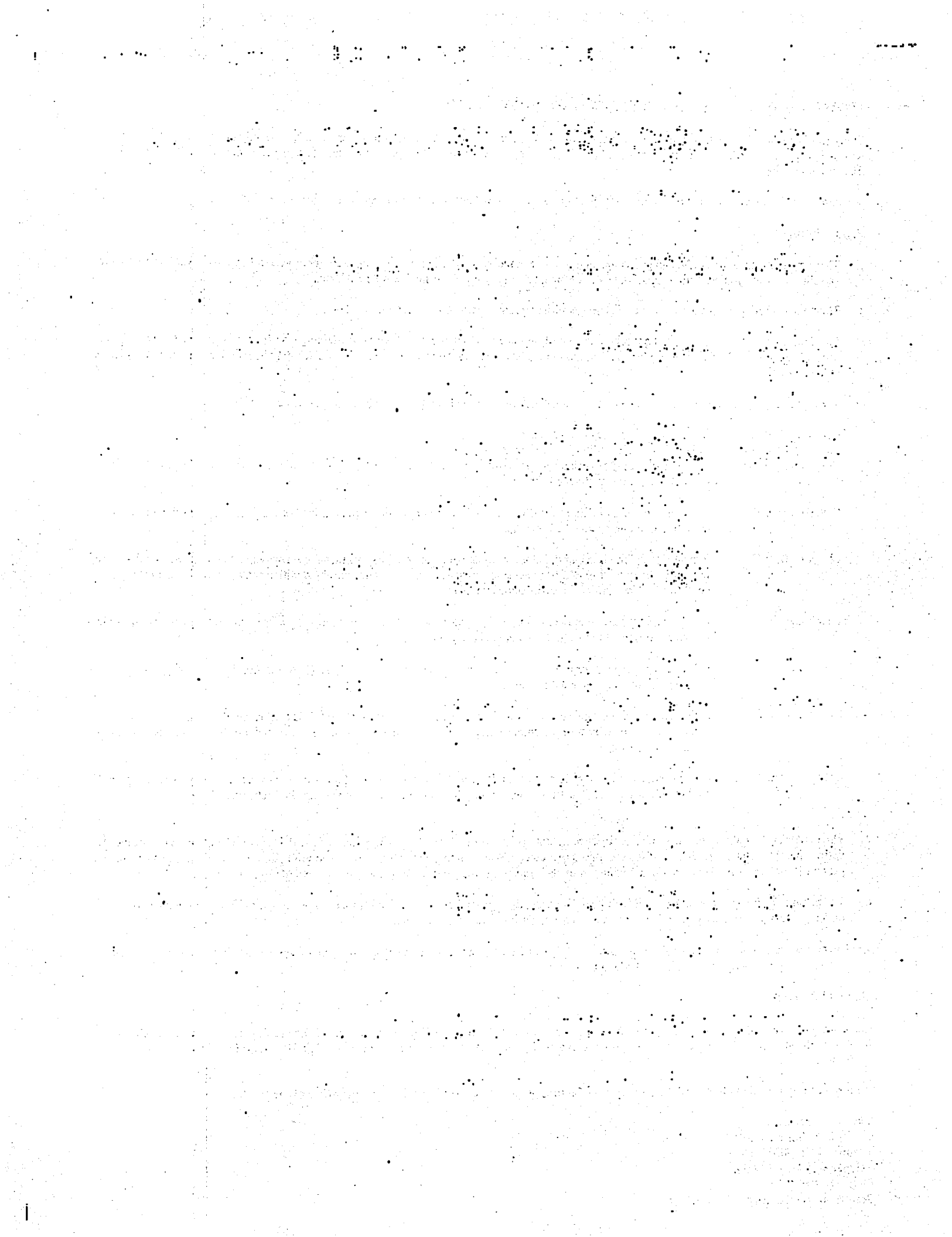
Check mark at A	indicates the claim is unsecured and
Check mark at A(i)	indicates that the creditor is not claiming any priority or
Check mark at A(ii)	indicates the creditor is claiming preferred status under section 136 of the Act. Details to support the priority claim must be set out on an attached schedule.
Check mark at B	indicates a claim of landlord for disclaimer of a lease under subsection 65.2(4) of the Act. Details to support this claim must be set out on an attached schedule.
Check mark at C	indicates the claim is secured and the value at which the creditor assesses the security must be inserted. Details of each item of security held should be attached as a separate schedule and submitted with a copy of the chattel mortgage, conditional sales contract, security agreement, etc.
Check mark at D	indicates that the creditor is a farmer, fisherman or aquaculturist who supplied goods within 15 days prior to the date of receivership or bankruptcy and has not yet been paid for those goods.
Check mark at E	indicates that the creditor is a wage earner under subsection 81.3(8) or 81.4(8) of the Act. Details to support this claim must be set out on an attached schedule.
Check mark at F	indicates the claim is against a director under subsection 50(13) of the Act. It is applicable only in the case of a proposal which provides for the compromise of claims against directors. Details to support this claim must be set out on an attached schedule.
Check mark at G	indicates the claim is of a Customer of a Bankrupt Securities Firm, who is a customer for net equity as contemplated by section 262 of the Act. Details to support this claim must be set out on an attached schedule.
5. The person signing the form must indicate (by striking out "is" or "is not") whether the creditor and the debtor are related. Section 4 of the Act defines persons related to a debtor. If the creditor is related by blood or marriage to the debtor, the creditor should consider itself to be a related person. If the debtor is a corporation, a creditor would be related if it was controlled by the same shareholders as the debtor.
6. The person signing the form must provide full details of all payments and credits received from or allowed to the debtor during the period indicated. Leaving a blank will indicate that there were no such payments and credits.
7. The person signing the form must insert the place and date and the signature must be witnessed. If an affidavit is attached, it must have been made before a person qualified to take affidavits.

General Proxy:

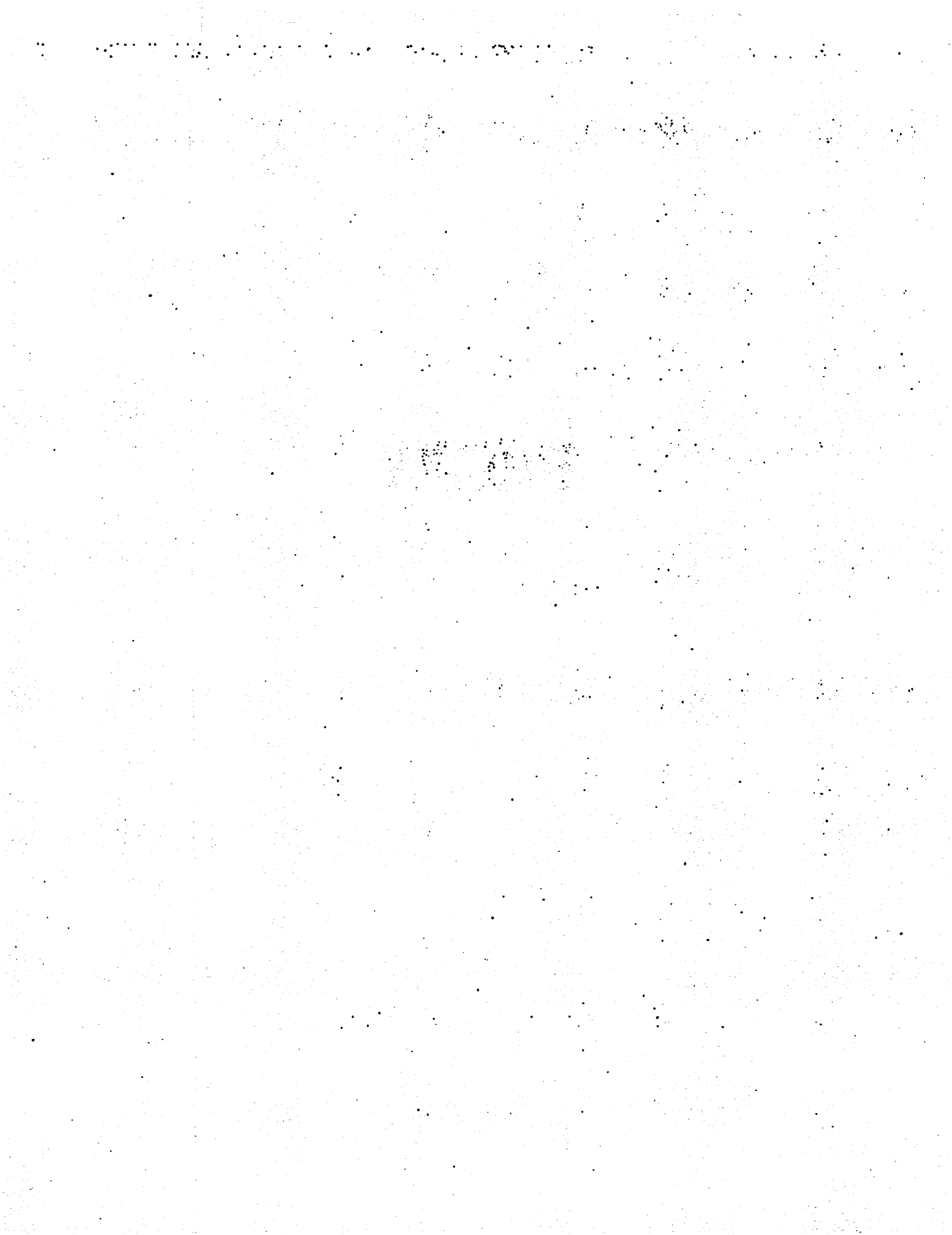
If it is desired to appoint a proxy, the proxy form must be completed and signed by the creditor. If the creditor is a corporation, the proxy form must be signed in the corporate name (not necessarily by the individual signing the proof of claim form) and the proxy must be witnessed.

If there are any questions in completing the proof of claim, please write, email or telephone the office of the trustee:

Dodick Landau Inc.
6 - 4646 Dufferin Street
Toronto, ON M3H 5S4
Telephone: 416-645-0542
Fax: 416-649-7725
Email: brenda.mcknight@dodick.ca



PROXY



District of: Ontario
Division No. 09 - Toronto
Court No. 31-2749204
Estate No. 31-2749204

FORM 36
PROXY
(Paragraph 102(2) and paragraphs 51(1)(e) of the Act)

In the Matter of the Proposal of
Nationwide Manufacturing Limited
of the City of Toronto, in the Province of Ontario

I, _____, creditor (or I, _____, representative of
_____, (creditor) of _____ (name of city),
appoint _____ of _____ to be my
proxyholder in the above matters, except as to the receipt of dividends, _____ (with or without)
power to appoint another proxyholder in his or her place.

DATED at _____ this _____ day of _____.

Witness

Individual Creditor

Witness

Signature of Corporate Creditor

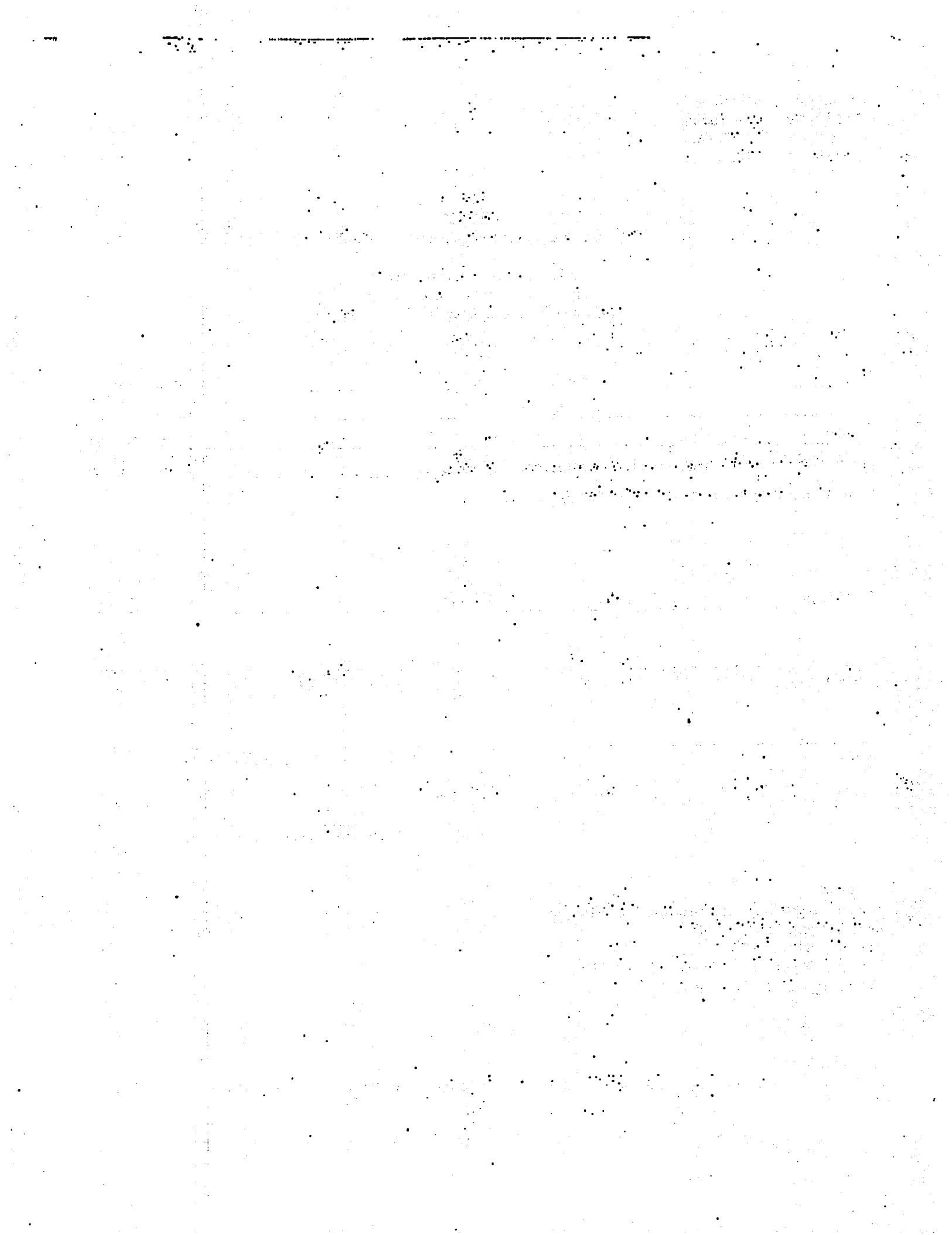
Per:

Name and Title of Signing Officer

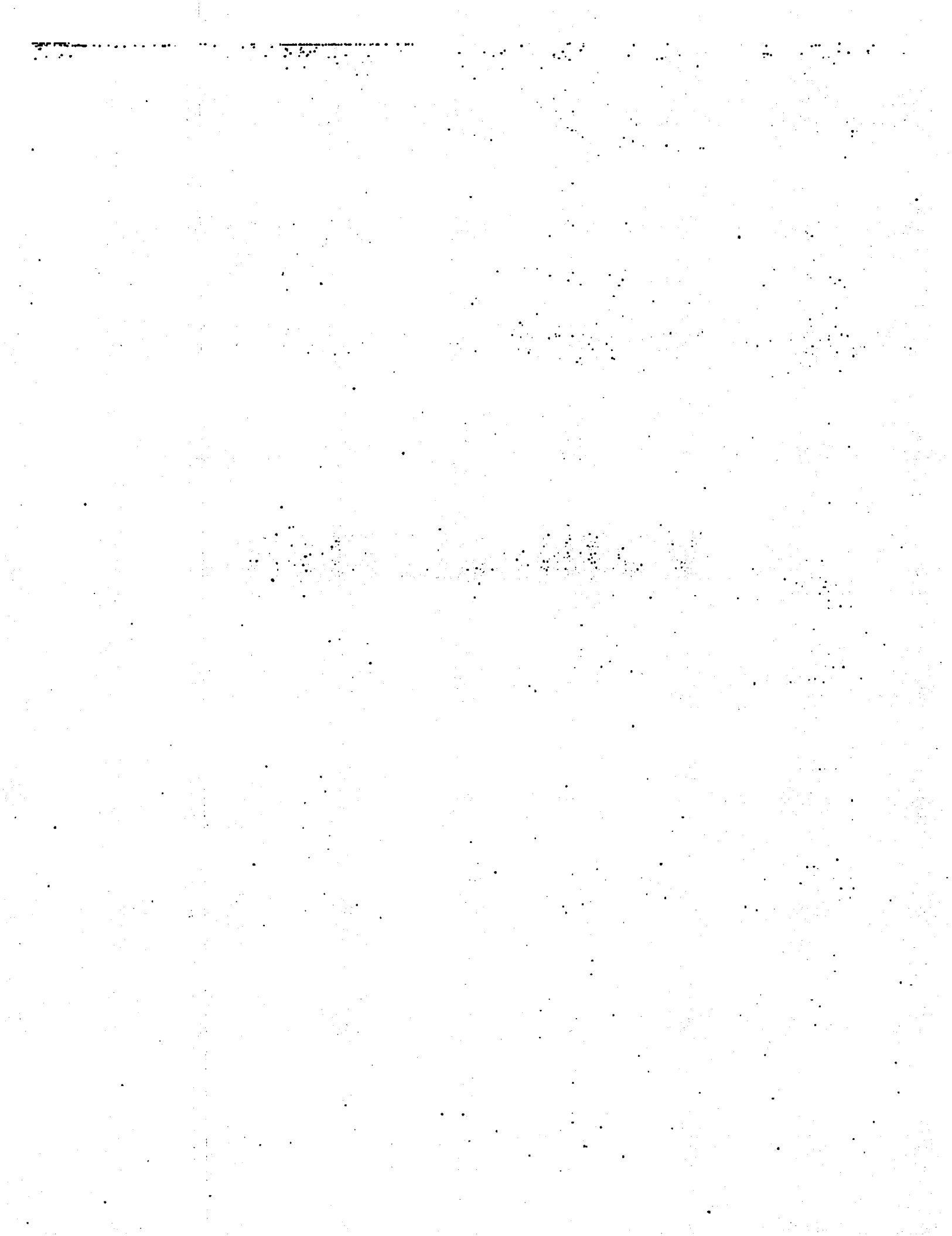
Return to:
Dodick Landau Inc. - Licensed Insolvency Trustee
4646 Dufferin Street, Suite 6
Toronto, ON M3H 5S4
Phone: (416) 645-0542 Fax: (416) 649-7725
Email: brenda.mcknight@dodick.ca

PLEASE NOTE:

All Corporations **MUST** appoint an individual to act on its behalf if the Corporation wishes to log a vote in the Proposal.



VOTING LETTER



District of: Ontario
Division No. 09 – Toronto
Court No. 31-2749204
Estate No. 31-2749204

FORM 37
Voting Letter
(Paragraph 51(1)(f) of the Act)

In the matter of the proposal of
Nationwide Manufacturing Limited
of the City of Toronto, in the Province of Ontario

I, _____, creditor (or I, _____, representative
of _____, creditor) of _____, a creditor in the above matter
for the sum of \$ _____, hereby request the trustee acting with respect to the proposal of
Nationwide Manufacturing Limited, to record my vote _____ (for or against) the
acceptance of the proposal as made on the _____ day of _____.

Dated at _____ this _____ day of _____, 20_____.

Individual Creditor

Witness

Signature of Corporate Creditor

Witness

Per: _____

Name and Title of Signing Officer

Return to:
Dodick Landau Inc. – Licensed Insolvency Trustee
4646 Dufferin Street, Suite 6
Toronto, ON M3H 5S4
Phone: (416) 645-0542 Fax: (416) 649-7725
Email: brenda.mcknight@dodick.ca

