

Division of: Ontario
Division No.: 09-Toronto
Estate Number: 31-2996378
Court Number: 31-2996378

**IN THE MATTER OF THE BANKRUPTCY OF
10084328 CANADA CORP. (f/o/a PHYSIO PLUS HEALTH)
OF THE CITY OF TORONTO,
IN THE PROVINCE OF ONTARIO**

**REPORT OF THE TRUSTEE'S PRELIMINARY ADMINISTRATION
OF THE ESTATE OF
10084328 CANADA CORP. (f/o/a PHYSIO PLUS HEALTH)**

Company Background

1. 10084328 Canada Corp. (the “**Company**”) operated a multi disciplinary treatment clinic providing a variety of services including physiotherapy and massage therapy for its patients. The clinic was in downtown Toronto (the “**Clinic**”) and operated from leased premises at 330 Bay Street Toronto, Ontario (the “**Premises**”).

Insolvency Proceedings

2. According to former management of the Company, the financial difficulties of the Clinic were caused by the onset of the COVID-19 Pandemic (“**Pandemic**”) and the various stay-at-home orders issued by the Province of Ontario in response to the Pandemic.
3. The nature of the services provided by the Clinic involved close physical contact which many individuals were also delaying in the light of the Pandemic. The Clinic tried to pivot and offer certain of their services virtually. This new model generated only minimal revenue and was insufficient for the Clinic to cover its rent and employee costs as they were coming due.
4. In order to mitigate this lost revenue, the Clinic attempted to negotiate a reduction in its rent from its landlord but this negotiation was unsuccessful. The Company was able to sublease its Premises to a tenant for approximately one year, but this new business was also unsuccessful and no new tenant was found. Ultimately, management had no other choice but to close the Clinic, which it did effective May 31, 2022.
5. On October 6, 2023, to formally winddown the affairs of the Company, the Company filed an assignment in Bankruptcy and Dodick Landau Inc. was appointed as Trustee in Bankruptcy of the Estate (the “**Trustee**”).
6. Following its appointment, the Trustee distributed to all known creditors a Notice of Bankruptcy, a copy of the Statement of Affairs and a Proof of Claim form with instructions as well as placed a Notice of Bankruptcy advertisement in the Toronto Sun.

Assets

7. The Statement of Affairs lists no remaining assets. As part of the winddown of operations at the Premises, the equipment from the Premises, where possible, was sold for nominal value or given away for no value. The treatment beds were sold to another clinic. Proceeds from these sales were used to pay the final operating costs of the Clinic.

Books and Records

8. The Trustee has received the corporate books and records and is still in the process of reviewing them.
9. All patient records were stored in digital form through a secured online site and were assigned by the Company to another related clinic operated by a director of the Company several months prior to the date of bankruptcy. As such, the Trustee is not in possession of any patient records.

Legal Proceedings

10. There are no known legal proceedings against the Company.

Provable Claims

11. At the date of this report, no proofs of claim have been filed with the Trustee.
12. The Statement of Affairs includes 8 unsecured creditors with potential provable claims totalling \$755,457.06.

Anticipated Realizations and Projected Distribution

13. At this time, it is expected that there will be no net realizations for distribution to creditors, after costs of administration.

Transfers at Undervalue and Preferential Payments

14. To date, the Trustee has not commenced a review of the Company's records in the Trustee's possession to determine if there are any potential transfers at undervalue or preferential transactions.

Third-Party Deposit

15. Prior to the commencement of the Bankruptcy proceeding, the Trustee obtained a third-party deposit of \$13,000.00 as security for the costs of the Bankruptcy administration.

Dated at Toronto, Ontario, this 25th day of October 2023.

DODICK LANDAU INC.

Trustee of the Estate of
10084328 Canada Corp. (o/a Physio Plus Heath)
and not in its personal or corporate capacity.

Per:

A handwritten signature in black ink, appearing to read 'R. Dodick', written over a horizontal line.

Rahn Dodick CPA, CA, CIRP, LIT
President