Division of: **Ontario**
Division No.: **12- Ottawa**
Estate Number: **33-3373620**
Court Number: **33-3373620**

IN THE MATTER OF THE BANKRUPTCY OF
C&E MX CUISINE INC.
OF THE CITY OF OTTAWA
IN THE PROVINCE OF ONTARIO

REPORT OF THE TRUSTEE'S PRELIMINARY ADMINISTRATION OF THE ESTATE OF C&E MX CUISINE INC.

Introduction

1) C&E MX Cuisine Inc. ("**C&E**" or the "**Debtor**") formerly operated a Mexican restaurant and catering company in Smith Falls, Ontario. C&E's restaurant operated for approximately four months.

2) On April 27, 2026, C&E had ceased operations and on May 15, 2026, it was assigned into bankruptcy ("**Date of Bankruptcy**") and Dodick Landau Inc. (the "**Trustee**") was appointed as Trustee in Bankruptcy of the estate of C&E.

Background

3) C&E operated out of leased premises municipally known as 50 Lorne Street, Smith Falls, Ontario (the "**Premises**"). The lease was terminated by 2733122 Ontario Inc (**"Landlord"**) on May 1, 2026, following non-payment of April 2026 rent.

4) The Debtor experienced significant challenges summarized below:

    a) High inflation and increasing business costs;

    b) Insufficient working capital and funding to continue operations and meet minimum financial obligations;

    c) Increased marketplace competition;

    d) Unsuccessful marketing efforts which did not produce anticipated traffic and sales growth;

    e) Unsustainable business model.

    f) Impending lock-out by the landlord due to non-payment of occupancy costs.

5) Notwithstanding the significant financial and operational challenges described above, the Debtor determined that it had no financially feasible path to continue operations and commenced insolvency proceedings.

Insolvency Proceeding

6) Following his appointment, the Trustee distributed a Notice of Bankruptcy, a copy of the Statement of Affairs and a Proof of Claim form with instructions to approximately twenty-two known creditors on 19th of May, 2026, as well as placed a Notice of Bankruptcy ad in The Ottawa Sun on May 23, 2026.

Assets

7) C&E's assets as summarized in the Statement of Affairs and are comprised of minimal restaurant equipment with an estimated value of $1,000 before any selling costs.

8) C&E's shareholder loan receivable of approximately $4,000 relates to a withdrawal by Christian Valdez, a former managing partner. According to Erin Leslie, Mr. Valdez used these funds for personal expenses.

Liabilities

9) C&E's liabilities as summarized in the Statement of Affairs and include unsecured creditors of approximately $44,000. Included is a shareholder loan from Erin Leslie totalling $8,545.

Books and Records

10) The Trustee has received the books and records for the four months during which the business operated and has reviewed a portion of them.

Conservatory and Protective Measures

11) The Trustee did not take possession of the Premises as the landlord had taken possession of the premises prior to the commencement of the bankruptcy. To date, no conservatory or protective measures were taken.

Provable Claims

12) At the date of this report, the Trustee has received one unsecured creditor claim totalling $3,397.90.

Anticipated Realizations and Projected Distribution

13) The Trustee expects that there will be no net proceeds for distribution to the creditors of C&E.

Transfers at Undervalue and Preferential Payments

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

Third-Party Deposit

15) The Trustee obtained a retainer deposit totalling $15,000 as security for the costs of the bankruptcy administration.

Dated at Toronto, Ontario, this 4th day of June 2026.

DODICK LANDAU INC.
Acting solely as Trustee in Bankruptcy
of the Estate of C&E MX Cuisine Inc.
and not in its personal or corporate capacity.

Per:

____

Rahn Dodick CPA, CA, CIRP, LIT
President