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DISTRICT OF ONTARIO  
DIVISION NO.: 09 - Toronto  
ESTATE NO.: 31-3330329

**IN THE MATTER OF THE BANKRUPTCY OF  
BROOK RESTORATION LIMITED  
OF THE TOWNSHIP OF ETOBICOKE  
IN THE PROVINCE OF ONTARIO**

**TRUSTEE'S REPORT TO CREDITORS ON PRELIMINARY ADMINISTRATION**

**The *Bankruptcy and Insolvency Act* provides for a first meeting of creditors. The purpose of this report is to provide information to the creditors of the bankrupt for consideration in advance of and/or at the first meetings of creditors.**

**SECTION A – BACKGROUND**

On February 06, 2026 (the "**Date of Bankruptcy**"), Brook Restoration Limited ("**Brook**" or the "**Bankrupt**"), filed an assignment in bankruptcy pursuant to section 49 of the *Bankruptcy and Insolvency Act* (Canada) (the "**BIA**"). Deloitte Restructuring Inc. ("**Deloitte**" or in such capacity, the "**Trustee**") was named as Trustee of the Bankrupt's estate pending affirmation at the first meetings of creditors (the "**FMO**"). Creditors can access a copy of the certificate of appointment, reports of the Trustee filed to date, and other information on the activities of the Trustee, from the Trustee's case website at: <http://www.insolvencies.deloitte.ca/brookrestoration>

Brook is a construction company based in Toronto, Ontario, specializing in building and public infrastructure restoration contracting. Brook has ongoing restoration projects throughout Ontario, including in Toronto, the Greater Toronto Area, and Ottawa.

Brook underwent financial difficulty and liquidity crises. Brook defaulted on its obligations under its loan agreement with National Bank of Canada ("**NBC**") and was unable to remedy those defaults. Furthermore, Brook became unable to meet its financial obligations when it failed to pay subcontractors and suppliers under its bonded restoration contracts, which constituted the core of its business.

The accounting net book value of Brook's assets at the date of bankruptcy is nil. Any recovery in bankruptcy would be subject to NBC's security pursuant to the Loan Agreement. Should the realizations on the assets of the Bankrupt exceed the amounts owing to NBC under the Loan Agreement, then the remaining realizations will be available to the unsecured creditors of the Bankrupt's estate.

The Trustee does not anticipate any distribution to the unsecured creditors due to absence of any assets in the estate.

## **SECTION B – PRELIMINARY EVALUATION OF ASSETS & DETAILS OF SECURITY INTERESTS**

Brook's business operations, including its assets and active contracts, were sold to Atwill-Morin as part of a court-supervised receivership process in which Deloitte was appointed as the Receiver. Detailed information and all related documentation concerning the receivership proceedings are available on Deloitte's insolvency website: <http://www.insolvencies.deloitte.ca/brookrestoration>

Given that all realizable assets were disposed of through the receivership, this bankruptcy is classified as a no-asset bankruptcy; however, the Trustee will review the books and records to determine whether any additional assets may be recovered.

The main creditor of Brook is NBC. Other creditors include Brook's former employees and trade creditors.

The Trustee is in the process of reviewing the Bankrupt's books and records to determine what, if any, amounts are owed the Brook's former employees for termination and severance pay. The Trustee, where applicable will comply with the requirements of the *Wage Earner Protection Program Act*.

## **SECTION C – BOOKS & RECORDS**

Brook's electronic files are stored in a cloud computing platform, and the Trustee is currently in the process of backing up the electronic books and records. The Trustee intends to migrate these electronic files from Brook's cloud computing platform to Deloitte's computing environment. The Trustee is complying with all its statutory obligations under the BIA in connection with the Bankrupt's books and records.

## **SECTION D – CONSERVATORY & PROTECTIVE MEASURES**

The Trustee has implemented the following conservatory and protective measures:

### **Cash on Hand:**

The Trustee has requested the transfer of a nominal cash amount held in Brooks' bank accounts at the date of bankruptcy. This amount will be used to offset the fees of the Trustee and will not be sufficient to result in a distribution for creditors.

### **Leased Premises:**

The Trustee has notified the landlord of the leased premise in Ottawa, Ontario of Brook's filing for bankruptcy and its appointment as Trustee of the bankrupt estate. The Trustee is making all reasonable efforts to vacate the Premises.

### **Leased Vehicles:**

The Trustee has provided formal notice of the bankruptcy to both Ford Credit and Pfaff Leasing. The Trustee is currently taking steps to disclaim the vehicle leases entered into by Brook Restoration Limited and return all leased equipment not assumed in the purchase agreement.

### **Insurance:**

The Trustee has contacted the insurance broker to request that the insured party and loss payee be updated to reflect the Trustee's name.

## **SECTION E – PROVABLE CLAIMS AND DESCRIPTION OF CREDITORS**

The claims of creditors as per Brook's Statement of Affairs as of February 05, 2026 are summarized below:

- Secured Creditor - \$ 27,800,887.65
- Unsecured Creditor - \$ 13,790,220.73

#### **SECTION F – LEGAL PROCEEDINGS, REVIEWABLE TRANSACTIONS & PREFERENCE PAYMENTS**

The Trustee has not commenced any legal proceedings, and it does not expect to commence any such proceedings prior to the First Meeting of Creditors. The Trustee proposes to appoint Thornton Grout Finnigan LLP ("TGF") as counsel to the Estate, as necessary. TGF's appointment will be confirmed at the First Meeting of Creditors. The Trustee has not performed a review of Brook's books and records with respect to potential fraudulent preferences, settlements or transfers at undervalue, as defined in the BIA.

#### **SECTION G – DETAILS OF THIRD-PARTY DEPOSITS OR GUARANTEES**

NBC has provided a fee guarantee to cover fees incurred and not covered by the funds held by the Receiver.

#### **SECTION H – PROJECTED DISTRIBUTION AND TRUSTEE COMMENTS ON ANTICIPATED ASSET REALIZATIONS**

The Trustee does not anticipate any distribution to creditors. Should the Trustee succeed in recovering any assets in the future, any such proceeds would be payable to Secured Creditor to the extent that those assets are subject to NBC's security. In the event that recoverable assets are not subject to this security they will be used first to offset the fees of the Trustee and then as distributions in respect of the claims of unsecured creditors.

Dated at Toronto, Ontario this 17 day of February 2026.

#### **DELOITTE RESTRUCTURING INC.**

solely in its capacity as Trustee of the  
Brook Restoration Limited and not in its  
Personal or corporate capacity

Per:



Toni Vanderlaan, CPA, CA, CIRP, LIT  
Senior Vice-President