

District of Ontario
Division No. 08-Waterloo
Court No.: 35-124133
Estate No.: 35-124133

IN THE MATTER OF THE BANKRUPTCY OF
1743122 Ontario Inc. (formerly known as Kraus Inc.)
of the City of Waterloo, in the Province of Ontario

Notice of Bankruptcy and First Meeting of Creditors
(Subsection 102(1) of the Act)

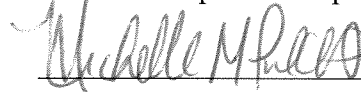
Take notice that:

1. A bankruptcy order was made against Kraus Inc. ("Kraus") on the 11th day of June 2012, and PricewaterhouseCoopers Inc., was appointed as trustee of the estate of the bankrupt (the "Trustee") by the court, subject to affirmation by the creditors of the Trustee's appointment or substitution of another trustee by the creditors. On June 13, 2012, Kraus changed its name to 1743122 Ontario Inc.
2. The first meeting of creditors of the bankrupt will be held on the 27th day of June 2012, at 10:30 a.m., at the Waterloo Inn Conference Hotel, Heritage Room, at 475 King Street North, Waterloo ON.
3. To be entitled to vote at the meeting, a creditor must lodge with the Trustee, before the meeting, a proof of claim and, where necessary, a proxy.
4. Enclosed with this notice is a form of proof of claim, a form of proxy, and a list of creditors showing the amounts of their claims, where available.
5. Creditors must prove their claims against the estate of the bankrupt in order to share in any distribution of the proceeds realized from the estate.

6. Proof of claims and proxies should be forwarded to PricewaterhouseCoopers Inc., PwC Tower, 18 York Street, Suite 2600, Toronto, Ontario, M5J 0B2 to the attention of Ms. Sara de Verneuil, facsimile (416) 814-3219, sara.j.de.verneuil@ca.pwc.com.
7. Further information regarding the bankruptcy proceedings and materials relating to the proceedings may be obtained from the Trustee's website at www.pwc.com/car-krausbankruptcy.

Dated at Toronto, this 18th day of June 2012.

PricewaterhouseCoopers Inc.
in its capacity as Trustee in bankruptcy of
1743122 Ontario Inc.
and not in its personal capacity



Michelle Pickett
Vice President

District of: Ontario
Division No. 08 - Waterloo
Court No. 35-124133
Estate No. 35-124133

☒ Original ☐ Amended

-- Form 78 --
Statement of Affairs (Business Bankruptcy) made by an entity
(Subsection 49(2) and Paragraph 158(d) of the Act / Subsections 50(2) and 62(1) of the Act)
In the matter of the bankruptcy of
1743122 Ontario Inc.
of the City of Waterloo, in the Province of Ontario

To the bankrupt:


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 bankruptcy, on the 11th day of June 2012. 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"	9,568,571.03	1. Inventory	0.00
Balance of secured claims as per list "B"	45,622,000.00	2. Trade fixtures, etc.	0.00
Total unsecured creditors	55,190,571.03	3. Accounts receivable and other receivables, as per list "E"	
2. Secured creditors as per list "B"	83,000,000.00	Good	893,704.23
3. Preferred creditors as per list "C"	0.00	Doubtful	893,704.23
4. Contingent, trust claims or other liabilities as per list "D"	0.00	Bad	1,863,713.44
estimated to be reclaimable for		Estimated to produce	0.00
Total liabilities	138,190,571.03	4. Bills of exchange, promissory note, etc., as per list "F"	0.00
Surplus	NIL	5. Deposits in financial institutions	603,360.43
		6. Cash	0.00
		7. Livestock	0.00
		8. Machinery, equipment and plant	0.00
		9. Real property or immovable as per list "G"	0.00
		10. Furniture	0.00
		11. RRSPs, RRIFs, life insurance, etc.	0.00
		12. Securities (shares, bonds, debentures, etc.)	0.00
		13. Interests under wills	0.00
		14. Vehicles	0.00
		15. Other property, as per list "H"	82,396,639.57
		If bankrupt 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	83,000,000.00
		Deficiency	55,190,571.03

I, Walter Eckhardt, in my capacity as a Director of 1743122 Ontario Inc. and not in my personal capacity, of the City of Waterloo 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 my affairs on the 11th day of June 2012 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 Waterloo in the Province of Ontario, on this 18th day of June 2012.


Walter Eckhardt, in my capacity as a
Director of 1743122 Ontario Inc. and not in
my personal capacity

District of: Ontario
Division No. 08 - Waterloo
Court No. 35-124133
Estate No. 35-124133

FORM 76 -- Continued

List "B"
Secured Creditors

1743122 Ontario Inc.

No.	Name of creditor	Address	Amount of claim	Particulars of security	When given	Estimated value of security	Estimated surplus from security	Balance of claim unsecured
1	Red Ash Capital Partners II Limited Partnership	c/o Cassels Brock, Mr. John Birch 2100 Scotia Plaza, 40 King Street West Toronto ON M5H 3C2	128,622,000.00	Cash on Hand - Cash in bank - 1 - Bank Accounts	07-May-2012	603,360.43		
				Other - Estimated unallocated total purchase price of all assets (for all entities) - unallocated by Purchaser. Assets sold pursuant to Asset Purchase Agreement approved by the Court on June 12, 2012.	07-May-2012	82,396,639.57		45,622,000.00
Total:			128,622,000.00			83,000,000.00	0.00	45,622,000.00

18-Jun-2012

Date



Walter Eckhardt, in my capacity as a Director of
1743122 Ontario Inc. and not in my personal capacity

District of: Ontario
Division No. 08 - Waterloo
Court No. 35-124133
Estate No. 35-124133

FORM 78 -- Continued


List "A"
Unsecured Creditors

1743122 Ontario Inc.

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
1	Employees - Various	Per schedule attached Waterloo ON	1.00	0.00	1.00
2	Red Ash Capital Partners II Limited Partnership	c/o Cassels Brock, Mr. John Birch 2100 Scotia Plaza, 40 King Street West Toronto ON M5H 3C2	0.00	45,622,000.00	45,622,000.00
3	Trade - Various	Per schedule attached Waterloo ON	9,568,570.03	0.00	9,568,570.03
Total:			9,568,571.03	45,622,000.00	55,190,571.03

18-Jun-2012

Date



Walter Eckhardt, in my capacity as a Director of
1743122 Ontario Inc. and not in my personal

IN THE MATTER OF THE BANKRUPTCY OF
1743122 Ontario Inc.
Creditor List

NAME	Balance (CDN)
1163243 ONTARIO INC.	497.20
2304132 ONTARIO INC.	32,770.00
3M CANADA INC	43,690.32
7 HILLS TRANSPORT	4,355.42
A1 FIRST IMPRESSION	548.50
ABBAY CARPET CO. INC	595.07
ABLE-ONE SYSTEMS INC	10,769.46
ACCELL	368.38
ADT SECURITY SERVICE	870.14
AFFILIATED CUSTOMS B	14,719.05
ALLEN AND HURAS	2,712.00
ALLIANCE DISTRIBUTIO	26,920.55
ALLIANCE FLOORING IN	4,139.60
AMERICAN & EFIRD CAN	740.05
AMERICAN CASTING	2,182.22
AMERICAN INSPECTION	150.06
AMERICAN SUPERBA INC	5,078.46
AMERICAN TUFTING & F	205.74
AMEX BANK OF CANADA	379.09
APEX PRE-EMPLOYMENT	387.59
APPLE LABEL CONVERTO	377.99
APPLIED CONTROL SYST	1,356.00
AQUAFIL USA	25,702.31
ARCTIC PACKAGING	3,322.63
BARRETT CARPET MILLS	22,768.15
ARTSTORE OF WATERLOO	429.39
AVERITT EXPRESS	65.72
AYR WELDING (1977) L	8,322.45
BASF CANADA INC.	725,968.88
BAYSTATE INSPECTIONS	176.19
BEAULIEU, FINANCIAL	57,941.15
BELL CANADA	265.90
BELL MOBILITY CELLUL	165.23
BENJAMINS RESTAURANT	327.70
BOX 1, INC.	9,089.74
BRAUN'S EXPRESS INC.	3,502.19
BROWN INDUSTRIES	28,501.24
BW ST JACOBS COUNTRY	7,949.48
C & H FIRE SUPPRESSI	860.50
C & I TECHNOLOGIES I	644.05
C.H. ROBINSON COMPAN	32,690.00
CALEDON PROPANE INC.	9,121.98
CAMPBELL PRINTING CO	43,206.22
CANADA COLORS & CHEM	5,819.29

IN THE MATTER OF THE BANKRUPTCY OF
1743122 Ontario Inc.
Creditor List

CANADAWIDE SCIENTIFI	394.55
CANNON HYGIENE	5,047.26
CANON CANADA INC.	4,543.45
CANSEW INC	1,562.75
CARD MONROE CORPORAT	7,649.71
CARPET & RUG BACKING	123,304.27
CARSWELL/THOMSON PRO	109.05
CASCADES RECOVERY IN	97.06
CAXTON MARK INC.	945.83
CBI PHYSIOTHERAPY AN	254.25
CBSC CAPITAL INC.	1,656.32
CCA GLOBAL PARTNERS	1,614.44
CIRCUIT SCALE	1,271.25
CITIZENS CARPET SERV	44.74
CITY OF WATERLOO	128,400.69
CLARITY CONFERENCING	1,676.58
CLAYTON SHULL	280.00
COMMUNITEK INC.	3,260.05
CONTINENTAL MARKETIN	2,333.89
CREED SAFETY CONSULT	1,791.05
DALE & ASSOCIATES	262.86
DANCIK INTERNATIONAL	14,342.29
DAVENPORT CATERING	1,356.57
DDK DUCT CLEANING	2,881.50
DEL DENTE	1,050.94
DESJARDINS	404.33
DESTINATION INN	8,834.56
DIE-X TOOLING SYSTEM	1,005.70
DISPLAYCRAFT INC.	47,223.52
DOCUMENT PRINT INTEG	84.75
DON & LOW LTD.	160,509.89
DORDAN MECHANICAL IN	39,063.15
DOWNUNDA	9,085.20
E.C.N.G. ENERGY L.P.	103,780.74
E.G. GRAY TRANSPORTA	31,752.84
EASTER STATIC CLEAN	189.00
ELDORADO TOOL & MFG.	616.98
EMERGENCY CARE INSTR	107.35
ENVIRO EZE TRANSPORT	344.93
ERNST & YOUNG INC.	180,846.78
ESHCO LLC	685.46
FARRIS FLOOR INSPECT	181.11
FASTENAL CANADA	1,257.11
FEDERAL EXPRESS	5,866.05
FILION,WAKELY,THORUP	274.03

IN THE MATTER OF THE BANKRUPTCY OF
1743122 Ontario Inc.
Creditor List

FLOOR COVERING INSPE	371.43
FLOOR EYES INSPECTIO	258.73
FLOORS TO GO	25.87
FOWLER'S CARPET SERV	310.47
FRESH AND CLEAN	994.40
FREUDENBERG SPUNWEB	43,864.28
GE WATER & PROCESS T	963.89
GEO H. YOUNG & CO. L	11,603.56
GOWLINGS LAFLEUR HEN	2,871.33
GRAND & TOY	1,041.71
GRAPHIC CONTROLS CAN	641.97
GRAPHIC TUFTING CENT	11,152.07
GSP GROUP INC.	1,799.98
GT FRENCH PAPER LTD.	9,045.31
HAHN RENTALS	296.96
HAROLD K. SMITH TRUC	2,429.50
HARTWICK SYSTEMS & E	182.89
HELMSMAN QUALITY & T	1,972.52
HOME DEPOT CREDIT SE	481.17
HUNTSMAN CORP. OF CA	19,077.23
IBBOTSON ELECTRIC LT	12,204.85
IBM CANADA LTD. T-50	17,717.76
IKE'S CARPET CLEANIN	294.95
IMPERIAL OIL	473.42
INDUSTRIAL HYDRAULIC	458.56
INTEGRITY FLOOR CARE	336.34
J&M INSPECTION SERVI	232.85
JAZ INTEGRATED GRAPH	2,698.44
JET FLUID SYSTEMS IN	383.07
JLT CARPET SYSTEMS I	723.91
JOHN CRANE CANADA IN	541.77
JOHN WILLIAMS	180.00
KAITTING'S BEARINGS	2,392.09
KRAUS USA INC.	119.69
KINGS FLOOR COVERING	191.46
KISSNER MILLING COMP	450.02
KPMG LLP, T4348	69,028.33
KWIK KOPY PRINTING	15.82
LCL NAVIGATION LTD.	674.14
LINDE CANADA LIMITED	426.11
LIVINGSTON INTERNATI	67,311.41
MAGIC MIST INSPECTIO	221.47
MANITOULIN TRANSPORT	718.50
MATTEX USA LLC	132,853.87
MBD FLOOR COVERING I	919.51

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1743122 Ontario Inc.
Creditor List

MCRAE ENGINEERING EQ	2,783.19
METAL CRAFTERS, INC.	661.04
MICHEL SIMARD LIMITE	223.36
MICHIGAN CARPET DELI	6,040.20
MILLER'S ELECTRIC LI	49,565.23
MINISTER OF FINANCE	17,698.37
MONARCH OIL (KITCHEN	1,444.76
MOORE CANADA	5,314.41
MOSES & SINGER LLP	29,060.35
MR INSPECTIONS	265.97
MTS ALLSTREAM INC.	2,123.21
NEDGRAPHICS OF TENNE	5,065.84
NETZSCH CANADA INC.	842.18
NORRED W. POINDEXTER	310.47
NOVA FLOOR COVERING	651.00
NYLENE CANADA INC.	464,735.64
NYMOC LIMITED	190.41
OMYA ST. ARMAND LTD.	99,775.97
P.A. USA INC.	15,523.50
PARADIGM TOOL CO. LT	462.98
PETALS & POTS INC.	358.92
PETRO CANADA INCORPO	4,916.99
PHARR YARNS LLC.	961,913.06
PIRAK STUDIOS LIMITE	2,195.26
PNE CORPORATION	3,333.83
POSTAGE SOLUTIONS IN	81.24
PRINTLINK GRAPHICS	3,473.06
PRIORITY ONE INSPECT	398.44
PROFESSIONAL TESTING	9,769.46
PROGRESSIVE FLOORING	1,806.00
PROPEX INC.	844,452.94
QA COURIER	177.26
RADISSON HOTEL - KIT	5,788.52
RAINBOW SAMPLES, INC	4,018.57
RANDSTAD - ATTN A/R	99,365.69
RAYMOND KEY	181.11
REA ELEKTRONIK CANAD	2,209.15
REGION OF WATERLOO	127.54
REJOICE LOGISTICS (C	11,413.08
RICHARD E. REED	222.50
ROBERT B. PARKER	93.14
ROGERS WIRELESS INC.	8,258.00
ROSEDALE TRANSPORT	102,506.66
ROYAL ADHESIVES & SE	11,044.45
RUBBERLINE PRODUCTS	283.65

IN THE MATTER OF THE BANKRUPTCY OF
1743122 Ontario Inc.
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SAFETY-KLEEN CANADA	177.97
SANI-TECH SERVICES L	784.00
SCANTECH	2,224.85
SCV FREIGHT, INC.	1,225.02
SERVO TECH ELECTRONI	1,062.20
SHEPELL FGI	1,386.74
SHIELS ELECTRIC LTD.	4,775.95
SIERRA GROUP	57,784.03
SIMMONS INSPECTION S	155.24
SNUGGLERS FURNITURE	79.10
SONOCO CANADA CORPOR	44,216.31
SOUTHEASTERN FREIGHT	10,214.49
SPIRAX SARCO CANADA	2,304.24
SRT MACHINERY CO., I	529.54
STRUDEX FIBRES LIMIT	3,350,078.62
STANDING SOLUTIONS,	206.98
STARCHEM INC.	16,195.33
STATEWIDE INSPECTION	181.11
STUMPF FIRE PROTECTI	1,118.70
STYRON CANADA ULC	100,419.64
SUMMIT PACKAGING, IN	24,018.89
SUN LIFE ASSURANCE C	60,750.87
SYNNEX CANADA	222.77
TELUS	455.62
TENAQUIP LIMITED	94.63
TEPCAR COMPANY INC.	208.06
TEXTILE RUBBER & CHE	35,941.61
THE CARPET AND RUG I	3,777.39
THERMAL SAFETY SUPPL	429.40
THOMSON RESEARCH ASS	31,039.52
THYSSENKRUPP MATERIA	152.55
TISI EXPORT INC.	529.20
TNT EXPRESS (CANADA)	10,980.90
TRADE-MARK INDUSTRIA	2,956.31
TRAFALGAR EQUIPMENT	2,440.80
TRANSX LTD.	18,443.47
TRI-TEX CO. INC.	166,672.32
TST OVERLAND EXPRESS	372.62
TUCKS FLOOR INSPECTI	222.50
ULINE CANADA CORPORA	209.95
UNION GAS LIMITED	1,192.20
UNIQUE COFFEE SERVIC	2,074.96
UNITED FREIGHT SERVI	7,342.16
UNITED PARCEL SERVIC	291.32
UNITED RENTALS OF CA	600.26

IN THE MATTER OF THE BANKRUPTCY OF
1743122 Ontario Inc.
Creditor List

UNITED TAXI LIMITED	448.00
UPS	56.12
UPS-PHILADELPHIA	1,185.27
VFD SOLUTIONS INC.	3,107.50
VIRTUAL STUDIOS	2,432.02
WAJAX INDUSTRIES LIM	53,224.91
WASTE MANAGEMENT	2,419.82
WATERLOO MANUFACTURI	489.28
WATERLOO NORTH HYDRO	190,065.24
WATKINS & SHEPARD TR	3,434.08
WAYNE OWEN	206.98
WHITE LAMB FINLAY IN	2,650.64
WILLIAM M. SUMMERS	176.97
WINDSOR FACTORY SUPP	2,839.48
WORKOPOLIS	2,457.75
WORKPLACE SAFETY & I	32,176.60
WRIGHT OF THOMASVILL	8,719.29
WW WORKS	1,757.73
XPRESS GLOBAL SYSTEM	9,181.50
YIHUA BONAR YARNS &	44,022.21
TOTAL	9,568,570.03

IN THE MATTER OF THE BANKRUPTCY OF
1743122 Ontario Inc.
Employee List

Name	Amount Owed
Babeti, Cornelia	Unknown
Brown, Pauline	Unknown
Budhram, Kamaldei	Unknown
Byfield, Leroy	Unknown
Dahliwal, Harinder	Unknown
Dhaliwal, Gagi	Unknown
Gomes, Maria C.	Unknown
Jakupovska, Medija	Unknown
Joshi, Suman	Unknown
Karaolis, Petros	Unknown
Kessler, Lucy	Unknown
King, Oswin	Unknown
Loewen, Sharon E.	Unknown
Machado, Maria	Unknown
Miric, Ranka	Unknown
Muchyn, Elzibieta	Unknown
Penate, Mark	Unknown
Protudjer, Bruno	Unknown
Pupica, Ivo	Unknown
Reist, Jeanette	Unknown
Smukavich, Joseph	Unknown
Stadnik, Miroslaw	Unknown
Svoboda, Walter	Unknown
Tipping, Dennis	Unknown
van Horsigh, Roderek	Unknown
Watson, David	Unknown
Witt, David	Unknown

