



**ksv advisory inc.**

220 Bay Street, Suite 1300

Toronto, Ontario, M5J 2W4

T +1 416 932 6262

F +1 416 932 6266

ksvadvisory.com

---

**IN THE MATTER OF THE BANKRUPTCY OF  
GROSS CAPITAL INC.  
OF THE CITY OF TORONTO, IN THE PROVINCE OF ONTARIO**

**CREDITOR UPDATE**

**February 20, 2025**

On June 25, 2021, Gross Capital Inc. (the “**Company**”) filed an assignment in bankruptcy and KSV Restructuring Inc. (“**KSV**”) was appointed Licensed Insolvency Trustee of the Company’s bankrupt estate (the “**Trustee**”). KSV’s appointment as Trustee was affirmed at the First Meeting of Creditors convened on July 15, 2021. At the First Meeting of Creditors, the creditors appointed inspectors (the “**Inspectors**”) to, among other things, oversee the Trustee and give the Trustee instructions regarding the administration of the estate.

Following the Trustee’s appointment, the Inspectors authorized the Trustee to commence an investigation into the assets and pre-bankruptcy operations of the Company, and to prepare and finalize a Notice of Action issued on June 23, 2023 and a Statement of Claim dated July 21, 2023 (the “**Statement of Claim**”) against 29 parties (collectively, the “**Defendants**”).

The litigation is complex and ongoing. The Trustee responded to a number of requests from certain of the Defendants to provide particulars of the allegations raised in the Statement of Claim, and received Statements of Defence from 23 of the Defendants (the “**Active Defendants**”) between January and May 2024. Copies of the Statement of Claim and the Statements of Defence are available on the Trustee’s website at <https://www.ksvadvisory.com/experience/case/gross-capital-inc>.

The Trustee proposed a Discovery Plan to the Active Defendants in June 2024, and has delivered its relevant documentary productions to the Active Defendants.

At the Trustee’s request, the Honourable Justice Callaghan was assigned to case manage the proceeding in December 2024. By Endorsement dated February 5, 2025, a copy of which is attached to this notice, Justice Callaghan granted a timetable order that requires the Active Defendants to deliver their relevant documentary productions by March 7, 2025, with the exception of certain of the Active Defendants who have an additional 30 days to do so. Examinations for discovery are to take place during the last two weeks of October 2025.

The Trustee anticipates that case management will generally speed up the litigation process. The Trustee will provide further updates to creditors as material developments arise.

Should there be any questions with respect to the above, please contact David Sieradzki of the Trustee’s office, at (416) 932-6030 or [dsieradzki@ksvadvisory.com](mailto:dsieradzki@ksvadvisory.com).

DATED at Toronto, Ontario, this 20<sup>th</sup> day of February 20, 2025.

*KSV Restructuring Inc.*

**KSV RESTRUCTURING INC.  
LICENSED INSOLVENCY TRUSTEE OF  
GROSS CAPITAL INC.  
AND NOT IN ITS PERSONAL OR CORPORATE CAPACITIES**

**CITATION: GROSS CAPITAL INC., BY ITS LICENSED INSOLVENCY TRUSTEE, KSV RESTRUCTURING INC. v. GROSS et al**

**ONTARIO SUPERIOR COURT OF JUSTICE (TORONTO REGION)  
CIVIL ENDORSEMENT FORM**  
*(Rule 59.02(2)(c)(i))*

<b>BEFORE</b>	<b>Judge/Associate Judge</b> Justice Callaghan	<b>Court File Number:</b> CV-23-00701647-0000
---------------	---	--

**Title of Proceeding:**  
**GROSS CAPITAL INC., BY ITS LICENSED INSOLVENCY TRUSTEE, KSV RESTRUCTURING INC.** Plaintiff(s)  
 -v-  
**GROSS et al** Defendants(s)

**Case Management:**  **Yes** If so, by whom: \_\_\_\_\_ **No**

**Participants and Non-Participants:** *(Rule 59.02(2)(vii))*

<b>Party</b>	<b>Counsel</b>	<b>E-mail Address</b>	<b>Phone #</b>	<b>Participant (Y/N)</b>
1) <b>Plaintiff</b>	Dillon Collett	dcollett@airdberlis.com	416-865-7730	<b>Y</b>
2) <b>Plaintiff</b>	Miranda Spence	mspence@airdberlis.com	416-865-3414	<b>Y</b>
3) <b>Defendants</b> DINGFELD, P. H. JORY	Howard Reininger	hr@reingerbarrister.com	905-276-9000	<b>Y</b>
4) <b>Defendants</b> 2771837 ONTARIO INC., 2771839 ONTARIO LIMITED, 2771840 ONTARIO LTD., 2771841 ONTARIO CORP., A. GREENSPOON. D. DIVALENTINO	Angela Kwok	akwok@cambridgellp.com	416-423-9470	<b>Y</b>
5) <b>Defendants</b> I. GROSS, MARK CRAIG GROSS HOLDINGS INC.	Carlie Fox	cfox@goodmans.ca	416-849-6907	<b>Y</b>
6) <b>Defendants</b> M. CARNICELLI, D. CARNICELLI	Stephen Schwartz	Stephen@chaitons.com	416-218-1132	<b>Y</b>
7) <b>Defendants</b> F. CARNICELLI, MEDICA ONE LTD., DOCTORS NATURAE SOUTHMOUNT INC., AVIVA MEDICAL DIAGNOSTICS & SPECIALIST CLINIC INC., AVIVA MEDICAL INC.,	Julian Drudi	jdrudi@dakllp.com	416-876-6725	<b>Y</b>

ATMA MEDICAL INC. and INTEGRATED MEDICAL OFFICE SERVICES INC.				
8) <b>Defendant</b> M. VILLAFRANCA	Matthew Soble	msoble@soblelaw.ca	905-844-7585 x201	<b>Y</b>

**Date Heard:** (Rule 59.02(2)(c)(iii)) February 5, 2025

**Nature of Hearing (mark with an "X"):** (Rule 59.02(2)(c)(iv))

Motion     Appeal     Case Conference     Pre-Trial Conference     Application

**Format of Hearing (mark with an "X"):** (Rule 59.02(2)(c)(iv))

In Writing     Telephone     Videoconference     In Person

If in person, indicate courthouse address:

**Relief Requested:** (Rule 59.02(2)(c)(v))

**Disposition made at hearing or conference (operative terms ordered):** (Rule 59.02(2)(c)(vi))

**Costs:** On a \_\_\_\_\_ indemnity basis, fixed at \$ \_\_\_\_\_ are payable  
by \_\_\_\_\_ to \_\_\_\_\_ [when]

**Brief Reasons, if any:** (Rule 59.02(2)(b))

The parties attended at a case conference to address scheduling issues. After discussion, it is ordered that the parties exchange their AoDs and documents within 30 days, with the exception of Ms. Kwok and Mr Drudi's clients which shall have an additional 30 days to deliver their AoDs and documents. Examinations are to take place the last two weeks of October, 2025. The parties are to work out the order of witnesses for those two weeks. If necessary, I may be spoken to if there is an impasse.

Additional pages attached:  Yes  No

February 5, 20 25

Date of Endorsement (Rule 59.02(2)(c)(ii))

A handwritten signature in black ink, appearing to be 'J. Hall', written on a light gray rectangular background.

Signature of Judge/Associate Judge (Rule 59.02(2)(c)(i))