



February 5, 2019

To Creditors and Suppliers

**WISTON INTERNATIONAL TRADE CO. LTD.  
IN BANKRUPTCY (“Wiston”)**

**G. Powroznik Group Inc.  
Licensed Insolvency Trustee**  
250 – 750 W. Pender Street  
Vancouver, British Columbia  
Canada V6C 2T7  
Phone: 778.370.0003  
Fax: 778.370.0043

Wiston filed a proposal with us on September 14, 2018 under Section 62 of the Bankruptcy and Insolvency Act (BIA). On January 29, 2019, the creditors of Wiston at a meeting to consider the proposal refused to accept proposal and Wiston was thereupon deemed to have made an assignment in bankruptcy and G. Powroznik Group Inc. of G-Force Group was appointed the Trustee (“**G-Force**”). Pursuant to Section 57(c) of the BIA, the Trustee called a First Meeting of Creditors present at that time to affirm the appointment of the Trustee and appoint inspectors. Enclosed with this mailing are the following:

- Form 68, Notice of Bankruptcy, First Meeting of Creditors
- Form 31, Proof of Claim
- Form 36, Proxy
- List of Creditors
- Sixth Addendum to the Report of the Proposal Trustee

If you have any questions regarding your account, please call Wiston at 604-273-7555 or contact Patricia Foster, [pfoster@g-forcegroup.ca](mailto:pfoster@g-forcegroup.ca), or Susanna Fok, [sfok@g-forcegroup.ca](mailto:sfok@g-forcegroup.ca) or 778-862-0830, or call our office at 778-370-0003 or fax 778-370-0043.

We also advise that the owner of Wiston is still pursuing options to refinance and restructure Wiston and we will continue to work with him to pursue any suitable option. In the meantime, we will periodically post the progress of the administration and important information on our website: <https://www.g-forcegroup.ca/wiston-international-trade-co-ltd-notice-of-intention-to-make-a-proposal/> .

Yours truly,  
G. Powroznik Group Inc. Licensed Insolvency Trustee  
Wiston International Trade Co. Ltd.

A handwritten signature in black ink, appearing to be 'Gary D. Powroznik', written over a white background.

Per: Gary D. Powroznik, FCPA, CIRP, LIT  
Managing Director

Enclosures



**G. Powroznik Group Inc.**  
**Licensed Insolvency Trustee**  
250 – 750 W. Pender Street  
Vancouver, British Columbia  
Canada V6C 2T7  
Phone: 778.370.0003  
Fax: 778.370.0043

District of: British Columbia  
Division No. 03 - Vancouver  
Court No. 11-254119  
Estate No. 11-254119

FORM 68  
Notice of Bankruptcy, First Meeting of Creditors  
(Subsection 102(1) of the Act)

Original  Amended

In the matter of the bankruptcy of  
Wiston International Trade Co. Ltd.  
of the City of Richmond  
in the Province of British Columbia

Take notice that:

1. Wiston International Trade Co. Ltd. filed (or was deemed to have filed) an assignment on the 29th day of January 2019, and the undersigned, G. Powroznik Group Inc., was appointed as trustee of the estate of the bankrupt by the official receiver (or the Court), subject to affirmation by the creditors of the trustee's appointment or substitution of another trustee by the creditors.
2. The first meeting of creditors of the bankrupt <sup>WIS</sup> ~~will be~~ held on the 29th day of January 2019, at 11:30 AM, at the office of G. Powroznik Group Inc., at #250 - 750 Pender St W, Vancouver, BC, V6C 2T7.
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 proof of claim form, proxy form, and list of creditors with claims amounting to \$25 or more showing the amounts of their claims.
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.

Dated at the City of Vancouver in the Province of British Columbia, this 4th day of February 2019.

G. Powroznik Group Inc. - Licensed Insolvency Trustee  
Per:

  
\_\_\_\_\_  
Gary Powroznik - Licensed Insolvency Trustee  
#250 - 750 Pender St W  
Vancouver BC V6C 2T7  
Phone: (778) 370-0003 Fax: (778) 370-0043

District of: British Columbia  
Division No. 03 - Vancouver  
Court No. 11-254119  
Estate No. 11-254119

FORM 31  
Proof of Claim  
(Sections 50.1, 81.5, 81.6, Subsections 65.2(4), 81.2(1), 81.3(8), 81.4(8), 102(2), 124(2), 128(1),  
and Paragraphs 51(1)(e) and 66.14(b) of the Act)

In the matter of the bankruptcy of  
Wiston International Trade Co. Ltd.  
of the City of Richmond  
in the Province of British Columbia

All notices or correspondence regarding this claim must be forwarded to the following address:

\_\_\_\_\_  
\_\_\_\_\_

In the matter of the bankruptcy of Wiston International Trade Co. Ltd. of the City of Richmond in the Province of British Columbia and the claim of \_\_\_\_\_, creditor.

I, \_\_\_\_\_ (name of creditor or representative of the creditor), of the city of \_\_\_\_\_ in the province of \_\_\_\_\_, do hereby certify:

1. That I am a creditor of the above named debtor (or I am \_\_\_\_\_ (position/title) of \_\_\_\_\_ creditor).
2. That I have knowledge of all the circumstances connected with the claim referred to below.
3. That the debtor was, at the date of bankruptcy, namely the 29th day of January 2019, and still is, indebted to the creditor in the sum of \$ \_\_\_\_\_ as specified in the statement of account (or affidavit) attached and marked Schedule "A", after deducting any counterclaims to which the debtor is entitled. (The attached statement of account or affidavit must specify the vouchers or other evidence in support of the claim.)

4. (Check and complete appropriate category.)

- A. UNSECURED CLAIM OF \$ \_\_\_\_\_  
(other than as a customer contemplated by Section 262 of the Act)

That in respect of this debt, I do not hold any assets of the debtor as security and  
(Check appropriate description.)

- Regarding the amount of \$ \_\_\_\_\_, I claim a right to a priority under section 136 of the Act.  
 Regarding the amount of \$ \_\_\_\_\_, I do not claim a right to a priority.  
(Set out on an attached sheet details to support priority claim.)

- B. CLAIM OF LESSOR FOR DISCLAIMER OF A LEASE \$ \_\_\_\_\_

That I hereby make a claim under subsection 65.2(4) of the Act, particulars of which are as follows:  
(Give full particulars of the claim, including the calculations upon which the claim is based.)

- C. SECURED CLAIM OF \$ \_\_\_\_\_

That in respect of this debt, I hold assets of the debtor valued at \$ \_\_\_\_\_ as security, particulars of which are as follows:  
(Give full particulars of the security, including the date on which the security was given and the value at which you assess the security, and attach a copy of the security documents.)

- D. CLAIM BY FARMER, FISHERMAN OR AQUACULTURIST OF \$ \_\_\_\_\_

That I hereby make a claim under subsection 81.2(1) of the Act for the unpaid amount of \$ \_\_\_\_\_  
(Attach a copy of sales agreement and delivery receipts.)

- E. CLAIM BY WAGE EARNER OF \$ \_\_\_\_\_
- That I hereby make a claim under subsection 81.3(8) of the Act in the amount of \$ \_\_\_\_\_,
- That I hereby make a claim under subsection 81.4(8) of the Act in the amount of \$ \_\_\_\_\_,
- F. CLAIM BY EMPLOYEE FOR UNPAID AMOUNT REGARDING PENSION PLAN OF \$ \_\_\_\_\_
- That I hereby make a claim under subsection 81.5 of the Act in the amount of \$ \_\_\_\_\_,
- That I hereby make a claim under subsection 81.6 of the Act in the amount of \$ \_\_\_\_\_,

G. CLAIM AGAINST DIRECTOR \$ \_\_\_\_\_

*(To be completed when a proposal provides for the compromise of claims against directors.)*

That I hereby make a claim under subsection 50(13) of the Act, particulars of which are as follows:

*(Give full particulars of the claim, including the calculations upon which the claim is based.)*

H. CLAIM OF A CUSTOMER OF A BANKRUPT SECURITIES FIRM \$ \_\_\_\_\_

That I hereby make a claim as a customer for net equity as contemplated by section 262 of the Act, particulars of which are as follows:

*(Give full particulars of the claim, including the calculations upon which the claim is based.)*

5. That, to the best of my knowledge, I \_\_\_\_\_ (am/am not) (or the above-named creditor \_\_\_\_\_ (is/is not)) related to the debtor within the meaning of section 4 of the Act, and \_\_\_\_\_ (have/has/have not/has not) dealt with the debtor in a non-arm's-length manner.

6. That the following are the payments that I have received from, and the credits that I have allowed to, and the transfers at undervalue within the meaning of subsection 2(1) of the Act that I have been privy to or a party to with the debtor within the three months (or, if the creditor and the debtor are related within the meaning of section 4 of the Act or were not dealing with each other at arm's length, within the 12 months) immediately before the date of the initial bankruptcy event within the meaning of Section 2 of the Act: *(Provide details of payments, credits and transfers at undervalue.)*

7. *(Applicable only in the case of the bankruptcy of an individual.)*

- Whenever the trustee reviews the financial situation of a bankrupt to redetermine whether or not the bankrupt is required to make payments under section 68 of the Act, I request to be informed, pursuant to paragraph 68(4) of the Act, of the new fixed amount or of the fact that there is no longer surplus income.
- I request that a copy of the report filed by the trustee regarding the bankrupt's application for discharge pursuant to subsection 170(1) of the Act be sent to the above address.

Dated at \_\_\_\_\_, this \_\_\_\_\_ day of \_\_\_\_\_.

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Creditor

Phone Number: \_\_\_\_\_  
Fax Number : \_\_\_\_\_  
E-mail Address : \_\_\_\_\_

NOTE: If an affidavit is attached, it must have been made before a person qualified to take affidavits.

WARNINGS: A trustee may, pursuant to subsection 128(3) of the Act, redeem a security on payment to the secured creditor of the debt or the value of the security as assessed, in a proof of security, by the secured creditor.

Subsection 20(1) of the Act provides severe penalties for making any false claim, proof, declaration or statement of account.

District of: British Columbia  
Division No. 03 - Vancouver  
Court No. 11-254119  
Estate No. 11-254119

FORM 36  
Proxy  
(Subsection 102(2) and paragraphs 51(1)(e) and 66.15(3)(b) of the Act)

In the matter of the bankruptcy of  
Wiston International Trade Co. Ltd.  
of the City of Richmond  
in the Province of British Columbia

I, \_\_\_\_\_, of \_\_\_\_\_, a creditor in the above matter, hereby  
appoint \_\_\_\_\_, of \_\_\_\_\_, to be  
my proxyholder in the above matter, except as to the receipt of dividends, \_\_\_\_\_ (with or without)  
power to appoint another proxyholder in his or her place.

Dated at \_\_\_\_\_, this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Individual Creditor

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Name of Corporate Creditor

Per \_\_\_\_\_  
Name and Title of Signing Officer

Return To:

G. Powroznik Group Inc. - Licensed Insolvency Trustee

\_\_\_\_\_  
#250 - 750 Pender St W  
Vancouver BC V6C 2T7  
Phone: (778) 370-0003 Fax: (778) 370-0043

## *Creditor Mailing List*

In the matter of the bankruptcy of  
Wiston International Trade Co. Ltd.  
of the City of Richmond  
in the Province of British Columbia

Creditor Type	Name	Attention	Address	Claim \$
Deferred	Huigang (Andrew) Sun		1922 - 44th Avenue Vancouver BC V6M 2E7 andrew.sun@live.ca	1,174,883.67
Preferred	Azeem Mitha		115 Yale Lane Markham ON L6B 1G5	2,000.00
	B.U.K. Investments Ltd		550-999 West Hastings St Vancouver BC V6C 2W2 jmcgrandle@buk.ca	22,760.94
	Bill Root		58 Raffeix Lane Toronto ON M5A 0G5	2,000.00
	Catherine Wilkins		Wages 145-200 Westhill Place Port Moody BC V3H 1V2	2,000.00
	Dennis Patenaude		95 Evansbrooke Manor Calgary AB T3P 1C9	2,000.00
	Dong Hong Lian		12231 Jensen Drive Richmond BC V6V 2R8	2,000.00
	Jamie Slogan		Unit 208 - 2950 King George BLV Surrey BC V4P 0E5	2,000.00
	Jing Guo		958 Laurel Crt Coquitlam BC V3C 5M1	2,000.00
	Milestone Property Management Limited		200, 1600 Steeles Ave West Concord ON L4K 4M2 stuart@milestonegroup.ca	68,320.29
	Moore A Reid		Wages 229-11671 7th Ave Richmond BC V7E 4X2	2,000.00
	Nusrath Abdul Haq		721 Caboto Trail Markham ON L3R 5W4	2,000.00
	Richard Sisk		21505 - 87B Ave. Langley BC V1M 2E6	2,000.00
	Roland Thorne		3190 Settlement Trail London ON N6P 1V4	2,000.00
	Tao Feng		120-4611 Viking Way Richmond BC V6V 2K9 tfeng0910@gmail.com	1,559.41
	Vicken Istanboulian		46 Adelene Crt. St. Catherines ON L2T 3C8	2,000.00
Secured	BMO		2200-4720 Kingsway Burnaby BC V5H 4N2	2,407,961.76
	CRA		82578 4895 RP0001 Pacific Insolvency Intake Ctr. 9755 King George Blvd, Surrey BC V3T 5E1	
	Ford Credit		1FTFW1EG2FFC00601 P.O.Box 4600 STN Agincourt Scarborough ON M1S 5V2	15,000.00
	Ford Credit		1FTFW1EGXFFC17050 P.O.Box 4600 STN Agincourt Scarborough ON M1S 5V2	15,000.00

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In the matter of the bankruptcy of  
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Creditor Type	Name	Attention	Address	Claim \$
Secured	Ford Credit		1FTNE2EW8EDA38172 P.O.Box 4600 STN Agincourt Scarborough ON M1S 5V2	2,413.92
	Meridian OneCap	Darryl Sherwood	1500 - 4710 Kingsway Burnaby BC V5H 4M2	
	Meridien Onecap	Darryl Sherwood	1500 - 4710 Kingsway Burnaby BC V5H 4M2	
	OOCL (OOCU6539290)		suite300-703 Evans Ave Toronto ON M9C 5E9	
	Service Ontario		PO Box 9200 Kingston ON K7L 5K4	
Unsecured	407 ETR		718398630 PO Box 407, STN D Scarborough ON M1R 5J8 Fax: (905) 264-7511 rraponi@407etr.com	3,073.06
	7400 Victoria Park Avenue Joint Venture		Lease Unit 1 7400 Victoria Park Avenue Markham ON L3R 2V4	
	Ace Cleaning Services		Unit 3, 16 Annapearl Court Toronto ON M2N 4H5 info@aceclean.ca	3,490.62
	Aqua Terra		700930917 / 70008829 PO Box 4514 STN A Toronto ON M5W 4L7 koniarz@aquaterracorp.ca	395.12
	Ascension Law		2300-1066 West Hastings St Vancouver BC V6E 3C2 gina@lupinolaw.com	21,011.90
	Azeem Mitha		115 Yale Lane Markham ON L6B 1G5	1,149.54
	BC Floor Covering Association		2 - 19299 94 Ave Surrey BC V4N 4E6	709.80
	BC Hydro		8919717 333 Dunsmuir St Vancouver BC V6B 5R3 Fax: (604) 528-2518	3,110.03
	BC Ministry of Finance		PO Box 9048 Stn Prov Govt. Victoria BC V8W 9E2	2,306.97
	Bill Root		58 Raffeix Lane Toronto ON M5A 0G5	3,015.00
	Blue Book Services Inc.		261041 845 E. Geneva Rd Carol Stream IL 60188-3520 USA INFO@BLUEBOOKSERVICES.COM	95.00
	Bois D oeuvres		251 rue Brossard Delson QC J5B 1W9	352.00
	Canada Brightway Shipping Ltd.		563 Ebury Place Delta BC V3M 6M8 tracyl@brightwayshipping.ca	30,000.00

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In the matter of the bankruptcy of  
Wiston International Trade Co. Ltd.  
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Creditor Type	Name	Attention	Address	Claim \$
Unsecured	Canadian Springs	Aqua Terra	700088829 PO.BOX 4514 STN A Toronto ON M5W 4L7	
	Catherine Wilkins		Wages 145-200 Westhill Place Port Moody BC V3H 1V2	14,977.59
	CCW		604 West Broadway Vancouver BC V5Z 1G2	
	City of Richmond		1277069 6911 No. 3 Road Richmond BC V6Y 2C1	1,223.00
	ConstructConnect Company		30 Technology Parkway South, Suite 100 Norcross GA 30093 USA	193.38
	CRA		82578 4895 RP0001 Pacific Insolvency Intake Ctr. 9755 King George Blvd, Surrey BC V3T 5E1	236,437.58
	CRA		82578 4895 RT0001 Pacific Insolvency Intake Ctr. 9755 King George Blvd, Surrey BC V3T 5E1	37,353.00
	CSA Transportation		VEONONMARA 355 Horner Ave Toronto ON M8W 1Z7 Fax: (416) 754-0926 rramdass@csatransportation.com	377.80
	Curtis Yoshimi Sasaki		Wages 4888 - 47th Ave Delta BC V4K 1P8	189.99
	Curtis Yoshimi Sasaki		Expenses 488 - 47th Avenue Delta BC V4K 1P8	50.00
	Dennis Patenaude		95 Evansbrooke Manor Calgary AB T3P 1C9	1,116.72
	Dong Hong Lian		12231 Jensen Drive Richmond BC V6V 2R8	4,179.61
	Elavon		8027255838 4576 Yonge Street, Suite 200 Toronto ON M2N 6N4	431.62
	Enbridge		910024245105 500 Consumers Road North York ON M2J 1P8	4,063.37
	Equifax Inc		Box 190 Jean Talon Station Montreal QC H1S 2Z2	2,965.00
	Fastenal Canada		900 Wabanaki Drive Kitchener ON N2C 0B7 imaigue@fastenal.com	527.22
	Fedex		857913817 Lookbox 916830 PO Box 9100 STN F Toronto ON M4Y 3A5 collections@fedex.com	212.00
	First Insurance		Suite 700 - 20 Toronto Street Toronto ON M5C 2B8	607.97



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In the matter of the bankruptcy of  
Wiston International Trade Co. Ltd.  
of the City of Richmond  
in the Province of British Columbia

Creditor Type	Name	Attention	Address	Claim \$
Unsecured	Fortis BC		16705 Fraser Highway Surrey BC V4N 0E8	4,540.54
	GML Law Corporation	Gina Lupino	2300-1066 West Hastings Street Vancouver BC V6E 3X2 gina@lupinolaw.com	19,328.77
	Gore Mutual Insurance Company		689897 1780 505 Burrard Street Vancouver BC V7X 1M6	96.80
	HBC Contractor Inc.		7586 Harnett Road Ottawa ON K0A 2T0	
	HeilongJiang Far East Wood Co.		Binxi Economic Development Zone Harbin China	21,108,968.72
	ICBC		300083909 / 130796078 151 West Esplanade North Vancouver BC V7M 3H9 Fax: (604) 443-7391	4,947.64
	Jamie Slogan		Unit 208 - 2950 King George BLV Surrey BC V4P 0E5	5,719.21
	Jing Guo		958 Laurel Crt Coquitlam BC V3C 5M1	334.69
	John Tsu			85,000.00
	Junker & Nakachi		120 - 4611 Viking Way Richmond BC V6V 2K9	
			2525 - 999 Third Avenue Seattle WA 98104 USA hjobe@tradelawcounsel.com	3,618.37
	Manulife		500 King Street North Waterloo ON N2J 4C6	3,349.15
	Meridian OneCap	Darryl Sherwood	1500 - 4710 Kingsway Burnaby BC V5H 4M2	61,077.04
	Meridien Onecap	Darryl Sherwood	1500 - 4710 Kingsway Burnaby BC V5H 4M2	6,934.96
	Miller Waste Solutions Group	Michael Luongo	8050 Woodbine Avenue Markham ON L3R 2N8 michael.luongo@millergroup.ca	541.59
	Moore A Reid		Expenses 120 - 4611 Viking Way Vancouver BC V6V 2K9	109.96
	Moore A Reid		Wages 229-11671 7th Ave Richmond BC V7E 4X2	452.52
	Neotype		13610 9 - 13520 Crestwood Place Richmond BC V6V 2B3 cathy.scott@neotype.ca	491.68
	Net firm		120-4611 Viking Way Richmond BC V6V 2K9	
	North American Receivable Management Services		Suite 101- 7171 Jean-Talon Montreal QC H1M 3N2	89.05
	Nusrath Abdul Haq		721 Caboto Trail Markham ON L3R 5W4	557.48
	OOCL (OOCU6539290)		suite300-703 Evans Ave Toronto ON M9C 5E9	11,650.00

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In the matter of the bankruptcy of  
Wiston International Trade Co. Ltd.  
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in the Province of British Columbia

Creditor Type	Name	Attention	Address	Claim \$
Unsecured	Pacific Coast Warehousing Ltd.		130-2351 No. 6 Rd Richmond BC V6V 1P3	189.82
	Power Stream		9430414401 PO Box 3700 Concord ON L4K 5N2	2,730.54
	Redwoods Golf Course		22011 88 Ave Langley Twp BC V1M 3S8 Fax: (604) 882-5153 admin@redwoods-golf.com	15,076.71
	Revolution Resource Recovery Inc.		49255 19500 56th Ave Surrey BC V3S 6K4 Fax: (604) 539-1907 creditcontrol@wearerevolution.ca	2,698.96
	Richard Sisk		21505 - 87B Ave. Langley BC V1M 2E6	13,185.13
	Ricoh		PO Box 600 Streetsville RPO Mississauga ON L5M 0M6	5,050.21
	Rogers Communications		694976697 PO Box 2514, Station B London ON N6A 4G9 Fax: (647) 439-1419 dsinsolvency@collectlink.com	5,906.71
	Rogers Communications		701803207 PO Box 2514, Station B London ON N6A 4G9 Fax: (647) 439-1419 dsinsolvency@collectlink.com	2,777.19
	Roland Thorne		3190 Settlement Trail London ON N6P 1V4	15.04
	Sabrina Legault		120-4611 Viking Way Richmond BC V6V 2K9	352.20
	Service Canada		PO Box 2602 Richmon Hill SCC 3557 Mississauga ON L4T 2K9	
	Service Ontario		PO Box 9200 Kingston ON K7L 5K4	248.00
	Shaw Cable		014-1963-0090 PO Box 2468 Stn Main Calgary AB T2P 4Y2	
	Snap Premium Finane		534 Cambie St Vancouver BC V6B 2N7	1,144.27
	TELUS		238260438 / 237641441 PO Box 2099 STN Terminal Vancouver BC V6B 5H5 bankruptcy@telus.com	2,790.12
	United Floors	Katherine Englund	104 - 2520 Bowen Road Nanaimo BC V9T 3L3 Fax: (250) 758-7712 katherine.englund@nanaimofloors.com	7,638.77
	Vicken Istanboulian		46 Adelene Crt. St. Catherines ON L2T 3C8	1,678.62

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## *Creditor Mailing List*

In the matter of the bankruptcy of  
Wiston International Trade Co. Ltd.  
of the City of Richmond  
in the Province of British Columbia

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Creditor Type	Name	Attention	Address	Claim \$
Unsecured	Worksafe BC		828049 (Collections) PO Box 5350 Stn Terminal Vancouver BC V6B 5L5 Fax: (604) 244-6373	1,056.57
	Yue Wang		1083 Stonehaven Ave Newmarket ON L3X 1M6	1,925.93

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**Sixth Addendum to the  
Report of the Proposal Trustee dated September 24, 2018  
On the Proposal of Wiston International Trade Co. Ltd.  
Dated January 28, 2019.**

**A. Purpose of This Report**

On March 26, 2018 (the “**NOI Filing Date**”), Wiston International Trade Co. Ltd. (hereafter “**Wiston**”) filed a notice of intention (“**NOI**”) to make a proposal under Section 50(1) of the Bankruptcy and Insolvency Act (“**BIA**”) (the “**Proposal**”). Wiston filed a Proposal on September 14, 2018.

The Proposal Trustee issued a Report dated September 24, 2018, on the Proposal (the “**Report**”) that was sent to creditors on the same day including Wiston’s Proposal, proof of claim forms, proxy, voting letter, etc. and informing them of the Meeting of Creditors to consider and vote on the Proposal on October 5, 2018 (“**Meeting of Creditors**”). The Meeting of Creditors was adjourned until 10:00 am, Friday October 19, 2018 at the Trustees’ office, at the request of one of the creditors and Wiston to enable a further appraisal and investigation of the affairs and the property of the debtor. At the meeting on October 19, 2018, the meeting was adjourned until 10:00 am, Friday November 2, 2018 at the request of CRA and Wiston to enable a further appraisal and investigation of the affairs and the property of the debtor. At the meeting on November 2, 2018, the meeting was adjourned until 10:00 am, Friday November 16, 2018 at the request of Wiston and Mr. Sun, shareholder (the “**Owner**”) and creditor, to enable a further appraisal and investigation of the affairs and the property of the debtor. At the meeting on November 16, 2018, the meeting was adjourned until 10:00 am, Friday December 7, 2018 at the request of the creditors and Wiston to enable a further appraisal and investigation of the affairs and the property of the debtor. At the meeting on December 7, 2018, the meeting was adjourned until 10:00 am, Monday January 7, 2019 at the request of the creditors and Wiston to enable a further appraisal and investigation of the affairs and the property of the debtor. At the meeting on January 7, 2019, the meeting was adjourned until 10:00 am, Monday January 21, 2019 at the request of a creditor and Wiston to enable a further appraisal and investigation of the affairs and the property of the debtor. On January 21, 2019, it was adjourned again until January 23, 2019 and then again to 9:00 am January 29, 2019 to enable a further appraisal and investigation of the affairs and property of the debtor, including the effects of a number of significant recent events negatively impacting the ability of Wiston to meet the terms of its proposal.

The purpose of this Sixth Addendum is to provide creditors with new information received by the Proposal Trustee since the date of the Fifth Addendum. The Sixth Addendum should be read in conjunction with the Report and the Addendum, Second Addendum, Third Addendum, Fourth Addendum and Fifth Addendum. The definitions used in the Sixth Addendum are those used in the Report, in the previous Addenda, and, in many cases, are as defined in Wiston’s Proposal.

## B. Cash Flow from Operations

Since the beginning of September and up to the close of business January 18, 2019, Wiston has:

1. received \$347,478 for the sale of product inventory including \$116,700 in bulk sales, \$180,778 in normal course sales and \$50,000, as previously reported, as a deposit on future deliveries from a new customer (the "**New Customer**"); and
2. incurred and paid \$330,724 (subject to revision) in total expenditures.

At the close of business January 28, 2019, the Controller estimates that there may be \$2000 on deposit in Wiston's bank account.

Sales of product have not been high enough to cover monthly operating expenses principally because of the depletion in existing inventory, recent seasonally slow holiday sales and difficulties in collecting from a Toronto customer (see below). In the Fourth Addendum, we reported that an initial two containers of new finished product inventory had arrived in the Port of Vancouver from China, on December 4<sup>th</sup>. These two containers are now in Wiston's Markham, Ontario warehouse and available for sale in that region but minimal sales have occurred, despite the appointment of a new sales agent ("**New Sales Agent**"). The approximate retail value of these two containers of new product inventory is \$250,000 - \$300,000. Three additional containers of unfinished product inventory have arrived in Canada, from China. Two of these containers have been shipped to a finishing plant in Port Hope, Ontario owned by Besco International Investment Co. Ltd. ("**Besco**"), a related company. The third container is in a railyard in Ontario awaiting clearance from customs. The approximate laid down cost of these three containers of unfinished inventory is \$293,000.

## C. Current Inventory

As of the close of business January 18, 2019 Wiston has approximately 122,477 square feet of existing product inventory in its two warehouses (not including the new inventory referred above) with an estimated saleable value in the normal course of operations of \$229,032.

## D. New Customers

### *New Customer #1 – Hardwood Planet, Toronto ("**HWP**")*

In the Proposal Trustee's report dated September 24, 2018 we reported that the Owner had informed the Proposal Trustee that it had secured a new customer, who had agreed to place an order for a substantial shipment of existing inventory and in connection therewith, had provided to Wiston, a \$50,000 down payment deposit.

Wiston has confirmed that it has shipped a total of six containers to this customer, representing 195,000 sq. ft. of flooring, for a sales value of approximately \$376,000 (the "**Large Shipment**"). In addition to the \$50,000 deposit, Wiston is aware that the customer

has paid \$21,143 in customs duties. The customer has not yet advised how much freight has been paid in addition to the duties. Unfortunately, Wiston has not yet been able to collect further payments from this customer as a dispute has developed over the price and terms of the Large Shipment. Wiston has asked the customer for a complete accounting of the inventory received, inventory sold, cash received (from sales), payments made (for duties and freight) and remaining inventory to be returned. As at January 28, 2019, HWP has not provided any accounting for the inventory or sales by HWP and has refused to engage in any meaningful discussion or dialogue. Wiston, has asked the Trustee to assist in getting a resolution of the matter and who has been in discussions with HWP since mid December 2018.

#### *New Customer #2*

The Trustee has previously reported, on a second new customer who had agreed to purchase from Wiston a continuous supply of unfinished hardwood flooring product. This customer was related to HWP and when the problems described above occurred with HWP, this second customer informed Wiston that it is not proceeding with this contract. The initial three containers of unfinished product, originally designated for delivery under this proposed contract, are now in Canada as described above.

#### *New Customer #3*

Wiston advises that it is continuing negotiations with a third new customer, one of the large national retailers of building supplies to deliver up to \$7 million of Wiston flooring. If these negotiations are completed to the satisfaction of both parties and form the basis of a contract to be signed between the parties, this sale of flooring would produce a commission of \$350,000 for Wiston.

### **E. Refinancing Options**

The Owner has been working on receiving additional funding for Wiston to augment the cash from its normal operations to help finance the payments required under the Proposal. These are summarized as follows.

#### *Sale of Residential Property in Beijing*

Of all the refinancing options the Owner was pursuing outside Wiston's normal operations, the Trustee had believed that this was the best possible source of refinancing to augment Wiston's operating results in order to fully fund the Proposal. The Trustee was advised by the Owner that this sale had been completed, and that the Owner was initially expecting to receive the sales proceeds in China by January 8, 2019. The Trustee became concerned about the continuing unexplained delays in the arrival of these funds and so became much more involved in attempting to determine the reason for the delays due to the continued decline in Wiston's operating results. The Trustee then learned that the Beijing Property was being sold by the Owner's father who was then going to lend the sale proceeds to the Owner. However, the purchaser asked for more formal sale documentation in early 2019 which needed to be provided by a notary public. However, the Owner's father had become extremely ill and was not able to provide the documentation. Although the Owner remains optimistic that a sale will be completed, it is unknown when this will occur.

### *Refinancing of Industrial Plant*

The Owner is refinancing the Port Hope plant owned by Besco, which was expected to provide some of the proceeds to the Owner for financing Wiston. In early January 2019, the Trustee also became concerned about the delays in the completion of this refinancing and looked deeper into the details of the transaction. The Trustee learned that Besco and Mr. Sun are subject to a lawsuit by an aggressive creditor relating to the original purchase of Besco which significantly complicated Mr. Sun's life and ability to successfully restructure Wiston and his other companies (see below). There are a number of priority claims against Besco that need to be satisfied out of the refinancing proceeds of \$5 million for this property and it is unlikely that significant proceeds will end up with Wiston, likely not exceeding \$100,000, although Wiston is owed over \$4 million by Besco. The current estimated completion time for this financing is January 31<sup>st</sup>, although the Trustee is doubtful it will be completed that soon.

### *Sale of Portion of Investment in Alberta Operation*

The Owner previously advised the Trustee that he has an ownership interest in an oil and gas operation in Alberta (the "**Alberta Investment**") for which there is a proposed sale scheduled to complete in February 2019. The Owner's stated intention since the filing of the NOI has been that there will be a significant recovery from this investment and that a portion of it would be used to fully fund Wiston's proposal. However, the Trustee has recently learned that the Owner is involved in litigation over a substantial amount of his ownership interest in the Alberta Investment and that the value of the overall investment has been significantly reduced due to the low international oil prices. Although Mr. Sun is optimistic about the outcome of the litigation, the improvement in the oil price in the market and the pursuit of this investment by the buyer, the Trustee has not been able to confirm whether this arrangement will proceed and if so whether any funding from the proposed sale would be available to refinance Wiston.

### **F. Mr. Sun's Unrelated Legal Problem**

As explained above, Mr. Sun has been involved in defending an unrelated creditor claim regarding one of his other companies, Besco. Due to poor legal advice and Mr. Sun's unfamiliarity with the Canadian legal system, Mr. Sun was placed into detention by the Court on January 17, 2019 for 20-30 days for contempt of Court. While in detention, Mr. Sun has no use of his cell phone or other manner to conduct negotiations for his refinancing, asset sale negotiations and management activities for Wiston to create sufficient cash to fund Wiston's proposal and settlement of other claims. We think this action by the Court and the lawyer for the aggressive creditor has severely impaired Mr. Sun from completing his negotiations and adequately managing Wiston. Unfortunately, there is severe growing pressure from Wiston's landlords and employees for payment of their delinquent current accounts, placing the continued operation of Wiston in peril.

## **G. CRA's Position/Main Reason for Adjournments of the Creditor Meeting to Vote on the Proposal**

CRA advised the Proposal Trustee on October 4, 2018 that it will vote against the Proposal because of the unpaid Post-Filing liabilities due by Wiston to it of approximately \$125,000 as at August 31, 2018. This amount grew to \$176,284 as at December 6, 2018 but has since been reduced to \$163,301 as at January 28, 2019. Wiston has not yet been able to raise the financing or increase the performance of its existing business to produce the cash to make this payment to CRA. CRA were agreeable to adjourn the Creditors Meeting on Oct. 19, 2018 and gave the Trustee a proxy to support the adjournment. Under the BIA, the Court will not approve a proposal where CRA's post filing claims have not been paid in full which was the case with Wiston. The main reasons for the adjournments of the Creditor Meeting to vote on the proposal was to allow the Owner to successfully raise sufficient financing so Wiston could bring up all its post-NOI payments up to date and sufficiently fund the proposal. Until very recently the Trustee was very optimistic that Mr. Sun was going to be successful, particularly on obtaining funding from the Beijing Property sale. Unfortunately, as stated above, circumstances have changes so that refinancing is uncertain at this point and the continuation of the business is in serious jeopardy and neither the Trustee or the OSB representative can support further adjournments.

## **H. Claims Received/Reclassification by Wiston**

To date, the Proposal Trustee has received ten proofs of claim totalling \$72,294 in unsecured claims who have voted in favour of the Proposal. CRA has submitted an unsecured claim of \$236,438 and plans to vote against the Proposal unless Wiston can provide an acceptable payment plan as described above. Gary Powroznik and the Trustee hold proxies for 3 of the unsecured claimants. In addition, we have received one proof of claim for \$16,030 in preferred claims with a proxy for the Trustee. Two other proofs of claim have been received that do not cast a vote either way on the Proposal. In addition, Mr. Andrew Sun, owner of Wiston has filed an unsecured claim for \$1,174,883.77 and appointed Gary Powroznik the proxy holder. Although Mr. Sun's claim cannot be used to vote in favour of the Proposal, it can be used to vote against the Proposal or to adjourn the Creditor's Meeting.

The Proposal Trustee was advised upon the filing of the NOI by Mr. Sun's lawyer that the largest unsecured creditor, Heilong Jiang Far East Wood Co. ("HLJ"), who has an unsecured claim of approximately \$22 million was a non-arm's length (related) party. When the Wiston filed its Proposal on September 14, 2018, HLJ was again listed as a related party and excluded from the proposal. Recently, Mr. Sun has claimed that there is a mistake and HLJ is not a related party. HLJ has not filed a proof of claim or otherwise contacted the Proposal Trustee and has continued to ship containers of product. If in fact HLJ is an unrelated party then the proposal as filed cannot proceed without an amendment or unless HLJ confirms that it will not file a proof of claim for its outstanding account. Otherwise, Wiston will not likely be able to fund the proposal as it currently.



## I. Statement of Estimated Realization and Recommendations

We summarize our comments on the updated estimates of forced liquidation values from Appendix A in the Trustee's Report of September 14, 2018 and other related matters as follows:

1. The net recovery from the assets is still estimated at approximately \$400,000 from its assets, excluding any recoveries from related parties;
2. An update on the creditors position includes:

	CRA (GST)	CRA (Payroll)	Trade Creditors	Employee Vacation	Legal & Trustee	Total
Pre-Filing NOI	60,000	177,000	92,000			329,000
Pre-Filing Customers in Credit			67,000			67,000
Post Filing NOI	62,000	124,000	100,000		366,000	652,000
Employee Vacation Pay				55,000		55,000
	<b>122,000</b>	<b>301,000</b>	<b>259,000</b>	<b>55,000</b>	<b>366,000</b>	<b>1,103,000</b>

However, this table does not include the claim from HLJ of approximately \$22 million, Mr. Sun's claim of \$1.174 million or the secured claim by the Bank of Montreal who is pursuing recovery of its \$2.5 million claim against the personal residence of Mr. Sun. We understand that the residence has an estimated market value of approximately \$4 million and the Bank has first mortgage security. Therefore, it is expected that the Bank will fully recover its debt from this property and will not have any remaining claim against Wiston.

3. The management of Wiston is totally centred around Mr. Sun who spends virtually no time directly managing the day-to-day business of Wiston. Wiston has not been able to meet its on-going obligations while it restructures its operations to a more centralized and "direct from manufacturer to major retailer/contractor" type of operation. Mr. Sun spends most of his time on major deals and in resolving claims and pursuing assets in his related companies, many of which appear to be insolvent. He largely works in the Chinese and Russian languages has limited English language capability. Monitoring both the operations of Wiston and the major refinancing Mr. Sun has been pursuing has required significant professional time from the Trustee and his counsel, Dennis Fitzpatrick. It has been one of the most challenging experiences in the Proposal Trustee's forty years of experience.
4. There are only two full-time employees remaining and the New Sales Agent. Mr. Sun is attempting to negotiate mega sales on his own. Many of the former employees have disputes with Wiston over their outstanding claims.
5. Since the flow of external funds from Mr. Sun's financing activities became much less certain, the Proposal Trustee has attempted to obtain more information about the

potential recoveries from the Related Entities, most of whom appear to be insolvent or have drastically curtailed operations. Mr. Sun is very reluctant to share this information with the Proposal Trustee which is concerning. In the event of a bankruptcy, the Bankruptcy Trustee would have increased powers over the Proposal Trustee's, to obtain this information from Mr. Sun and third parties where appropriate.


6. Overall, we do not believe the updated information materially changes the Proposal Trustee's assessment in the Report of the results from a bankruptcy if the Proposal is not accepted. Subject to possible additional net recoveries from Preferences or from Related Entities, the Proposal Trustee believes that the net realizations might be enough to satisfy some of the costs covered by the Administrative and Director's Charges of \$300,000 and some of the priority CRA claims. We are hopeful that there may be some recoveries from the Related Entities against which there are 12.96 million in claims. The Proposal Trustee has already alerted its independent counsel, Bonita Lewis-Hand to a potential preference in a Related Entity that could negatively impact the recovery by Wiston. Further review is required. If a Bankruptcy Trustee is able to recover additional assets from the Related Entities, any recovery for the creditors could be seriously impacted if HLJ files a proof of claim for its sizeable unsecured account.
7. The Trustee cannot justify granting any further adjournments of the Creditors Meeting at this time. However, Mr. Sun does not want Wiston to go bankrupt and continues to work on his refinancing activities. We have advised Mr. Sun that even if Wiston goes bankrupt, when his external funds materialize, he can file another proposal to Wiston's creditors and annul a bankruptcy.

### **Restrictions and Qualifications**

The information contained in the Addendum is subject to change based on subsequent findings and receipt of additional information. It is customary in an insolvency proceeding for new or changing information to constantly surface and supersede previous information that may have been received and/or reported. Readers are cautioned accordingly. In conducting our research and preparing our report, we obtained certain information and representations from the Owner and Director of Wiston and third parties. Information, data and documentation furnished by Wiston and others was presumed to be reliable and, except as expressly noted in our report, was not verified. Accordingly, the Proposal Trustee assumes no responsibility for the accuracy of the information provided.

All of which is respectfully submitted this 28th day of January 2019.

G. Powroznik Group Inc. in its capacity as Trustee for the Proposal of  
Wiston International Trade Co. Ltd.  
and not in its personal capacity.

  
Per: Gary Powroznik FCPA CIRP LIT  
Managing Director

