

September 20, 2018

To the Creditors of Wiston International Trade Co. Ltd.


**In the Matter of the Notice of Intention &  
the Proposal of Wiston International Trade Co. Ltd.**

We enclose a report and notice to you as follows:

1. A Report of Material Adverse Change in Financial Circumstances (the “**Report**”) of Wiston International Trade Co. Ltd. (“**Wiston**”) filed on September 14, 2018 with the Office of the Superintendent of Bankruptcy regarding its progress under its Notice of Intention to Make a Proposal, which is self explanatory;
2. Form 92 “Notice of Proposal to Creditors” and accompanying documents including the Proposal to Creditors also filed by Wiston on September 14, 2018. The Proposal addresses some of the matters covered by the Report.

Further details and updated information can be obtained from the Proposal Trustee’ website:  
<http://www.g-forcegroup.ca/wiston-international-trade-co-ltd-notice-of-intention-to-make-a-proposal/> .

G. Powroznik Group Inc., Proposal Trustee

  
Per: Gary Powroznik, FCA, CIRP, LIT  
Managing Director

GDP:pf  
Enclosure



No. B180261  
Estate No.: 11-254119  
VANCOUVER REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA  
IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF THE PROPOSAL OF  
WISTON INTERNATIONAL TRADE CO. LTD.

**REPORT ON MATERIAL ADVERSE CHANGE IN FINANCIAL CIRCUMSTANCES OF  
WISTON INTERNATIONAL TRADE CO. LTD.**

**(Section 50.4(7)(b) of the Bankruptcy and Insolvency Act (Canada))**

**INTRODUCTION AND BACKGROUND**

1. Wiston International Trade Co. Ltd. ("the "Company") filed a Notice of Intention to Make a Proposal (NOI) on March 26, 2018 under Section 50.4 (1) of the Bankruptcy and Insolvency Act (Canada) (the "BIA").
2. G. Powroznik Group Inc. (the "Proposal Trustee") consented to act as Trustee in respect of these restructuring proceedings.
3. The Company has applied for and the Supreme Court of British Columbia in Bankruptcy and Insolvency has issued Orders granting approvals for, an extension of the time to file a proposal under Section 50.4 (8) of the BIA (an "Extension"), together with a continuation of the stay of proceedings, as follows:
  - a. Order dated April 24 granting an Extension to June 7;
  - b. Order dated June 6 granting an Extension to July 20;
  - c. Order dated July 20 granting an Extension to July 27;
  - d. Order dated July 27 granting an Extension to August 2;
  - e. Order dated August 2, granting an Extension to September 14 (the "August 2, 2018 Extension").

4. Pursuant to the application for the August 2, 2018 Extension, the Company filed a Statement of Cash Flow for the period July 30, 2018 to September 2, 2018 together with accompanying Notes to the Statement of Cash Flow which is attached as Appendix A (the "**July 29 – September 2, 2018 Cash Flow**").
5. In anticipation of the Company filing either an application for a further extension or a Proposal to Creditors by September 14, 2018, the Company provided the Proposal Trustee earlier this week with actual results for the period covered by the July 29, 2018 Cash Flow which we compiled into the attached as Appendix B ("**Actual to Budgeted Results for July 29-September 2, 2018**").
6. The Proposal Trustee reported in its Third Report dated August 1, 2018 that was filed in the application to Court by the Company for an Extension that the estimated unpaid post filing liabilities "**Post-Filing Claims**") of the Company as at July 29, 2018 were \$153,500 but that this did not represent all of the unbilled or accrued legal or Proposal Trustee's fees.
7. The Company stated that it intended to raise sufficient cash to cover the Post-Filing Claims either from its refinancing activities or its bulk sales of inventory.
8. The Company further stated that it intended to arrange for the shipment of an initial two containers of new product inventory from China to arrive in Canada by September in order to bolster its sales program because it has not had any new inventory since before the NOI was filed.

#### **MATERIAL ADVERSE CHANGE**

9. This report has been filed pursuant to section 50.4(7)(b) of the BIA as a result of the Trustee ascertaining that a material adverse change in the insolvent's projected cash-flow and financial circumstances has occurred.

10. In the Actual to Budgeted Results for July 29-September 2, 2018, the Company confirmed it had a negative variance in both its regular and bulk sales totalling \$148,395 and that its Post-Filing Claims have increased by \$260,852 to \$411,352.
11. The Company has not been able to arrange any additional financing to compensate for this negative shortfall in budgeted sales or arrange for a refinancing of the Company as was initially anticipated and reported in its Court filings under the NOI.
12. The Company also advised that the two containers of new product inventory from China, previously anticipated by the Company to arrive in Canada by late August or early September, have not left China yet and has not provided any independent confirmation of when they will leave or arrive in Canada.
13. As a result of the Company not being able to meet its budgeted sales, arrange new financing, or make arrangements to obtain the immediate supply of new inventory, in the opinion of the Proposal Trustee, this represents a material adverse change in the Company's financial circumstances which significantly impairs:
  - a. the Company's financial circumstances;
  - b. the rights and interest of one or more classes of creditors;
  - c. the Company's ability to carry on operations;
  - d. the likelihood of making a successful proposal.

Dated this 14th day of September, 2018.

G. Powroznik Group Inc. solely in its  
capacity as Proposal Trustee of Wison International Trade Co. Ltd.  
and not in it Personal or any other Capacity

Per: 

Gary Powroznik, CPA, CA, CIRP, LIT

Vancouver Registry  
Court No. B180261  
Estate No. 11-254119

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IN THE SUPREME COURT OF BRITISH COLUMBIA  
IN BANKRUPTCY

IN THE MATTER OF THE NOTICE OF INTENTION TO  
FILE PROPOSAL OF  
WISTON INTERNATIONAL TRADE CO. LTD.

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REPORT ON MATERIAL ADVERSE CHANGE IN  
FINANCIAL CIRCUMSTANCES

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**G. Powroznik Group Inc.**  
**Licensed Insolvency Trustee**

#250 – 250 W. Pender St.  
Vancouver, British Columbia  
V6C 2T7

Phone: (778) 370-0003  
Fax: (778) 370-0043

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. B-180261  
Estate No. 11-254119

FORM 92  
Notice of Proposal to Creditors  
(Section 51 of the Act)

In the Matter of the Proposal of  
Wiston International Trade Co. Ltd.  
of the city of Richmond  
in the Province of British Columbia

Take notice that Wiston International Trade Co. Ltd. of the City of Richmond in the Province of British Columbia has lodged with us a proposal under the Bankruptcy and Insolvency Act.

A copy of the proposal, a condensed statement of the debtor's assets, and liabilities, and a list of the creditors affected by the proposal and whose claims amount to \$250 or more are enclosed herewith.

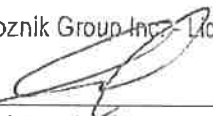
A general meeting of the creditors will be held at #250 - 750 Pender St W, Vancouver, BC on the 5th day of October 2018 at 10:00 AM.

The creditors or any class of creditors qualified to vote at the meeting may by resolution accept the proposal either as made or as altered or modified at the meeting. If so accepted and if approved by the court the proposal is binding on all the creditors or the class of creditors affected.

Proofs of claim, proxies and voting letters intended to be used at the meeting must be lodged with us prior to the commencement of the meeting.

Dated at the City of Vancouver in the Province of British Columbia, this 19th day of September 2018.

G. Powroznik Group Inc. - Licensed Insolvency Trustee

  
#250 - 750 Pender St W  
Vancouver BC V6C 2T7

Phone: (778) 370-0003 Fax: (778) 370-0043

(A form of proof of claim, a form of proxy and a voting letter should be enclosed with each notice.)

District of BRITISH COLUMBIA  
Division No. 03 - Vancouver  
Court No. B180261  
Estate No.: 11-254119

VANCOUVER REGISTRY

**IN THE SUPREME COURT OF BRITISH COLUMBIA  
IN BANKRUPTCY AND INSOLVENCY**

**IN THE MATTER OF THE PROPOSAL OF**

**WISTON INTERNATIONAL TRADE CO. LTD.**

## **PROPOSAL**

**DATED FOR REFERENCE  
The 14<sup>th</sup> Day of September, 2018**

PROPOSAL

FILED BY:

**WISTON INTERNATIONAL TRADE CO. LTD.**

**(the "Company")**

(See "*Definitions & Interpretation*" for meaning of defined terms.)

WHEREAS:

- A. On March 26, 2018, the Company filed a notice of intention to make a proposal under the Act.
- B. During the course of the Proposal Proceedings, the Company worked to resolve issues that negatively affected the Company's financial situation and intends to restructure its debt to Bank of Montreal.
- C. The Company is now in a position to present this Proposal to its unsecured creditors for their consideration and approval.

1. Definitions in this Proposal:

- a. "Act" or "BIA" means the Bankruptcy and Insolvency Act, R.S.C. 1985, c. B-3, as amended;
- b. "Administrative Fees and Expenses" means the Trustee's proper fees and expenses, including legal fees and disbursements (if any) incurred by the Trustee, and any legal fees and disbursements incurred the Trustee on or incidental to the appointment of the Trustee, before and after the filing of the Notice of Intention and appointment of the Trustee herein, and Administrative Fees and Expenses includes the Trustee's costs incurred in the negotiations in connection with the preparation of this Proposal and any subsequent proposals and any proceedings relating to, arising out of, or under this Proposal including the preparation and implementation of any Proposal and any subsequent Proposals, including bankruptcy proceedings and including advice to the Trustee relating to insolvency issues, whether before or after the appointment of the Trustee,
- c. "BMO" means Bank of Montreal;
- d. "Company" means Wiston International Trade Co. Ltd., the Insolvent debtor;
- e. "Claims" means the claims of all Unsecured Creditors but not Excluded Creditors;



- f. Company's Legal Expenses means and any legal fees and disbursements incurred by the Company on or incidental to the appointment of the Trustee, before and after the filing of the Notice of Intention, and Administrative Fees and Expenses includes costs incurred in the negotiations in connection with the preparation of this Proposal and any subsequent proposals and any proceedings relating to, arising out of, or under this Proposal including the preparation and implementation of any Proposal and any subsequent Proposals, including bankruptcy proceedings and including advice to the Company relating to insolvency issues, whether before or after the appointment of the Trustee,
- g. "Court Approval" means: (i) the approval by the Supreme Court of British Columbia for this Proposal by order of the court having received the report of the Trustee and other relevant information from the Company or any interested Creditor, and (ii) the expiry of all appeal periods in relation to such order of the court;
- h. "CRA" means Canada Revenue Agency;
- i. "Creditors" means the Preferred Creditors and Unsecured Creditors of the Company;
- j. "Excluded Creditors" means holders of Related Party Claims and BMO
- k. "First Meeting of Creditors" means the meeting of Creditors at which the Proposal, including any amendments thereto, will be tabled and voted upon;
- l. "Levy" means the levy payable to the Superintendent of Bankruptcy pursuant to Section 147 of the BIA;
- m. "NOI Filing Date" means March 26, 2018, the date on which the Notice of Intention to Make a Proposal was filed by the Company with the Office of the Superintendent of Bankruptcy;
- n. "Post Filing Goods and Services" means, in respect of this Proposal, the goods supplied or services rendered to the Company, with the approval of the Company, after the NOI Filing Date;
- o. Related Party Claims means the claims of Heilong Jiang Far East Wood Co. and Hulgang (Andrew) Sun;
- p. "Preferred Creditors" means those persons with claims that are provable and proved under the BIA and which are required by Section 136 of the BIA to be paid in priority to claims of Unsecured Creditors;
- q. "Proven Claim" means the proven claim of a Preferred Creditor or Unsecured Creditor;
- r. "Trustee" means G. Powroznik Group Inc., a licensed Trustee, of G-Force Group, or its duly appointed successor or successors appointed under, or in connection with, the carrying out of this Proposal;

- s. "Trustee's Proper Fees" means the time charges incurred, at normal hourly rates, by the Trustee or its duly appointed successor or successors appointed under or in connection with the carrying out of this Proposal; and
  - t. "Unsecured Creditors" means those persons with unsecured claims that are proved in respect of debts and liabilities present or future to which the Company was subject at the NOI Filing Date or to which the Company may become subject by reason of any obligations incurred before the NOI Filing Date, including for certainty all claims that would be treated as unsecured claims of the Company in a bankruptcy of the Company, except for those claims:
    - i. that have been finally and conclusively disallowed by the Trustee or found by the Court not to be provable claims;
    - ii. that are by Preferred Creditors; or
    - iii. that are for Administrative Fees and Expenses.
2. Notwithstanding anything to the contrary in this Proposal, and in accordance with Section 60(1) of the BIA, payment of all Administrative Fees and Expenses shall be made in priority to all Creditors' claims; and payment of the Company's Legal Expenses shall be paid in priority over all Creditors' claims but subject to the payment of the Administrative Fees and Expenses.
  3. Preferred Creditors shall be paid in full as set forth in Section 136(1) of the BIA in priority to all claims of Unsecured Creditors; and in particular the payment of the claims of all employees or former employees shall be made forthwith after Court Approval at least equal to the amounts they would be qualified to receive under section 136 (1) (d) of the BIA.
  4. Post Filing Goods and Services shall be paid in full by the Company in the ordinary course of business as they become due or as may be arranged by the Company to any Post Filing Creditor.
  5. After the NOI Filing Date, all newly arising obligations of the Company to CRA for Goods and Services Tax and other amounts required to be withheld by the Company on behalf of CRA shall be paid in full as they fall due.
  6. Unless the Crown consents, all claims of Her Majesty in right of Canada or of a province coming within Section 60(1.1) of the Act shall be paid in full within six months after Court Approval of this Proposal.
  7. The Related Party Claims will be postponed until all other claims have been satisfied and will not participate in the Proposal.
  8. Payment of all amounts to be paid by the Company pursuant to paragraphs 2 to 6 and 9 of this Proposal will be paid from the funds provided pursuant to paragraph 10 of this Proposal.


9. Subject to the Lévy and subject to payment of all amounts due and owing pursuant to paragraphs 2 to 6 of this Proposal, the Company will pay to its Trustee for distribution to its Creditors as follows:
  - a. to each of the Unsecured Creditors the first \$1,000 of its Proven Claim in cash, within six months of Court Approval, or where such claim is less than \$1,000, will pay such claims in full;
  - b. the remainder of the principal amount of all any unsecured Proven Claim in two installments but without any interest, bonus, penalties or other additional amount.
    - i. fifty (50) cents within six (6) months after Court Approval of the Proposal; and
    - ii. fifty (50) cents within one (1) year after Court Approval of the Proposal.
10. Prior to Court Approval of the Proposal, \$10,000 will be provided to the Trustee for the payments due and owing by the Company under the Proposal.
11. The funds for the payments due under the Proposal are not available to the Company from its assets and accordingly will be made out of future earnings or advances from the principals of the Company.
12. No interest shall be charged by Creditors after the NOI Filing Date.
13. At the First Meeting of Creditors to be held to consider this Proposal the Creditors may appoint one or more, but not exceeding five, Inspectors to advise the Trustee in respect of such matters as may be appropriate, including:
  - a. to advise the Trustee concerning any dispute which may arise as to the validity of claims of Creditors in this Proposal;
  - b. to advise the Trustee in respect of such other matters as may be referred to the Inspectors by the Trustee; and
  - c. to extend the time for any payment or distribution required to be made pursuant to this Proposal.
14. This Proposal may be amended by the Company at any time prior to or at the First Meeting of Creditors provided that any such amendments shall be considered by the Company to be in the best interests of the Creditors. This Proposal may be amended or further amended by the Company after the First Meeting of Creditors:
  - a. if the amendment is considered by the Trustee and the Inspectors to be non-substantive in nature or in the interest of all of the Creditors, with the approval of the Inspectors only;
  - b. if the amendment is considered by the Inspectors to be in the interests of all of the Creditors, with the approval of the Inspectors only; or

- c. upon a vote conducted by the Trustee at a further meeting of Creditors and upon approval of the Court where the Trustee is of the view that the approval of the court is required.
15. The Trustee and Inspectors shall be exempt from any personal liability in fulfilling their duties or exercising any powers conferred on them hereunder, or generally in carrying out the terms of this Proposal, and each of them shall be liable only for any wilful and wrongful act, default or neglect.
16. Any claims against the directors of the Company by its Creditors, where such claims arose before the NOI Filing Date and relate to the obligations of the Company where the directors of the Company are by law liable in their capacity as directors for the payment of such obligations, shall be satisfied in full and discharged upon payment by the Company in full of all amounts payable to Preferred Creditors and Unsecured Creditors hereunder.
17. The Trustee, the Inspectors and counsel to the Trustee and the Company shall be exempt from Personal liability in fulfilling the duties or exercising the powers conferred on them hereunder or generally in carrying out the terms of this proposal and shall only be liable for willful and wrongful acts defaults or neglects.
18. The Trustee, the Company or the Inspectors may apply to the Court for directions from time to time.
19. Huigang (Andrew) Sun confirms that he has read and understands this Proposal.

Dated at the City of Toronto, Sep 14, 2018, this 14<sup>th</sup> day of September, 2018.

**Wiston International Trade Co. Ltd.**

Per:

  
\_\_\_\_\_  
Authorized Signatory  
**Huigang (Andrew) Sun**

**REPORT OF THE PROPOSAL TRUSTEE  
ON THE PROPOSAL OF WISTON INTERNATIONAL TRADE CO. LTD.  
DATED SEPTEMBER 24, 2018**

**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 (the “**Proposal**”) under Section 50 (1) of the Bankruptcy and Insolvency Act (“**BIA**”).

The definitions used in this report are those defined in Wiston’s Proposal dated September 14, 2018.

The purpose of this Proposal Trustee’s report is to inform Wiston’s creditors in an objective manner as to the evolution of Wiston’s insolvency and the status of its financial affairs, so the creditors may make an informed decision as to whether the Proposal is to the advantage of the creditors.

**B. Background and Causes of Financial Difficulties**

Wiston was registered as a company in British Columbia on January 6, 2009. Wiston's sole shareholder and director is Huigang (Andrew) Sun (the “**Owner**”).

Wiston has been actively engaged in the business of importing hard wood flooring product from China and selling into the wholesale flooring markets in the Lower Mainland Vancouver, B.C., in Alberta and in the metropolitan area of Toronto, Ontario.

Wiston’s primary reasons for the evolution of its insolvency are:

1. Its inability to collect major receivables from non-arms-length companies including the Viceroy group of related companies (“**Viceroy**”). Viceroy is involved in a major lawsuit that started in the summer of 2017 to collect \$20 million from a customer in Alberta. The inability of Viceroy to collect this large sum has affected all Viceroy companies including Wiston and thereby has affected Wiston’s ability to pay its own obligations. Wiston has aggregate amounts owing to it from non-arms-length parties in the amount of approximately \$13 million, of which approximately \$5.6 million is owing from Viceroy and further approximately \$5.8 million owing from the Besco group of companies.
2. Receipt by Wiston in 2017 of a substantial quantity of product inventory, from its supplier in China, which was unsuitable for the Canadian wholesale market. This resulted in declining sales volumes, slow inventory turnover and required significant price discounting to get the product sold. The selling of this “challenged” inventory at significant price discounts caused expected future cash flow to be lower than planned, putting pressure on Wiston’s ability to meet its liabilities as they came due.
3. Wiston’s inability to obtain new replacement product inventory from its supplier, in enough quantities and on a sufficiently timely basis to reverse its declining sales profile and generate profits and cash flow for Wiston. Since March 26, 2018, Wiston has been expecting the arrival of an initial two containers of new product inventory. The Owner advised us on September 23, 2018, that these initial two containers have not been authorized by the Chinese authorities for release from the supplier’s factory in China but

felt that they would be in the current week. Wiston's main supplier of its hardwood flooring products is Hei Long Jiang Far East Wood Company ("HLJ") which is owned by a party related to the Owner, making it a non-arm's length party.

4. The inability of Wiston to obtain a cash injection or third-party refinancing since the NOI Filing Date.

### C. Summary of Proposal

Some of the key terms of Wiston's Proposal are as follows:

1. Administrative fees and expenses shall be in priority to all creditor claims, pursuant to BIA 60(1);
2. Legal expenses shall be in priority to all creditor claims, but subject to the payment of administrative fees and expenses;
3. Preferred creditors shall be paid in full, including claims of all employees and former employees in priority to all claims of unsecured creditors, pursuant to BIA 136(1);
4. Post-Filing Goods and Services shall be paid in full as they become due;
5. After the NOI Filing Date, all newly arising obligations to Canada Revenue Agency ("CRA") for Goods and Services Tax and other amounts required to be withheld on behalf of CRA shall be paid in full as they fall due;
6. All amounts owing to the Crown at the Pre-Filing Date shall be paid in full within six months after Court approval of the Proposal;
7. Related Party claims will be postponed until all other claims have been satisfied and will not participate in the Proposal.
8. Wiston will pay to the Trustee for distribution:
  - a. To each unsecured creditor, the first \$1000 of its Proven Claim in cash, within six months of Court approval of the Proposal
  - b. The remainder of the principal amount of all unsecured Proven Claims, to be paid in two instalments.
    - i. Fifty cents on the dollar within 6 months after Court approval of the Proposal
    - ii. Fifty cents on the dollar within 1 year after Court approval of the Proposal;
 Note: The Proposal reads "Fifty cents" and inadvertently missed "on the dollar" which means that Wiston is offering to pay fifty percent of the Unsecured Claims in two installments.
9. The Creditors at the first meeting of Creditors may appoint up to five inspectors;
10. Any claims against the directors of Wiston by its creditors shall be satisfied in full and discharged upon payment by Wiston in full of all amounts payable to Preferred Creditors and Unsecured Creditors;
11. The Trustee and Inspectors shall be exempt from any personal liability in fulfilling their duties or exercising any powers conferred upon them.

### D. Financial Position and Identification and Evaluation of Assets

Please refer to Appendix A to this Report for a review of the financial position of the debtor and the identification and evaluation of its assets and liabilities as at August 31, 2018. The Proposal is focused on paying unrelated creditors of Wiston which are summarized in the following table taken from Appendix A:

	CRA (GST)	CRA (Payroll)	Trade Creditors	Employee Vacation	Legal & Trustee	Total
Pre-Filing NOI	50,000	225,000	92,000			367,000
Pre-Filing Customers in Credit			67,000			67,000
Post Filing NOI	46,000	79,000	16,000		188,000	329,000
Employee Vacation Pay				17,000		17,000
<b>Total</b>	<b>96,000</b>	<b>304,000</b>	<b>175,000</b>	<b>17,000</b>	<b>188,000</b>	<b>780,000</b>

## **E. Status of Continuing Operations**

### ***1. Recent and Projected Operating Results***

We have included with the mailing of this Report to creditors, the Proposal Trustee's Report on Material Adverse Change in Financial Circumstances of Wiston dated September 14, 2018. This was required to be issued to reflect the deterioration of Wiston's financial circumstances during a five-week period ending September 2, 2018. However, Wiston filed its Proposal on September 14, 2018 and attempted to address the key issues that contributed to the recent adverse change by:

- a. Committing to improved sales of existing product;
- b. Obtaining third-party investment of \$120,000 during September and October to augment its cash flow from operations to pay new current obligations; and
- c. Committing to obtaining enough new inventory from its key supplier by the end of October so that improved sales could be obtained as early as November 2018.

### ***2. Evaluation of Wiston's Cash Forecast for the Proposal***

Concurrently with filing its Proposal, Wiston filed a Forecast Cash Flow Statement ("Proposal Cash Flow") for the year September 1, 2018 to August 31, 2019. Our review of the Proposal Cash Flow indicates that it does not appear to have sufficient provisions for:

- a. Payment of all the Post Filing Liabilities and Pre-Filing Claims totaling \$780,000 as it appears to be short by approximately \$242,000;
- b. Enough cash injections during September, October and November 2018 to sufficiently pay for the supply of Post Filing Goods and Services in the normal course of business until its expected delivery of new inventory will generate additional cash from increased sales volumes;
- c. Payment of the new inventory shipments unless it is expected that HLJ will supply enough credit for Wiston to meet its Proposal Cash Flow.

Further, the Proposal Cash Flow expects that 70% of Wiston's sales for upcoming year will come from new inventory. As at September 23<sup>rd</sup>, there has been no confirmation that new product inventory has been approved for release by the Chinese authorities. However, the Owner is confident that the initial containers will be approved for release during the week of September 24 to 28<sup>th</sup>.

### ***3. Subsequent Events***

On September 21, 2018, the Owner advised the Proposal Trustee that since filing the Proposal, the following important improvements to Wiston's business prospects had occurred that were not included in the Proposal Cash Flow:

- a. A large sale of current product has been negotiated at a higher price than forecast with a new customer who has substantial business in Canada, resulting in receipt of a \$50,000 deposit and the balance to be paid shortly;
- b. The new customer is also ordering eight containers of new product from Wiston and wants to acquire a regular monthly flow of product in the future;
- c. The large unexpected sale should increase the available cash flow by approximately \$250,000 for September which will provide an important cushion over its forecast net cash flow.

The Owner is confident that expected new sales orders with the new customer will help Wiston to start the flow of the new inventory from China, including the expected shipment of the initial two containers

as well as several more to fill the orders from the new customer. It is important that the initial two containers arrive by the end of October. The Owner is confident that the expected business with the new customer, which was not known when the Proposal Cash Flow was filed, will help Wiston to significantly improve the expected cash flow and help deal with the concerns noted above by the Trustee.

#### F. Conduct of the Debtor and Possible Preferences

The Trustee has been monitoring the financial, operational and refinancing affairs and activities of Wiston since the filing of its NOI March 26, 2018. Throughout the NOI period and up to September 14, 2018, the activities of the debtor had always appeared consistent with its objective of achieving a successful refinancing of the Company and paying all its non-arms-length creditors in full. All the accounting, operational and administrative staff of Wiston have been fully co-operative and forthcoming with the Trustee about Wiston's affairs and have worked diligently and in good faith to support the Trustee's requests for financial and operating information.

The Trustee is required to identify possible transactions that could be considered preferences or transactions under value with third parties (collectively "Preferences") for the creditors to consider if the Proposal is not accepted by the creditors or otherwise fails and Wiston is forced into bankruptcy. There are two such areas that relate to Wiston's close dealings with related parties.

First, Wiston buys most of its inventory from HLJ, owned by a related party. During the NOI period to September 2, 2018, Wiston advised that approximately \$314,000 was sent to HLJ as advance payments on future inventory shipments. In the event of a bankruptcy occurring prior to the new product inventory arriving from HLJ, the \$314,000 would likely represent a preference payment to HLJ and be recoverable by the Trustee.

Second, during the NOI, Wiston has made payments of \$7,800 on certain leased vehicles which are used and operated by certain of the Viceroy Group of companies. In the event of a bankruptcy of Wiston, this amount would also likely be considered a preference and be recoverable from Viceroy.

The Trustee has not done a detailed review for possible preferences other than noticing the above noted possible preferences in the event of a bankruptcy.

The Trustee has not noted any offenses made by Wiston or the Owner under the BIA.

#### G. Creditor Claims

Many of the principal terms of the Proposal are set out in Section B of this Report "Summary of Proposal". The Proposal focusses on payment of the unrelated creditors prior to payment of any related parties as follows. Firstly, payment of claims for Post Filing Goods and Services, which comprise \$346,000 (see Table below) from the estimates provided from Appendix A as at August 31, 2018, as well as any new obligations that arise since August 31, 2018. Secondly, the Pre-Filing claims that total \$434,000.

	CRA (GST)	CRA (Payroll)	Trade Creditors	Employee Vacation	Legal & Trustee	Total
Pre-Filing NOI	50,000	225,000	92,000			367,000
Pre-Filing Customers in Credit			67,000			67,000
Post Filing NOI	46,000	79,000	16,000		188,000	329,000
Employee Vacation Pay				17,000		17,000
<b>Total</b>	<b>96,000</b>	<b>304,000</b>	<b>175,000</b>	<b>17,000</b>	<b>188,000</b>	<b>780,000</b>



The creditors who are entitled to vote in the Proposal are the Preferred and Unsecured Creditors, in separate classes. For the Proposal to be approved, a simple majority of the creditors who have Proved Claims in each class must approve the Proposal, representing two-third of the value of the Proved Claims filed before the time set for the First Meeting of Creditors on October 5, 2018.

The Proposal Trustee has provided the creditors, concurrently with this Report, a Proof of Claim form and instructions on how to complete it.

The creditors should take note that the enclosed Form 78 list of unsecured creditors filed by Wiston at commencement of the NOI and shows aggregate unsecured creditor claims of \$29.7 million including \$27.9 million to HLJ, and \$1.5 million to the Owner. The amounts owing to HLJ and the Owner appearing in the books of Wiston are lower at \$21.2 million and \$1.2 million, respectively. The Trustee has not verified the amounts owing to these parties or sought reconciliation of the differences since these claims are excluded from, and the parties do not participate in, the Proposal. The related parties cannot vote in favour of the Proposal.

The Trustee has reported in Appendix A that BMO will be looking to security outside of Wiston for repayment of amounts owing to it and accordingly amounts owing to BMO are excluded from, and BMO will not participate in, the Proposal.

#### **H. Administrative and Director's Charges**

During the NOI, the Supreme Court of British Columbia, granted an Order dated August 2, 2018 that included:

1. An Administrative Charge for \$200,000 granted against the receivables, inventory and other personal property of Wiston to secure the fees and disbursements of Burns Fitzpatrick, counsel to Wiston and the fees of G. Powroznik Group Inc., the Proposal Trustee;
2. A Director's Charge of \$100,000 granted against the personal property of Wiston, pursuant to section 64.1 of the BIA to secure and indemnify the director or officer of Wiston against obligations they may incur after the filing of the NOI, including for unpaid remittances to the Federal or Provincial Crown statutory trusts and liens that may arise from the continued operation of the business. The Director's Charge ranks behind the Administrative Charge.

#### **I. Previous Business Dealings with the Debtor**

The Proposal Trustee had no prior business dealings with Wiston or the Owner.

#### **J. Informal Meetings with Major Creditors**

The Proposal Trustee has not held meetings with any current creditors other than responding to creditors questions since the filing of the NOI.

The Proposal Trustee was involved extensively with the negotiations between the Owner and BMO as a facilitator, which eliminated BMO's debt from a claim under the Proposal.

#### **K. Remuneration of the Trustee**

Since engagement on March 21, 2018 the Proposal Trustee has submitted invoices for Proposal Trustee services rendered up to June 30, 2018 aggregating \$82,965.43 (inclusive of GST). The Proposal Trustee has

received \$25,000 in payment and approximately \$58,000 is owing. In addition, the estimated additional billings by the Proposal Trustee for the work performed after June 30 and up to the date of the Proposal, is approximately \$100,000 for a total outstanding fee of approximately \$158,000. The Proposal Trustee fees are subject to taxation by the Court.

#### **L. Statement of Estimated Realization**

If the creditors do not accept Wiston's Proposal, or it fails in any other way, Wiston will automatically become bankrupt and its assets sold on a forced liquidation basis. Based on all available information up to September 24, 2018, the Proposal Trustee's estimated the net realization of Wiston's assets on a forced sale liquidation basis, as of the date of the creditor's meeting on October 5, 2018 which is included in the analysis of Appendix A. Subject to possible additional net recoveries from Preferences or from Related Entities, the Proposal Trustee believes that the net realization might be enough to satisfy most of the costs covered by the Administrative and Director's Charges of \$300,000 and nothing would be available for other suppliers of Post Filing Goods and Services or the Pre-Filing Preferred and Unsecured Creditors.

#### **M. Recommendations**

It is the Proposal Trustee's opinion that the Wiston Proposal is to the advantage of Preferred and Unsecured Creditors. If the Proposal fails, there will be an automatic bankruptcy and likely no assets available for distribution to the Preferred and Unsecured Creditors except from recovery of possible Preferences and from Related Entities.

#### **RESTRICTIONS AND QUALIFICATIONS**

This report on the Proposal of Wiston International Trade Co. Ltd., summarizes the Proposal Trustee's findings and conclusions from its review of Wiston's records and other information received, and from its investigations since the date of the filing of the Notice of Intention to make a proposal. It is subject to change based on subsequent findings or receipt of additional information. It is customary in an insolvency proceeding for new or changing information to constantly surface and supersede any 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 Director of Wiston. 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 information provided.

We are pleased to answer any questions you may have.

All of which is respectfully submitted this 24th day of September 2018.



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

## Appendix A

### Wiston International Trade Co. Ltd. Summary of Assets, Liabilities and Deficit as at August 31, 2018

This Summary was compiled from s the most recently completed internal financial statements for Wiston. The Notes to the Summary provide a brief description of the material asset and liability accounts based upon the book values reflected in Wiston's financial statements and the estimated realizable value based upon the assumption of a forced liquidation.

	<i>Note</i>	<i>Estimated Net Book Value \$ million</i>	<i>Estimated Forced Liquidation \$ million</i>
<b>Assets</b>			
Cash		-	-
Accounts receivable: <i>arms-length parties</i>	1	0.3	0.08
Inventory: <i>Original cost</i>	2	0.7	0.31
Fixed Assets: <i>Office equipment &amp; furniture</i>		-	-
Fixed Assets: <i>vehicles</i>	3	0.1	0.01
<b>Total Assets</b>		<b>1.1</b>	<b>0.40</b>
<b>Liabilities</b>			
Accounts Payable	4	(0.8)	(0.80)
Bank of Montreal	5	(2.5)	-
<b>Total Third-Party Liabilities</b>		<b>(3.3)</b>	<b>(0.80)</b>
<b>Non-Arms-Length Accounts</b>			
Accounts receivable <i>related entities</i>	6	12.9	-
Amounts owing - <i>to Hei Long Jiang, supplier</i>		(21.2)	-
Amount owing - <i>to Owner</i>		(1.2)	-
<b>Net amount owing - to Non-Arms-Length Parties</b>		<b>(9.5)</b>	<b>-</b>
<b>Shareholder's Equity:</b>			
Deficit		<b>11.7</b>	<b>0.40</b>
	7	-	-

#### **Notes**

1. Accounts receivable total \$280,000 approximately \$200,000 relates to the pre-NOI period and is considered non-recoverable in a forced liquidation.
2. As of March 26, 2018, Wiston had inventory, which had a historic cost of approximately \$1.4 million. On a forced sale liquidation basis, the estimated realizable value declines to approximately \$311,000.
3. Vehicles include a leased forklift truck, a van, car and four other older vehicles with a total net book value of approximately \$100,000. The Trustee has not completed a realization value analysis for each asset in this category.
4. As summarized in the Table below, there are accounts payable and accrued liabilities of approximately \$780,000 as at August 31, 2018 comprising:
  - a. Pre-filing NOI liabilities of \$434,000:
    - i. accounts payable as of March 26, 2018 of \$367,000, including \$275,000 owing to the Canada Revenue Agency (CRA), and \$92,000 owing to trade creditors;

- ii. Pre-filing customer accounts in credit balance for credit notes issued by Wiston totaling \$67,000 – note these creditors were inadvertently not included in the original filing of the NOI;
- b. Post-filing NOI liabilities of approximately \$346,000 including \$79,000 to CRA in respect of arrears payroll remittances, \$46,000 to CRA for unpaid GST, and an estimate of \$188,000 for professional service fees for Wiston’s legal counsel and the Proposal Trustee and its legal counsel;

	CRA (GST)	CRA (Payroll)	Trade Creditors	Employee Vacation	Legal & Trustee	Total
Pre-Filing NOI	50,000	225,000	92,000			367,000
Pre-Filing Customers in Credit			67,000			67,000
Post Filing NOI	46,000	79,000	16,000		188,000	329,000
Employee Vacation Pay				17,000		17,000
<b>Total</b>	<b>96,000</b>	<b>304,000</b>	<b>175,000</b>	<b>17,000</b>	<b>188,000</b>	<b>780,000</b>

- 5. BMO has entered into an agreement with the Owner, whereby BMO will be repaid amounts owing by Wiston of approximately \$2.5 million directly through other security interests it holds from the Owner. Accordingly, this liability is excluded from the Proposal.
- 6. Accounts receivable from the following non-arms-length entities (collectively the “**Related Entities**”) of \$12.9 million comprises:

	Total \$
Viceroy group	5,575,000
Besco group	5,797,000
Other companies	1,588,000
<b>Total</b>	<b>12,960,000</b>

Viceroy: Viceroy Construction Ltd., is the construction division of Viceroy Homes Ltd. Viceroy Construction Ltd., is involved in a lawsuit to collect \$20 million from Hillview Condo Corporation (the “**Hillview Action**”), relating to the Hillview Condominium complex of 214 townhomes in Abasand, Alberta. This complex burned down in the wildfires of the summer of 2016 and Viceroy Construction Ltd., was selected to rebuild these condominiums in October 2016. However, in August 2017, the Hillview Condo Corporation terminated the contract with Viceroy. The lawsuit by Viceroy is seeking payment for services provided pursuant to the contract and singularly was the most important reason for Wiston’s insolvency since Viceroy had no ability to repay Wiston once its cash flow was stalled. The amounts owing by Viceroy to Wiston have arisen from prior advances by Wiston to support the capital expansion and operating needs of Viceroy.

The Besco group of companies (“**Besco**”) acquired certain assets of Viceroy in Port Hope, Ontario from the previous owners of Viceroy who were insolvent. Consideration for the acquisition included the assumption of certain of Viceroy’s liabilities to Wiston. These liabilities had arisen due to earlier advances by Wiston in support of the capital expansion and operating needs of Viceroy. Besco’s cash flow was also negatively affected by the Hillview Action.

Wiston’s Owner has advised the Proposal Trustee, that Wiston eventually expects to be fully repaid all amounts owing by Viceroy and Besco from the future cash flow from operations of both groups. The Proposal Trustee has not had the time to undertake an analysis of the estimated recoverable amount from the Related Entities in a forced liquidation of Wiston in the event of a bankruptcy. Both Viceroy and Besco are dependent on the success of Viceroy in the Hillview Action.

- 7. The liquidation costs in a forced liquidation if one were to occur are estimated at \$180-200,000.

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

Original  Amended

\_Form 76\_  
 Statement of Affairs (Business Proposal) made by an entity  
 (Subsection 49(2) and Paragraph 153(d) of the Act / Subsections 50(2) and 62(1) of the Act)

In the matter of the Notice of Intention to make a Proposal of  
 Wiston International Trade Co. Ltd.  
 of the City of Richmond  
 in the Province of British Columbia

To the debtor:

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 filing of your proposal (or notice of intention, if applicable), on the 26th day of March 2018. 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" .....	29,705,251.69	1. Inventory .....	1,500,000.00
Balance of secured claims as per list "B" .....	1,181.00	2. Trade fixtures, etc. ....	1.00
Total unsecured creditors .....	29,705,432.69	3. Accounts receivable and other receivables, as per list "E"	
2. Secured creditors as per list "B" .....	2,616,974.95	Good .....	360,039.00
3. Preferred creditors as per list "C" .....	1,120.39	Doubtful .....	0.00
4. Contingent, trust claims or other liabilities as per list "D" estimated to be reclaimable for .....	0.00	Bad .....	0.00
Total liabilities .....	32,324,528.04	Estimated to produce .....	360,039.00
Surplus .....	NIL	4. Bills of exchange, promissory note, etc., as per list "F" ...	0.00
		5. Deposits in financial institutions .....	0.00
		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 .....	44,500.00
		15. Other property, as per list "H" .....	14,180,433.00
		If debtor is a corporation, add:	
		Amount of subscribed capital .....	100.00
		Amount paid on capital .....	100.00
		Balance subscribed and unpaid .....	0.00
		Estimated to produce .....	0.00
		Total assets .....	16,094,976.00
		Deficiency .....	16,229,550.04

I, Huiqiang Sun, of the city of Vancouver in the Province of British Columbia, 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 26th day of March 2018 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 Markham in the Province of Ontario, on this 14th day of September 2018.

David Ho Yin Lam, Barrister & Solicitor, Notary Public, Commissioner for Taking Affidavits For the Province of Ontario  
 My commission does not expire.

**DAVID LAM**

**Barrister and Solicitor  
 Notary Public**

625 Cochrane Drive, Suite 102  
 Markham, ON L3R 9R9 Canada  
 T: (905) 604-8600 ■ F: (905) 470-7056  
 davidlam@davidlam.ca



*Huiqiang Sun*

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

FORM 76 - Continued

List "A"  
 Unsecured Creditors

Vision International Trade Co. Ltd.

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
1	407 ETR 718398830	West 6300 Steeles Ave Woodbridge ON L4H 1J1	1,932.97	0.00	1,932.97
2	7400 Victoria Park Avenue Joint Venture Lease	Unit 1 7400 Victoria Park Avenue Markham ON L3R 2V4	0.00	0.00	0.00
3	Ace Cleaning Services	Unit 3 16 Annapearl Court Toronto ON M2N 4H5	3,490.62	0.00	3,490.62
4	Ascendon Law	2300-1056 West Hastings St Vancouver BC V6E 3C2	21,011.90	0.00	21,011.90
5	Azeem Amirali Miha	115 Yale Lane MACKHAM ON L6B 1G5	3,149.54	0.00	3,149.54
6	B.U.K. Investments Ltd	550-999 West Hastings St Vancouver BC V6C 2N2	0.00	0.00	0.00
7	BC Hydro	333 Dunsmuir St Vancouver BC V6J 5R3	126.92	0.00	126.92
8	Bill Roof	58 Raffick Lane Toronto ON M5A 0G5	5,015.50	0.00	5,015.50
9	Blue Book Services Inc. 261041	845 E. Geneva Rd Carol Stream IL 60188-3520 USA	95.00	0.00	95.00
10	Cenada Brightway Shipping Ltd.	563 Ebury Place Delta BC V3M 6M8	26,354.44	0.00	26,354.44
11	Canadian Springs 700088829	PO.BOX 4514 STN A Toronto ON M5W 4L7	72.95	0.00	72.95
12	Catherine Wilkins Wages	145-200 Westhill Place Port Moody BC V3H 1V2	7,716.30	0.00	7,716.30
13	CCW	604 West Broadway Vancouver BC V5Z 1G2	0.00	0.00	0.00
14	ConstructConnect Company	30 Technology Parkway South, Suite 100 Norcross GA 30093 USA	193.38	0.00	193.38
15	CRA 825784895RT0001	Pacific Insolvency Intake Ctr. 8755 King George Blvd, Surrey BC V3T 5E1	30,768.00	0.00	30,768.00
16	CSA Transportation	355 Homer Ave Toronto ON M8W 1Z7	377.80	0.00	377.80
17	Curtis Yoshimi Sasaki Expenses	488 - 47th Avenue Delta BC V4K 1P6	50.00	0.00	50.00
18	Curtis Yoshimi Sasaki Wages	488 - 47th Ave Delta BC V4K 1P6	189.99	0.00	189.99
19	Dennis Patenaude	95 Evansbrooke Manor Calgary AB T3P 1C9	1,841.89	0.00	1,841.89
20	Dong Hong Lian	12231 Jensen Drive Richmond BC V6V 2R8	2,853.61	0.00	2,853.61
21	Elavon 8027255838	4576 Yonge Street, Suite 200 Toronto ON M2N 5N4	431.62	0.00	431.62
22	Enbridge 910024245105	500 Consumers Road North York ON M2J 1P8	3,315.37	0.00	3,315.37
23	Equifax Inc	Box 190 Jean Talon Station Montreal QC H1S 2Z2	5,407.50	0.00	5,407.50

14-Sep-2018

Date



District of: British Columbia  
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FORM 76 - Continued

List 'A'  
 Unsecured Creditors

Wslon International Trade Co. Ltd.

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
24	Fastenal	900 Wasbanaki Drive Kitchener ON N2C 0B7	527.22	0.00	527.22
25	Fedex	Lookbox #16830 PO Box 9100 STN F Toronto ON M4Y 3A5	212.00	0.00	212.00
26	First Insurance	Suite 700 - 20 Toronto Street Toronto ON M5C 2B8	607.97	0.00	607.97
27	Fortis BC	16705 Fraser Highway Surrey BC V4N 0E6	2,609.83	0.00	2,609.83
28	GML Law Corporation Attn: Gina Lupino Trademark dispute	Suite 2300 1066 West Hastings Street Vancouver BC V6E 3X2	250.00	0.00	250.00
29	Gore Mutual Insurance Company 689897	8216 Granville St Vancouver BC V6P 4Z4	95.80	0.00	95.80
30	HBC Contractor Inc.	7585 Hamett Road Ottawa ON K0A 2T0	12,571.25	0.00	12,571.25
31	Heilongjiang Far East Wood Co.	ChangJiang Road, NanGang District Harbin // China	27,946,400.00	0.00	27,946,400.00
32	Huigang (Andrew) Sun	1922 - 44th Avenue Vancouver BC V6M 2E7	1,522,725.00	0.00	1,522,725.00
33	ICBC Insurance	151 West Esplanade North Vancouver BC V7M 3H9?	2,722.65	0.00	2,722.65
34	Jamie Slogan	Unit 208 - 2950 King George BLV Surrey BC V4P 0E5	3,657.41	0.00	3,657.41
35	Jing Guo	958 Laurel Crt Coquitlam BC V3C 5M1	814.69	0.00	814.69
36	Junker & Nakachi	Suite 2525-999 Third Avenue Seattle WA 98104 USA	3,482.95	0.00	3,482.95
37	Manulife	500 King Street North Waterloo ON N2J 4C6	3,349.15	0.00	3,349.15
38	Meridian OneCap	Suite 1500-4710 Kingsway Burnaby BC V5H 4M2	0.00	1,181.00	1,181.00
39	Meridian OneCap Credit Card	1500, 4710 Kingsway Burnaby BC V5H 4M2	1.00	0.00	1.00
40	Milestone	1600 Steeles Ave West Concord ON L4K 4M2	16,030.48	0.00	16,030.48
41	Miller Waste Solutions Group Attn: Michael Luongo	8050 Woodbine Avenue Markham ON L3R 2N8	541.59	0.00	541.59
42	Moore A Reid Expenses	120 - 4611 Viking Way Vancouver BC V6V 2K9	109.95	0.00	109.95
43	Moore A Reid Wages	120 - 4611 Viking Way Richmond BC V6V 2K9	2,452.52	0.00	2,452.52
44	Net firm	Burns Fitzpatrick LLP #1400, 510 Burnard Street Vancouver BC V6C 3A8	9.95	0.00	9.95
45	North American Receivable Management Services	Suite 101-7171 Jean-Talbot Montreal QC H1M 3N2	89.05	0.00	89.05
46	Nusrath Abdul Haq	721 Caboto Trail Markham ON L3R 5W1	1,707.84	0.00	1,707.84

14-Sep-2018

Date

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FORM 78 - Continued

List "A"  
 Unsecured Creditors

Wiston International Trade Co. Ltd.

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
47	OOCL (OOCU6539290)	703 Evans Ave, Suite 300 Toronto ON M9C 5E9	11,650.00	0.00	11,650.00
48	Pacific Coast Warehousing Ltd.	130-2351 No. 6 Rd Richmond BC V6V 1P3	189.82	0.00	189.82
49	Power Stream 9430414401	7400 Victoria Park Ave, unit 5 Markham ON L3R 2V4	2,427.24	0.00	2,427.24
50	Redwoods Golf Course Ltd BC Prov Court #S2306	22011 88 Ave Langley Twp BC V1M 3S8	15,076.71	0.00	15,076.71
51	Revolution Resource 49255	18500 56th Ave Surrey BC V3S 6K4	385.33	0.00	388.33
62	Richard Sisk	21505 - 87B Ave. Langley BC V1M 2E6	12,163.94	0.00	12,163.94
53	Ricoch	P.O. Box 603 Streetsville RPO Mississauga ON L5M 0M5	303.82	0.00	303.82
54	Rogers	PO BOX 8878 STN Terminal Vancouver BC V6B 0H6	2,344.53	0.00	2,344.53
55	Rogers 694976697	PO BOX 8878 STN Terminal Vancouver BC V6B 0H6	6,718.37	0.00	6,718.37
56	Roland Thoma	3180 Settlement Trail London ON N6P 1V4	2,015.04	0.00	2,015.04
57	Service Ontario	PO Box 9200 Kingston ON K7L 5K4	248.00	0.00	248.00
58	Shaw Cable 014-1983-0090	PO Box 2468 Stn Main Calgary AB T2P 4Y2	203.74	0.00	203.74
59	Snap Premium Finance	534 Cambie St Vancouver BC V6B 2N7	1,144.27	0.00	1,144.27
60	TELUS 2382604388	PO BOX 13101 STN Terminal Vancouver BC V6B 5X9	637.91	0.00	637.91
61	The Rosedale Group	6845 Invader Cres Mississauga ON L5T 2B7	293.80	0.00	293.80
62	Unfiled Floors Attn: Katherine Englund	104 - 2520 Bowen Road Nanaimo BC V9T 3L3	8,030.00	0.00	8,030.00
63	Vicken Isenboulian	46 Adelene Crl SL Catherines BC L2T 3C8	3,678.62	0.00	3,678.62
64	Worksafe BC	PO Box 6350 Richmond BC V6B 5L5	0.00	0.00	0.00
65	Yus Wang	1033 Stonehaven Ave Newmarket ON L3X 1M5	1,925.93	0.00	1,925.93
Total:			29,705,251.69	1,181.00	29,706,432.69

14-Sep-2018

Date

  
 Hui Feng Sun





District of: British Columbia  
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FORM 78 - Continued

List "B"  
 Secured Creditors

Wiston International Trade Co. Ltd.

No.	Name of creditor	Address	Amount of claim	Particulars of security	When given	Estimated value of security	Estimated surplus from security	Balance of claim
5	Ford Credit 1FTNE2EW8EDA38172	P.O.Box 4600 S7H Agincourt Scarborough ON M1S 5V2	2,413.92	Motor Vehicles - Automobile - 2014 - Ford - E250 - 1FTNE2EW8EDA38172	24-Aug-2015	2,413.92		
6	Meridian OneCap	Suite 1500-4710 Kingsway Burnaby BC V5H 4M2	1,181.00	Business Assets - Machinery - Clark CS05 Forklift VIN #P455L00189935KF	02-Nov-2017	0.00		1,181.00
<b>Total:</b>			<b>2,616,165.96</b>			<b>2,616,974.92</b>	<b>11,978,032.04</b>	<b>1,181.00</b>

14-Sep-2018

Date

  
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District of: British Columbia  
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FORM 78 - Continued

List 'C'  
 Preferred Creditors for Wages, Rent, etc.

Wiston International Trade Co. Ltd.

No.	Name of creditor	Address and occupation	Nature of claim	Period during which claim accrued	Amount of claim	Amount payable in full	Difference ranking for dividend
1	BC Ministry of Finance	PO Box 9046 Stn Prov Govt Victoria BC V6W 9E2			1,120.35	0.00	1,120.35
Total:					1,120.35	0.00	1,120.35

14-Sep-2016

Date

  
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District of: British Columbia  
Division No. 03 - Vancouver  
Court No. 11-254119  
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FORM 78 - Continued

List "D"  
Contingent or Other Liabilities

Wilson International Trade Co. Ltd

No.	Name of creditor or claimant	Address and occupation	Amount of liability or claim	Amount expected to rank for dividend	Date when liability incurred	Nature of liability
Total:			0.00	0.00		

14-Sep-2018

Date

  
Hugo Sun

District of: British Columbia  
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FORM 78 - Continued

List "E"  
 Debts Due to the Debtor

Wiston International Trade Co. Ltd.

No.	Name of debtor	Address and occupation	Nature of debt	Amount of debt (good, doubtful, bad)	Folio of ledgers or other book where particulars to be found	When contracted	Estimated to produce	Particulars of any securities held for debt
1	Accounts Receivables	// //	Accounts Receivables	360,039.00 0.00 0.00		26-Mar-2016	350,039.00	//
Total:				360,039.00 0.00 0.00			350,039.00	

14-Sep-2018

Date

  
 Huang Sun

District of: British Columbia  
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FORM 78 - Continued

List "F"

Bills of Exchange, Promissory Notes, Lien Notes, Chattel  
Mortgages, etc., Available as Assets

Wiston International Trade Co. Ltd.

No.	Name of all promissory, acceptors, endorsers, mortgagors, and guarantors	Address	Occupation	Amount of bill or note, etc.	Date when due	Estimated to produce	Particulars of any property held as security for payment of bill or note, etc.
Total:				0.00		0.00	

14-Sep-2018

Date

  
Huiying Sun

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

FORM 78 - Continued

List "G"  
Real Property or Immovables Owned by Debtor:  
Wision International Trade Co. Ltd

Description of property	Nature of debtor interest	In whose name does title stand	Total value	Particulars of mortgages, hypothecs, or other encumbrances (name, address, amount)	Equity or surplus
			Total:	0.00	0.00

14-Sep-2018

Date

  
Margaret Sun

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

FORM 76 - Concluded

List "H"  
 Property

Wislon International Trade Co. Ltd

FULL STATEMENT OF PROPERTY

Nature of property	Location	Details of property	Original cost	Estimated to produce
(a) Stock-in-trade		Flooring	0.00	1,500,000.00
(b) Trade fixtures, etc.			0.00	1.00
(c) Cash in financial institutions			0.00	0.00
(d) Cash on hand			0.00	0.00
(e) Livestock			0.00	0.00
(f) Machinery, equipment and plant		2008 Toyota Forklift VIN 64462 2010 Forklift Clark CS35 Forklift VIN #P455LD0189335KF 2010 Forklift VIN #7FBC425	0.00 0.00 0.00 0.00	0.00 0.00 0.00 0.00
(g) Furniture			0.00	0.00
(h) Life insurance policies, RRSPs, etc.			0.00	0.00
(i) Securities			0.00	0.00
(j) Interests under wills, etc.			0.00	0.00
(k) Vehicles		Automobile - 2014 - Ford - E250 - 1FTNE2EW8EDA39172 Automobile - 2015 - Ford - F150 - 1FTFW1EGXFFC17050 Automobile - 2015 - Ford - F150 - 1FTFW1EGZFFC00901 Automobile - 2012 - Mercedes Benz Automobile - 2011 - Jeep - Wrangler - 1J4BA6D12BL623550 Automobile - 2011 - Chrysler - 2K4RR6D3SER676601	0.00 0.00 0.00 0.00 0.00 0.00	14,500.00 15,000.00 15,000.00 0.00 0.00 0.00
(l) Taxes			0.00	0.00
(m) Other		Bank Debts - Investments Receivables	0.00	14,190,433.00
			<b>Total:</b>	<b>15,734,933.00</b>

14-Sep-2018

Date





District of: British Columbia  
Division No. 03 - Vancouver  
Court No. B-180261  
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 Proposal 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 proposal 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 proposal, namely the 26th day of March 2018, 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.

## Checklist for Proof of Claim

This checklist is provided to assist you in preparing the proof of claim form and, if appropriate the proxy form in a complete and accurate manner. Please check each requirement. If you wish assistance, contact G-Powroznik Group Inc., Licensed Insolvency Trustee, at 778-370-0003 or mail@g-forcegroup.ca

### General

- The proof of claim must be signed by the individual completing the declaration.
- The signature of a witness is required.
- Provide the complete address where all our responses are to be sent along with your phone no., fax no., and email address.
- At any meeting of creditors, a creditor may vote in person or by proxy (see below Notes for Proxy Completion) if a properly completed proof of claim has been filed with the Trustee prior to the time appointed for the meeting.
- A creditor who wishes to participate in any distribution from an estate must have filed a proof of claim prior to the declaration of the distribution by the Trustee or Administrator.
- If the bankrupt is an individual, you may check the box at the bottom of the proof of claim form to request the trustee provide to you, when prepared, a copy of the Report of Trustee on Bankrupt's Application for Discharge.

### Paragraph 1

- The creditor must state its full and complete legal name whether an individual, company or firm.
- If the individual completing the form is an employee or representative of the creditor, the individual's position or title must be stated.

### Paragraph 3

- The amount owing must be stated. A detailed statement of account must be attached to the proof of claim and marked "Schedule A" and must show the date, number and amount of all invoices or charges, together with the date, number and amount of all credits or payments. The amount on Schedule "A" must correspond to the amount stated on the proof of claim.

### Paragraph 4

- Paragraph A applies to unsecured claims, both ordinary and preferred. In addition to stating the amount of the claim, you must select whether the claim has preferred status pursuant to section 136 of the *Bankruptcy and Insolvency Act* and, if so, indicate the appropriate paragraph under section 178.
- Paragraph B applies to secured claims. Please indicate the dollar value of the security held as collateral and attach a copy of the security document. In addition, please attach copies of security registration documents.

### Paragraph 5

- Indicate if the creditor is related to the debtor as defined in section 4 of the *Bankruptcy and Insolvency Act*, or if you dealt with the debtor in a non-arm's-length manner. Circle, cross-out and / or fill in the paragraph to complete this paragraph.

### Paragraph 6

- You must attach a detailed list of all payments or credits received or granted as follows:
  - (a) within the three (3) months preceding the initial bankruptcy event (including the bankruptcy or the proposal);
  - (b) within the twelve (12) months preceding the initial bankruptcy event (including the bankruptcy or the proposal) in the case where the claimant and the debtor were not dealing at arm's length.

## Notes for Proxy Completion

A proxy is necessary for every claimant to be properly represented at creditors' meetings except a claimant who is an individual and attends the creditors' meeting in person.

If an individual wishes to be present at a meeting and represent someone else (for example, another individual, a corporation, or a firm) then a properly executed proxy must be filed with the trustee (in person, by fax or by email) prior to the vote at the meeting of creditors.

District of: British Columbia  
Division No. 03 - Vancouver  
Court No. B-180261  
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 Proposal 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

District of: British Columbia  
Division No. 03 - Vancouver  
Court No. B-180261  
Estate No. 11-254119

FORM 37

Voting Letter  
(Paragraph 51(1)(f) of the Act)

In the Matter of the Proposal of  
Wiston International Trade Co. Ltd.  
of the city of Richmond  
in the Province of British Columbia

I, \_\_\_\_\_, creditor (or I, \_\_\_\_\_, representative  
of \_\_\_\_\_, creditor), of \_\_\_\_\_, a creditor in the above matter  
for the sum of \$ \_\_\_\_\_, hereby request the trustee acting with respect to the proposal of Wiston  
International Trade Co. Ltd., to record my vote \_\_\_\_\_ (for or against) the acceptance of the  
proposal as made on the 14th day of September 2018.

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  
Per:

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