

RICHTER

District of: ON
Division No.09-Toronto
Court No. BK-22-02585038-0031
Estate No. 31-2585038

Notice of Final Dividend and Application for Discharge of Trustee (Paragraph 152(5)(c), Rule 61)

**In the matter of the bankruptcy of
1784045 Ontario Ltd.
of the City of Toronto
in the Province of Ontario**

Take notice that:

1. A final dividend sheet has been prepared. Enclosed with this form is a copy of the final statement of receipts and disbursements as taxed by the Court.
2. Notice of objection to the final statement and dividend sheet must be filed with the Registrar, at the Superior Court of Justice – Toronto, 330 University Avenue, 9th Floor, Toronto, ON, Canada, M5G 1R7, before July 20, 2023, and a copy of the notice served on the undersigned. The notice must state the reasons for the objection.
3. We will apply to the Court on August 21, 2023, or so soon thereafter as the motion can be heard, for an order of discharge with respect to the above-mentioned estate and for the release of any security provided pursuant to subsection 16(1) of the *Bankruptcy and Insolvency Act*.
4. Notice of objection to the discharge, setting out the reasons for opposition, must be filed with the Registrar, at the Superior Court of Justice – Toronto, 330 University Avenue, 9th Floor, Toronto, ON, Canada, M5G 1R7, at least five days before the date of the hearing, and a copy of the notice must be served on the undersigned within those five days.

Dated at Toronto, in the Province of Ontario, this 5th day of July 2023.

Richter Inc. (formerly Richter Advisory Group Inc.)
Licensed Insolvency Trustee
of the Estate of 1784045 Ontario Ltd.

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Richter Inc.
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District of Ontario
 Division No. 09 - Toronto
 Court No. 31-2585038
 Estate No. 31-2585038

DIVIDEND SHEET
 In the matter of the Bankruptcy of
 1784045 Ontario Ltd.
 of the City of Toronto
 in the Province of Ontario

Date declared: October 27, 2021

	Claim \$	Total		Interim Payment \$	Current			
		Dividend \$	Levy \$		Payment \$	Dividend \$	Levy \$	Payment \$
Unsecured								
Dieter Eisbrenner	280,000.00	146,913.23	7,345.66	139,567.57	0.00	146,913.23	7,345.66	139,567.57
Expensave Canada Inc	280,000.00	146,913.22	7,345.66	139,567.56	0.00	146,913.22	7,345.66	139,567.56
MINISTRY OF FINANCE	124.20	65.17	3.26	61.91	0.00	65.17	3.26	61.91
Total:	560,124.20	293,891.62	14,694.58	279,197.04	0.00	293,891.62	14,694.58	279,197.04
Grand Totals:	560,124.20	293,891.62	14,694.58	279,197.04	0.00	293,891.62	14,694.58	279,197.04

IN THE MATTER OF THE BANKRUPTCY OF
1784045 Ontario Ltd.
of the City of Toronto
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TRUSTEE'S FINAL STATEMENT OF RECEIPTS AND DISBURSEMENTS

RECEIPTS

1. Corporate income tax refund		210,424.35
2. Funds transferred from Fogler Rubinoff LLP		136,039.76
3. Funds transferred from Necpal Litigation Professional Corporation		58,916.42
4. Interest		3,201.86

TOTAL RECEIPTS

\$ 408,582.39

DISBURSEMENTS

4. Fees paid		
a) Bankruptcy filing fee	150.00	
b) Court (discharge) fee	150.00	300.00
5. Notice of first meeting of creditors		
a) Notice (photocopies)	67.50	
b) Postage	49.95	
c) Newspaper advertisement	733.85	
d) GST/HST paid	110.67	961.97
6. Section 149 Notice		
a) Postage	31.92	
b) GST/HST paid	4.15	36.07
7. Notice of Trustee Application for Discharge		
a) Notice (photocopies)	27.00	
b) Postage	28.35	
c) GST/HST paid	7.20	62.55
8. General Administration		
a) Preparation of corporate taxes - RSM Canada LLP fees	7,350.00	
b) Inspector fees	200.00	
c) Bank fees	142.02	
d) GST/HST paid	955.50	8,647.52
9. Trustee (Richter Advisory Group Inc.)		
a) Invoiced fees	56,586.25	
b) HST	7,356.21	63,942.46
10. Trustee's Counsel (Aird & Berlis LLP)		
a) Invoiced fees and disbursements	36,059.00	
b) HST	4,681.20	40,740.20

TOTAL DISBURSEMENTS

\$ 114,690.77

AMOUNT AVAILABLE FOR DISTRIBUTION

\$ 293,891.62

DISTRIBUTIONS

Levy payable under Section 147	14,694.58	
Unsecured creditors (admitted claims: \$560,124.20)	279,197.04	<u>\$ 293,891.62</u>

IN THE MATTER OF THE BANKRUPTCY OF
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TRUSTEE'S FINAL STATEMENT OF RECEIPTS AND DISBURSEMENTS (continued)

- Note 1: 1784045 Ontario Ltd (the "Company") is a privately held corporation, which previously operated under the names Definitive Consulting Services Ltd. and Brendan Moore & Associates Ltd. The Company made an assignment in bankruptcy on November 19, 2019, and Richter Advisory Group Inc. was appointed as trustee of the Company's estate (in such capacity, the "Trustee"). The Trustee understands that the Company provided Canadian sales tax, customs duty and tax advisory services to companies across North America.
- Note 2: The Trustee understands that, after the Company experienced operating losses totalling approximately \$411,000 and \$180,000 in fiscal 2012 and 2013, respectively and after the Company considered its strategic options, the Company entered into an Asset Purchase Agreement dated September 4, 2014 (the "APA") with Ryan ULC (the "Purchaser") for the sale of substantially all of the Company's business and assets (the "Transaction"). The consideration for the Transaction included: (i) a lump sum payment on closing to satisfy the Company's obligations to its secured creditors and unsecured trade creditors; (ii) additional payments of up to \$1,750,000 due upon the achievement of certain post-closing revenue milestones; and (iii) the assumption of certain of the Company's liabilities by the Purchaser (the "Assumed Liabilities").
- Note 3: As the Transaction was concluded prior to the repeal of the Bulk Sales Act (Ontario) (the "BSA"), it was necessary that the Transaction comply with the BSA, which required that all unsecured trade creditors (as defined in the BSA) be paid, in full, the amounts owed to them by the Company.
- Note 4: Following the closing of the Transaction, the Trustee understands that the Company existed as a dormant entity with no operations or employees.
- Note 5: Prior to the closing of the Transaction, the Company was the named defendant in several legal proceedings (the "Litigation Claims"). Pursuant to the terms of the APA, the Litigation Claims were specifically excluded from the Assumed Liabilities acquired by the Purchaser. Following the closing of the Transaction, the Trustee understands that the Company continued to spend its limited remaining resources in defending or otherwise resolving the Litigation Claims.
- Note 6: As at the date of the Company's bankruptcy, the Trustee understands that the Company was the named defendant in three (3) separate legal proceedings and had limited assets (discussed further below) to continue defending or otherwise resolve these claims.
- Note 7: In the circumstances, the Trustee understands that the Company considered it appropriate to file an assignment in bankruptcy to facilitate the equitable distribution of its limited remaining assets among its proven creditors through the single proceeding model provided by the Bankruptcy and Insolvency Act (Canada) (the "BIA").
- Note 8: As detailed in the Company's Statement of Affairs, as at the date of bankruptcy, the Company's assets consisted of approximately \$195,000 held, in trust, at certain Toronto law firms, which funds are now in the possession of the Trustee.
- Note 9: Following the date of bankruptcy, and in consideration of (i) the Trustee's statutory duties with respect to filing outstanding tax returns and (ii) determining what, if any, corporate tax obligations the Company may have in respect of the Company's 2016 and 2017 tax years (which tax returns had not been filed), the Trustee, with the approval of the inspectors, engaged RSM Canada LLP, the Company's incumbent tax accountant, to prepare corporate tax returns for the tax years ended December 31, 2016, 2017 and 2018 and November 18, 2019 (collectively, the "Outstanding Returns"). Following the filing of the Outstanding Returns, Canada Revenue Agency ("CRA" issued notices of assessment/reassessment in respect of the tax years ended December 31, 2014, December 31, 2016, December 31, 2017, December 31, 2018 and November 18, 2019, which indicated, among other things, that the Company was owed an income tax refund of \$210,424.35 (the "Refund"). CRA has since paid the Refund to the Trustee.
- Note 10: In consideration for consenting to act in the Company's bankruptcy proceedings, Mr. C. Mathur, the sole director of the Company, has guaranteed payment of the Trustee's fees and disbursements, including the fees and disbursements of the Trustee's legal counsel, Aird & Beris LLP, to the maximum amount of \$100,000 should insufficient funds be available from the Company's estate.

Dated at Toronto, Ontario this 11th Day of November, 2021

Approved by:

Shahzad Siddiqui
Shahzad Siddiqui

Richter Advisory Group Inc.
Trustee

Adam Sherman signed September 13, 2022
Per: Adam Sherman, MBA, CIRP, LIT

Taxed at the sum of \$ 114,690.77 this 26th day of June, 2023

Ilchenko
Associate Justice

**ONTARIO
SUPERIOR COURT OF JUSTICE**

In the Matter of the Bankruptcy of

1784045 Ontario Inc.

**of the City of Toronto
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RECIEPTS AND DISBURSEMENTS

RICHTER INC. (formerly Richter Advisory Group Inc.)

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