

Court No. 31-2610052
Estate No. 31-2610052

**ONTARIO
SUPERIOR COURT OF JUSTICE
IN BANKRUPTCY AND INSOLVENCY**

IN THE MATTER OF THE BANKRUPTCY OF
YUAN HUA (MIKE) WANG,
OF THE CITY OF MARKHAM, IN THE PROVINCE OF ONTARIO

**SECOND SUPPLEMENTARY REPORT OF TRUSTEE ON
BANKRUPT'S APPLICATION FOR DISCHARGE
(Subsection 170(1) of the Act)**

April 11, 2024

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Lawyers for KSV Restructuring Inc., solely
in its capacity as licensed insolvency trustee
of Yuan Hua (Mike) Wang, and not in its
personal capacity

**ONTARIO
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**SECOND SUPPLEMENTARY REPORT OF TRUSTEE ON BANKRUPT'S
APPLICATION FOR DISCHARGE**

INTRODUCTION

1. This report (the "**Second Supplemental Report**") is being filed by KSV Restructuring Inc. in its capacity as licensed insolvency trustee of Yuan Hua (Mike) Wang (in such capacity, the "**Trustee**") as a supplement to its report dated June 17, 2022 (the "**Section 170 Report**") and its supplementary report dated February 7, 2024 (the "**First Supplemental Report**").
2. This Second Supplemental Report is subject to the restrictions and qualifications set out in the Section 170 Report and the First Supplemental Report and should be read in conjunction with those reports.
3. Capitalized terms used but not defined below have the meanings ascribed to them in the Section 170 Report and the First Supplemental Report. All currency references in this Second Supplemental Report are in Canadian dollars.

PURPOSES OF THIS SUPPLEMENTAL REPORT

4. The purposes of this Second Supplemental Report are to address:
 - (a) developments since the date of the First Supplemental Report, including with respect to the Bankrupt's satisfaction of the conditions to discharge set out in the Order of the Honourable Associate Justice Ilchenko granted on February 28, 2024 (the "**Conditional Discharge Order**"); and

- (b) the Trustee's recommendation with respect to the discharge of the Bankrupt from bankruptcy in light of the Bankrupt's satisfaction of the conditions set out in the Conditional Discharge Order.

DEVELOPMENTS SINCE THE FIRST SUPPLEMENTAL REPORT

5. After delivering the First Supplemental Report in February 2024, the Trustee and Bankrupt attended at a discharge hearing before the Honourable Associate Justice Ilchenko on February 28, 2024 (the "**February 28 Hearing**").
6. At the February 28 Hearing, the Honourable Associate Justice Ilchenko granted the Conditional Discharge Order, which, among other things, required the Bankrupt to pay the all-inclusive sum of \$100,000 to the Trustee by March 28, 2024.
7. A copy of the Conditional Discharge Order is attached as **Appendix "A"** together with the Honourable Associate Justice Ilchenko's endorsement.
8. On March 25, 2024, counsel for the Bankrupt delivered a letter to counsel for the Trustee in which they advised that they were in receipt of \$100,000 from the Bankrupt, however, the funds would not clear their trust account in time for the deadline for payment under the Conditional Discharge Order. They advised that funds would clear by April 10, 2024. A copy of the letter from counsel for the Bankrupt to counsel for the Trustee dated March 25, 2024 is attached as **Appendix "B"**.
9. Given the circumstances, the parties sought to adjourn the comeback hearing from April 17, 2024 to April 30, 2024 to address the Bankrupt's satisfaction of the conditions under the Conditional Discharge Order, in order to provide the Trustee with adequate time following its receipt of funds to comply with its notice and reporting requirements under the *Bankruptcy and Insolvency Act*. A copy of the letter dated March 26, 2024 from counsel for the Bankrupt to the Honourable Associate Justice Ilchenko seeking the adjournment of the comeback hearing is attached as **Appendix "C"**.
10. On March 27, 2024, the Court adjourned the comeback hearing to April 30, 2024.
11. On April 11, 2024, the Trustee received the payment of \$100,000 from the Bankrupt.

12. The Bankrupt has now satisfied all the conditions to discharge under the Conditional Discharge Order, such that the Bankrupt may be discharged from bankruptcy.

RECOMMENDATION

13. In light of the foregoing, the Trustee respectfully recommends that the Bankrupt be discharged from bankruptcy.

Dated this 11th day of April, 2024

**KSV RESTRUCTURING INC., SOLELY
IN ITS CAPACITY AS LICENSED
INSOLVENCY TRUSTEE OF YUAN
HUA (MIKE) WANG AND NOT IN ITS
PERSONAL CAPACITY**

Per: 

David Sieradzki
Managing Director

Appendix “A”

**ONTARIO
SUPERIOR COURT OF JUSTICE
IN BANKRUPTCY AND INSOLVENCY**

IN THE MATTER OF the Bankruptcy of **YUAN HUA (MIKE) WANG**
of the City of Markham, in the Province of Ontario

ASSOCIATE JUSTICE ILCHENKO

)
)
)

WEDNESDAY, THE 28TH

DAY OF FEBRUARY, 2024

ORDER

THIS APPLICATION for discharge of the bankrupt, Yuan Hua (Mike) Wang, who filed an assignment on April 15th, 2020, came on for hearing this day at Toronto, Ontario.

ON READING the reports of the Trustee as to the bankrupt's conduct and affairs, and on reading evidence filed on behalf of the bankrupt, upon hearing the submissions of counsel for the said parties, and upon no party, including any creditor, appearing or otherwise objecting to the granting of this order,

WHEREAS proof has been made of certain facts under s. 173 of the *Bankruptcy and Insolvency Act*, including:

- (a) the assets of the bankrupt were not of a value equal to 50 cents on the dollar on the amount of his or her unsecured liabilities;

1. **THIS COURT ORDERS** that the bankrupt's discharge shall be conditional on the bankrupt paying the all-inclusive sum of CAD\$100,000 to the Trustee within the later of thirty (30) days from (a) the date of this Order or (b) March 28, 2024.

2. **THIS COURT ORDERS** that, in the event of a failure to meet the conditions of discharge as set out in paragraph 1, the bankrupt shall remain in bankruptcy for the full amount owing to creditors (less any amounts that may have been paid under paragraph 1).

3. **THIS COURT ORDERS** that no costs shall be awarded as a result of this discharge hearing.

A handwritten signature in black ink, consisting of a series of connected loops and a long horizontal stroke at the end, positioned above a horizontal line.

ASSOCIATE JUSTICE ILCHENKO

**ONTARIO
SUPERIOR COURT OF JUSTICE
BANKRUPTCY AND INSOLVENCY**

**IN THE MATTER OF THE BANKRUPTCY
OF YUAN HUA (MIKE) WANG of the
City of Markham, in the Province of Ontario**

ORDER

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Lawyers for the Bankrupt, Yuan Hua (Mike) Wang

February 10, 2022

Adjourned for counsel to file a Special Appointment Request form with the Bankruptcy Court Office and to schedule a Case Conference before me to determine the timetable and hearing date for this Discharge, particularly given the possibility that there will be numerous opposing creditors.



ASSOCIATE JUSTICE ILCHENKO

May 3, 2022

M. Abramowitz and P. Yang for Bankrupt

J. Blinick for Trustee

D. Sieradzki, LIT, Trustee, appearing

Counsel have agreed that the Trustee will provide its Supplementary s.170 Report to Counsel for the Bankrupt by June 17, 2022 so that the Bankrupt can review and discuss with counsel for the Trustee how and on what grounds the Discharge can proceed and what responding documentation will be required.

A further 9:30 Case Conference will be held before me on July 20th before my Zoom discharge list to discuss time estimates, further materials required and procedure for the discharge hearing, including whether this will proceed as an in-person hearing.



ASSOCIATE JUSTICE ILCHENKO

Estate File No.: 31-2610052

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**IN THE MATTER OF THE BANKRUPTCY OF
YUAN HUA (MIKE) WANG,
OF THE CITY OF MARKHAM, IN THE
PROVINCE OF ONTARIO**

**SUPPORTING DOCUMENTS RE: OPPOSITION
TO AUTOMATIC DISCHARGE OF FIRST-TIME
BANKRUPT**

**KSV RESTRUCTURING INC.
Licensed Insolvency Trustee
150 King Street West, Suite 2308
Toronto, ON M5H 1J9**

Contact: Catherine Theriault

T: 416-932-62018

F: 416-932-6266

ctheriault@ksvadvisory.com

July 20, 2022

ALEX FERNET BROCHU for Bankrupt

JOSEPH BLINICK for Trustee

DAVID SIERADZKI, LIT also appearing for Trustee

After reading the Case Conference Memorandum of the Bankrupt, the Responding Case Conference Brief of the Trustee, and exhibits thereto, including the Transcript of the s.163 examination of the Bankrupt, and ensuing correspondence between counsel, and taking into account the submissions of the Trustee on the instructions that have been provided to the Trustee on the Discharge, I do not think that this discharge will require over 59 minutes to be heard.

As I advised counsel for the Bankrupt, the biggest time saver will be the provision of the Bankrupt's in chief evidence by way of affidavit, which will both save time and deal with the issues that are created by translation.

I will remain seized of this discharge hearing as I have now read the materials filed to date, and this will avoid duplication of judicial effort.

If the Trustee and the Bankrupt achieve some concurrence as to appropriate discharge conditions, this discharge could be dealt with on the regular short discharge list before me.

If disagreement remains, then the discharge can be dealt with before me on any "Long Discharge" date for under 59 minutes, without further requirement for a Case Conference for a Special Appointment.

If both parties wish to have another case conference before me, to deal with scheduling or any other case management issues, I would be happy to accommodate them, but will not require the parties to return before me schedule a hearing. That can be done through the Bankruptcy Court office.



ASSOCIATE JUSTICE ILCHENKO

August 24, 2023

JOSEPH BLINICK for Trustee
INES FERREIRA for Bankrupt

Adjourned to a Case Conference before me

Given Ms. Brochu's unavailability, and AJ Rappos' conflict, **I will remain seized of this Matter.**

As Hainey, J's April 15, 2020 Endorsement makes numerous findings of fact and law directly relevant to discharge, I will have the parties come back on a Case Conference to determine how long this discharge should actually take, on dates that they advise they are all available on, in order to determine how long this hearing could actually take, and on what materials, as it appears the "Memorandum of Law" filed is problematic, given Hainey, J's findings.



ASSOCIATE JUSTICE ILCHENKO

October 5, 2023

ALEX FERNET BROCHU for Bankrupt
JOSEPH BLINICK for Trustee
DAVID SIERADZKI, LIT also appearing for Trustee

The Parties continue to discuss the issue, but in the Interim, it would be aided to set this Discharge hearing for a Long Discharge date in January **before me** for 59 minutes, as AJ Rappos is conflicted.

For the sake of being able to provide dates now that these parties will be available, I will set Thursday January 18th, 2024 as a Long Trustee and Creditor Opposed Discharge date for myself and that this 59 minute hearing will be heard by me on that date as one of the discharge hearings to be heard on that date.

In the interim, if parties agree on a Conditional Order, please have them advise the Bankruptcy Court Office and I will decide how to deal with the Matter.

Trustee will have to provide a short update Supplementary Report and given my prior comments the Bankrupt will have to provide revised materials on discharge that are responsive the Trustee's position and the findings of Hainey, J.



ASSOCIATE JUSTICE ILCHENKO

February 28, 2024

JOSEPH BLINICK for Trustee
DAVID SIERADZKI, LIT also appearing for Trustee
STEVEN KELLY for Bankrupt

As the Trustee, with the concurrence of the Inspectors, and the Bankrupt have agreed to the Terms of Discharge, and as the Inspectors represent a large majority of the Creditors of the Bankrupt, I have agreed to grant the Order of discharge on the following terms of discharge:

"That the bankrupt's discharge shall be conditional on the bankrupt paying the all-inclusive sum of CAD\$100,000 to the Trustee within the later of thirty (30) days from (a) the date of this Order or (b) March 28, 2024."

With respect to implementation, due to the complexity of the Estate and interrelationship with the Forme Group CCAA and Receiverships in Commercial List, I will hear the conditions met hearing for this Estate as a Case Conference before me on April 17, 2023 as a 9:30 Court hearing to issue the absolute Order of Discharge when the conditions are met.

If the Conditions are not met by March 28, 2024 I would ask that Trustee's Counsel email the Bankruptcy Court to advise that the Conditions Met hearing will not occur on April 17, 2024

A handwritten signature in black ink, consisting of a series of connected loops and a long horizontal stroke at the end.

ASSOCIATE JUSTICE ILCHENKO

Appendix “B”

Steven Kelly
Associate
D: 416-593-3904 F:
SKelly@blaney.com

March 25, 2024

VIA EMAIL

Mr. Joseph Blinick
Bennet Jones LLP
3400 One First Canadian Place
Toronto, ON, M5X 1A4

Dear Mr. Blinick:

**Re: Bankruptcy of Yuan Hua Wang - Estate File No.: 31-2610052
Payment of Discharge Funds**

As you are aware, we are counsel for the Bankrupt, Mr. Mike (Yuan Hua) Wang, in the above noted matter.

Per the Order of Justice Ilchenko dated February 28, 2024, Mr. Wang is required to pay \$100,000 to the Trustee in order to be discharged from bankruptcy.

Please be advised that Blaney McMurtry LLP is in receipt of the funds from the Bankrupt, however, due to being paid by credit card, the funds will not clear in time for the March 28, 2024, deadline.

In light of this fact, and due to this delay being no fault of the Bankrupt, we ask that an indulgence be granted, and that the Trustee permit the funds to be released as soon as they have cleared. This will occur on or about April 10, 2024.

I apologize for the inconvenience. Please feel free to contact me if you have any questions.

Yours very truly,

Blaney McMurtry LLP



Steven Kelly
SK/sk

Appendix “C”

Steven Kelly
Associate
D: 416-593-3904 F:
SKelly@blaney.com

March 26, 2024

VIA EMAIL and JSO PORTAL

The Honourable Mr. Associate Justice Ilchenko
Superior Court of Justice in Ontario
Bankruptcy Court Office
330 University Avenue, 9th Floor
Toronto, ON M5G 1R7

May It Please Your Honour:

**Re: Bankruptcy of Yuan Hua Wang – Estate File No.: 31-2610052
Payment of Discharge Funds**

We are counsel for the bankrupt, Yuan Hua (Mike) Wang, in the above noted matter. This letter is being submitted on behalf of Mr. Wang with the consent of counsel to KSV Restructuring Inc. in its capacity as Court-appointed Licensed Insolvency Trustee (in such capacity the "Trustee").

Pursuant to Your Honour's Order dated February 28, 2024, Mr. Wang's discharge from bankruptcy was contingent on the payment of \$100,000 to the Trustee by no later than March 28, 2024.

Blaney McMurtry LLP is in receipt of the funds from the Bankrupt, however, we have been advised by our bank that the funds will not clear in time for the March 28, 2024 deadline.

In light of this fact, we understand that the Trustee is willing to grant an indulgence permitting the funds to be released as soon as they have cleared. This will occur on or about April 10, 2024.

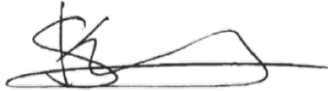
The Trustee's indulgence is contingent on a new return date being granted by the Court. At present, the parties are scheduled to return before Your Honour on April 17, 2024. Although the funds will have cleared by this time, and will have been transferred to the Trustee, this will not provide the Trustee adequate time to comply with its notice and reporting requirements under the *Bankruptcy and Insolvency Act*.

As such, we propose a new return date of April 30th, 2024, or at such later time as advised by this Honourable Court.

Should there be any additional information that the parties can provide that may be of assistance to the Court, please let us know and we will attend to it right away.

Yours very truly,

Blaney McMurtry LLP

A handwritten signature in black ink, appearing to be 'SK' followed by a long horizontal stroke.

Steven Kelly
SK/sk
Encl.

Copy: Sean Zweig and Joseph Blinick, Bennet Jones LLP (counsel for Trustee)

IN THE MATTER OF THE BANKRUPTCY OF YUAN HUA (MIKE) WANG
OF THE CITY OF MARKHAM, IN THE PROVINCE OF ONTARIO

Court No. 31-2610052
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ONTARIO
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PROCEEDING COMMENCED AT
TORONTO

SUPPLEMENTARY REPORT OF TRUSTEE ON
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(Subsection 170(1) of the Act)

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