

RICHTER

District of: ON
Division No. 12-Ottawa
Court No. BK-17-02276663-0J33
Estate No. 33-2276664

**Notice of Application for Discharge of Trustee
(Paragraph 152(5)(c), Rule 61)**

**In the matter of the Bankruptcy of
2469353 Ontario Inc. (formerly, Fuel Technologies Inc.)
of the City of Ottawa
in the Province of Ontario**

Take notice that:

1. There is enclosed with this form a copy of our final statement of receipts and disbursements, as taxed by the Court.
2. Notice of objection to the final statement must be filed with the Registrar at the Ontario Superior Court of Justice – Ottawa, 161 Elgin, 2nd Floor, Ottawa, ON, Canada, K2P 2K1, before June 24, 2025, 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 July 24, 2025, or so soon thereafter as the motion can be heard, for an order of discharge with respect to the above-mentioned estate and for a release of the security provided by us pursuant to subsection 16(1) of the 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 - Ottawa, 161 Elgin, 2nd Floor, Ottawa, ON, Canada, K2P 2K1, at least five days before the date of the hearing, and a copy of the notice must be served on us within those five days.

Dated at Toronto, Province of Ontario, this 9th day of June 2025.

Richter Inc.
(formerly Richter Advisory Group Inc.)
Licensed Insolvency Trustee
of the Estate of
2469353 Ontario Inc. (formerly, Fuel Technologies Inc.)

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SUPERIOR COURT OF JUSTICE
IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF THE BANKRUPTCY OF
2469353 Ontario Inc. (formerly, Fuel Technologies Inc.)
of the City of Ottawa
in the Province of Ontario

TRUSTEE'S FINAL STATEMENT OF RECEIPTS AND DISBURSEMENTS

RECEIPTS

1. Company payments pre-bankruptcy	\$ 95,175.09
2. Third party deposit	33,900.00
3. Interest income	1,855.51
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TOTAL RECEIPTS

130,930.60

DISBURSEMENTS

4. Fees paid		
a) NOI filing fee	150.00	
b) Court (Discharge) fee	150.00	300.00
5. Notice to Creditors of NOI Filing		
a) Photocopies	57.50	
b) Postage	217.07	
c) HST paid	35.69	310.26
6. Notice of First Meeting of Creditors		
a) Postage	20.35	
b) Advertisement	292.19	
c) HST paid	40.63	353.17
7. Notice of Trustee's Application for Discharge		
a) Photocopies	3.00	
b) Postage	2.76	
c) HST paid	0.75	6.51
8. General Administration		
a) Travel/Parking (consulting engagement)	694.31	
b) Miscellaneous (consulting engagement)	85.81	
c) Bank charges	345.00	
d) HST paid	101.42	1,226.54
9. Richer Inc. (formerly, Richter Advisory Group Inc.)		
a) Consulting fees	31,607.05	
b) HST on consulting fees	4,108.92	35,715.97
c) NOI fees	45,414.25	
d) HST on NOI fees	5,903.86	51,318.11
e) Bankruptcy fees	31,334.00	
f) HST on bankruptcy fees	4,073.43	35,407.43
10. Legal fees and disbursements		
a) Chaitons LLP	6,149.76	
b) HST on legal fees and disbursements	799.47	6,949.23
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TOTAL DISBURSEMENTS PAID FROM ESTATE FUNDS

131,587.20

SURPLUS/(SHORTFALL) TO ESTATE

\$ (656.60)

**IN THE MATTER OF THE BANKRUPTCY OF
2469353 Ontario Inc. (formerly, Fuel Technologies Inc.)
of the City of Ottawa
in the Province of Ontario**

TRUSTEE'S FINAL STATEMENT OF RECEIPTS AND DISBURSEMENTS (continued)

Notes:

- Note 1 :** 2469353 Ontario Inc. (formerly, Fuel Technologies Inc.) ("**Technologies**" or the "**Company**"), in cooperation with a related entity, Fuel Industries Inc. ("**Industries**" or together with Technologies, the "**Companies**") operated a full-service digital creative agency. The Trustee understands that Technologies did not carry on active business operations, as its assets consisted primarily of certain intellectual property and a share interest in an online gaming tournament service provider.
- Note 2 :** Although Technologies and Industries are distinct legal entities, they shared common management and back office support, occupied common head office space and were both liable under the Companies' credit facilities with their secured lenders – Chou Associates Management Inc. ("**Chou**") and Royal Bank of Canada ("**RBC**").
- Note 3 :** As a result of a number of factors, including changing market conditions, increased competition and the failure to monetize certain research and development initiatives, the Companies' financial results suffered, culminating in significant and sustained losses. These ongoing losses resulted in liquidity constraints that caused the Companies to be dependent on significant financing from Chou to continue operations. As a result of the Companies' poor financial performance, the Trustee understands that the Companies' management considered it prudent, as far back as 2015, to explore various strategic options, including the potential sale of the business.
- Note 4 :** Due to the Companies continuing losses, the Companies breached certain of their financial and other covenants under the Companies' credit facilities with each of Chou and RBC and, in early 2017, RBC issued demand letters and Notices of Intention to Enforce Security pursuant to Section 244 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**") to the Companies. The Companies and RBC agreed on the terms of a forbearance agreement (the "**RBC Forbearance Agreement**"), pursuant to which RBC agreed to forbear, subject to certain terms and conditions, from taking steps to proceed with enforcement of its security held in support of its loans until May 10, 2017 to grant the Companies further time to attempt to restructure and/or sell the business or secure alternative financing.
- Note 5 :** In order to assist the Companies with avoiding a receivership/liquidation of the business upon the expiration of the RBC Forbearance Agreement, the RBC indebtedness, including all loan agreements and security granted in support of same, were acquired by Chou. At the same time, Chou advanced further monies to the Companies, which additional funding was required by the Companies to pay certain critical obligations, including outstanding employee wages.
- Note 6 :** The Companies and Chou also agreed upon the terms of a forbearance agreement (as amended, the "**Chou Forbearance Agreement**"), pursuant to which Chou agreed to forbear from taking any enforcement steps until June 27, 2017 (the "**Forbearance Period**") to grant the Companies additional time to attempt to restructure their business, secure alternate financing or seek one final opportunity to pursue a sale of the business. Richter Inc. (formerly, Richter Advisory Group Inc.) ("**Richter**") was engaged by the Companies during the Chou Forbearance Period to assist with these activities.
- Note 7 :** The Chou Forbearance Agreement was subject to two amendments that, among other things, extended the Forbearance Period to July 14, 2017. The Chou Forbearance Agreement expired on July 14, 2017 and was not extended. On July 17, 2017, Chou issued demand letters and Notices of Intention to Enforce Security pursuant to Section 244 of the BIA to the Companies.
- Note 8 :** On July 26, 2017, Technologies and Industries each filed a Notice of Intention to Make a Proposal ("**NOI**") pursuant to Section 50.4(1) of the BIA. Richter was appointed proposal trustee (the "**Proposal Trustee**") under each NOI. The primary objectives of the Companies' NOI proceedings included stabilizing and restructuring the Companies' operations, including the identification, on an expedited basis, of one or more interested parties interested in investing in and/or acquiring the Companies' business or assets.
- Note 9 :** As noted above, Richter was engaged by the Companies during the Chou Forbearance Period to assist the Companies in their restructuring efforts, including the facilitation of the potential sale of the business. Commencing in early June 2017, the Companies, with the assistance of Richter, initiated a sales and investment solicitation process (the "**SISP**") as a means of gauging interest in the Companies' business and/or assets and determining whether a transaction that would result in greater than liquidation value was available.
- Note 10 :** As per the terms of the Chou Forbearance Agreement, Chou was provided with regular updates on both the Companies' financial results and the status of the SISP. During the Forbearance Period representatives of the Companies, Chou and Richter engaged in discussions in connection with the potential acquisition of the Companies' business by Chou in the event no alternative purchaser (or investor) for the Companies' business and/or assets was identified. On July 14, 2017, when it became apparent that the SISP did not result in any interest in the Companies' business and/or assets, Chou and the Companies reached an agreement, in principle, for the acquisition of substantially all of the Companies' business and assets (the "**Transaction**") by a corporation controlled by Chou (the "**Purchaser**"). The Transaction was approved by the Court on August 2, 2017 and closed on August 4, 2017.

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

Notes:

- Note 11 :** The consideration for the Transaction, which was primarily a credit bid, included the assumption by the Purchaser of certain secured amounts owed by the Companies to Chou (including the assigned RBC indebtedness) as well as a cash payment to satisfy certain other obligations of the Companies, including professional fees and other priority amounts.
- Note 12 :** The consideration, however, was insufficient to fully satisfy the Companies' secured indebtedness or support a distribution to the Companies' unsecured creditors. As each of the Companies' failed to present proposals to their respective unsecured creditors within the prescribed time period following the filing of their NOI's, on August 28, 2017, Technologies and Industries were deemed to have made assignments in bankruptcy. Richter was appointed trustee (the "Trustee") of each of the Companies' bankrupt estates.
- Note 13:** No inspectors were appointed to this estate.
- Note 14 :** Richter's professional fees reported for the pre-bankruptcy period (Consulting / NOI) as well as the fees and disbursements of Chaitons LLP have been allocated equally to each of Technologies and Industries.
- Note 15 :** In consideration for consenting to act in the Company's bankruptcy proceedings, Chou guaranteed payment of the Trustee's fees and disbursements, to the maximum amount of \$33,900, should insufficient funds be available from Technologies' bankrupt estate (the "Guarantee"). Any shortfall to the Company's bankrupt estate will be borne by the Trustee.

Richter Inc.
(formerly, Richter Advisory Group Inc.)
Trustee



Dated at Toronto, Ontario this 15th day of December, 2022

Per : Adam Sherman

Taxed at the sum \$ 131,587.25, this 4 day of June, 2025



K. ASHWIN