

FINAL IMPLEMENTATION REPORT

OES WIND-UP PLAN

**Submitted to the Resource Productivity and Recovery Authority and the Ontario Minister
of the Environment, Conservation and Parks**

May 2025

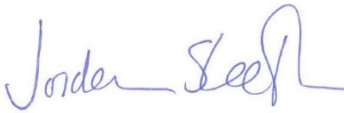
Table of Contents

SECTION 1: FINAL IMPLEMENTATION REPORT – OES WIND-UP PLAN	4
BACKGROUND	5
OES WIND-UP SUMMARY	7
COST PERFORMANCE TO BUDGET 2021 – 2024	9
STEWARD REGISTRATION, REPORTING AND COMPLIANCE ACTIVITIES	10
SERVICE PROVIDER CONTRACTS, CLAIMS AND COMPLIANCE ACTIVITIES	10
TRANSITIONAL ACTIVITIES FOLLOWING THE PRIVATE APPOINTMENT OF DELOITTE AS LIQUIDATOR	11
COURT APPOINTMENT OF DELOITTE AS LIQUIDATOR	11
CLAIMS PROCESS	12
CLAIM AGAINST THE CRA FOR AN HST REFUND (HST CLAIM)	15
STAKEHOLDER COMMUNICATIONS AND CONSULTATION	16
TRANSITION OF MTS AND OTHER INTELLECTUAL PROPERTY	17
DATA RETENTION, MANAGEMENT AND DESTRUCTION	17
SURPLUS FUND AND RESIDUAL FUND DISBURSEMENTS	18
FINAL OES WIND-UP STEPS	20
SCHEDULE “A” - LIQUIDATOR’S MANDATE	21
SECTION 2: 2024 AUDITED FINANCIAL STATEMENTS	23
APPENDIX A: SUMMARY IMPLEMENTATION CHART	24

SIGNATURE OF THE LIQUIDATOR

This report has been approved by Deloitte Restructuring Inc., in its capacity as privately-appointed and Court-appointed liquidator of Ontario Electronic Stewardship (“**OES**”) (in such capacity, the “**Liquidator**”) for submission to the Resource Productivity and Recovery Authority (“**RPRA**”) and the Minister of the Environment, Conservation and Parks (the “**Minister**”) in accordance with the requirements of subsection 14(20) of the *Waste Diversion Transition Act, 2016* (the “**WDTA**”) with respect to the waste diversion program for waste electrical and electronic equipment.

**DELOITTE RESTRUCTURING INC.,
in its capacity as Court-appointed
Liquidator of Ontario Electronic
Stewardship**

A handwritten signature in blue ink, reading "Jordan Sleeth". The signature is fluid and cursive, with the first name "Jordan" and the last name "Sleeth" clearly distinguishable.

Per: Jordan Sleeth, Senior Vice-
President

SECTION 1: FINAL IMPLEMENTATION REPORT – OES WIND-UP PLAN

BACKGROUND

The waste diversion program for waste electrical and electronic equipment (the “**WEEE Program**”) was designed to promote the re-use and refurbishment of waste electronics and ensure that the valuable resources found in waste electronics, that cannot be re-used, are processed and recycled in an environmentally responsible manner in accordance with the WDTA.

OES is the “Industry Funding Organization” (the “**IFO**”), previously responsible for managing the WEEE Program under the WDTA.

Since its inception in 2009, the WEEE program has diverted over 67 million electronic devices or over 500,000 tonnes of waste electronics from Ontario landfills.

Pursuant to the WDTA, the Minister directed OES to wind up the WEEE Program to enable transition to the management of related materials to the individual producer responsibility regulatory framework under the *Resource Recovery and Circular Economy Act, 2016* (the “**RRCEA**”).

As further described herein, as directed by the Minister and after holding consultation sessions with a number of stakeholders, on July 25, 2019, OES submitted a wind-up plan (the “**Wind-Up Plan**”) to RPRA. The Wind-Up Plan was approved on August 16, 2019.

Following approval of the Wind-Up Plan, OES took steps to ensure the termination of the WEEE Program on December 31, 2020. In accordance with the terms of the Wind-Up Plan, OES continued to function as a corporate entity beyond the December 2020 WEEE Program termination date in order to process claims from service provider partners, dispose of any remaining net assets and resolve financial arrangements with stewards. The Wind-Up Plan additionally contemplated that, following the reconciliation of OES steward and service provider accounts and the termination of the WEEE Program, OES would appoint a liquidator to dispose of any remaining assets and coordinate the steps necessary for corporate dissolution.

This Final Implementation Report focuses on final steps taken by the Liquidator to wind-up the WEEE Program throughout the period of April 2021 – May 2025 and provides key summary information regarding the Liquidator’s implementation of the OES Wind-Up Plan over the course of the wind-up period in accordance with the provisions of the WDTA.

DISCLAIMER: in preparing this Final Implementation Report, including Appendix A hereto, the Liquidator has relied on certain information (including contained in the Wind-Up Plan, both unaudited financial and otherwise) that relates to activities and wind-up implementation steps that were taken by OES prior to the private appointment of Deloitte as Liquidator effective April 1, 2021 (“**Pre-Appointment Activities**”). The Liquidator has relied entirely on OES, the provisions of the Wind-Up Plan and OES Annual Reports for the purposes of reporting on the completion of Pre-Appointment Activities in this Final Implementation Report, without independent verification.

Except as otherwise described in this Report:

The Liquidator has reviewed the Information for reasonableness, internal consistency and use in the context in which it was provided. However, the Liquidator has not audited or otherwise attempted to verify the accuracy or completeness of such information in a manner that would wholly or partially comply with Generally Accepted Assurance Standards (“GAAS”) pursuant to

the Chartered Professional Accountants Canada Handbook and, accordingly, the Liquidator expresses no opinion or other form of assurance contemplated under GAAS in respect of the Information; and

Some of the Information referred to in this Report consists of forecasts and projections. An examination or review of the financial forecast and projections, as outlined in Chartered Professional Accountants Canada Handbook, has not been performed.

Future oriented financial information referred to in this Report was prepared based on Management's estimates and assumptions. Readers are cautioned that since projections are based upon assumptions about future events and conditions that are not ascertainable, the actual results will vary from the projections, even if the assumptions materialize, and the variations could be significant.

Except as otherwise indicated, the Liquidator's understanding of factual matters expressed in this Report concerning the Petitioners and its business is based on the Information, and not independent factual determinations made by the Liquidator.

The Liquidator assumes no responsibility or liability for any loss or damage occasioned by any party as a result of the circulation, publication, reproduction, or use of this Report. Any use, which any party makes of this Report, or any reliance or decision to be made based on this Report, is the sole responsibility of such party.

OES WIND-UP SUMMARY

The Wind-Up Plan developed by OES and conditionally approved by RPRA, establishes the framework for the wind-up of the WEEE Program.

Table 1 below summarizes the Ministerial directions received in relation to the winding-up of the WEEE Program and timelines established for implementation of its wind-up.

Table 1: Ministerial Direction and Timelines		
Date	Ministerial Direction	Details of Direction
February 8, 2018	WEEE Program Wind-Up Direction	<ul style="list-style-type: none"> • Direction to wind-up the WEEE Program by June 30, 2020; • OES to develop a plan to wind-up the WEEE Program and submit it to RPRA by no later than December 31, 2018; • Direction to, as part of the wind-up plan, wind up OES operations once the WEEE Program has ceased operations; • RPRA to approve the wind-up plan by June 30, 2019; and • Direction included addendum of specific directions related to the details to be included in the wind-up plan.
July 2, 2019	Direction re Surplus Funds	<ul style="list-style-type: none"> • Issued following RPRA's report to the Minister providing options to ensure that any surplus funds not needed by OES for WEEE Program operations or wind-up expenses related to the WEEE Program (the "Surplus Funds") be used for the benefit of Ontario consumers. This report recommended that the WEEE Program be continued for an additional 6-month period, during which fees payable by stewards be suspended (the "Fee Suspension"); • Amended the timelines set out in the February 8, 2018 direction, and directed that the WEEE Program cease operation on December 30, 2020, with OES to subsequently wind-up its operations; and • Directed an amendment to the wind-up plan initially submitted by OES to RPRA to outline the steps needed to (i) implement the proposal of RPRA to extend the WEEE Program and Fee Suspension during the wind-up period and to substantially eliminate the Surplus Funds; (ii) set out a proposal to deal with any residual Surplus Funds after the Fee Suspension concluded and OES had completed its final financial reconciliations for the WEEE Program and OES wind-up.

At the start of the WEEE Program wind-up period in April 2018, OES was successful in a tax appeal against Canada Revenue Agency (the "**CRA**") and received an approximate \$60.8 million

tax refund (the “**2018 Tax Refund**”) from the CRA in respect of previously denied input tax credits (“**ITCs**”) for HST paid by OES to third parties in operating the WEEE Program.

As a result of the tax refund received, it was expected that OES would have Surplus Funds in excess of \$35 million. On April 2, 2019, the Minister directed RPRA to consult on options to ensure that any Surplus Funds that OES did not need for WEEE Program operations or wind-up costs be used for the benefit of Ontario consumers. RPRA engaged in consultations with stakeholders in June of 2019.

As noted in the July 2, 2019 direction to OES, RPRA’s report recommended that the WEEE Program be continued for an additional 6-month period (until December 30, 2020), during which the Fee Suspension in favour of stewards would be in effect. As a result, the wind-up plan initially submitted by OES to RPRA was amended to both reflect the extension of the WEEE Program until December 30, 2020 and to require that any residual Surplus Funds held by OES following its wind-up be transferred to RPRA to offset registry costs incurred pursuant to the RRCEA.

The Wind-Up Plan was approved by RPRA’s board of directors on August 16, 2019, subject to conditions.

Consistent with approved OES Wind-Up Plan requirements, OES ceased operation of the WEEE Program on December 30, 2020.

Between January 1 and March 31, 2021, OES took additional steps to reconcile outstanding steward and processor accounts, resolve outstanding payments, exit contracts and operating leases and complete other administrative steps necessary for the wind-up. These steps were taken in close consultation with RPRA and other stakeholders to ensure transparency and to support a smooth transition to electronics recycling under the RRCEA legislative framework.

On December 1, 2020, and in accordance with the terms of the Wind-Up Plan, the board of directors of OES (the “**Board**”) initiated a request for proposal (“**RFP**”) process for a qualified firm to act as liquidator of OES and complete the winding-up of the WEEE Program. The appointment of a liquidator for the purposes of winding-up and industry funding organization is consistent and in accordance with the provisions of the WDTA and O. Reg 357/17: Industry Funding Organizations – Rules that Apply on Winding Up (the “**WDTA Regulation**”) enacted under the WDTA.

As a result of the RFP, the Board, on February 24, 2021, selected Deloitte Restructuring Inc. (“**Deloitte**”) to act as Liquidator of OES, effective April 1, 2021. Deloitte’s appointment was approved by RPRA pursuant to the WDTA Regulation. All members of the Board resigned as directors of OES effective April 1, 2021.

The general mandate of the Liquidator (as defined and outlined in the RFP) (the “**Liquidator’s Mandate**”) is to apply the property of OES in satisfaction of all of its debts. More particularly, the RFP outlined specific powers and obligations of the Liquidator, consistent with the WDTA Regulation. These powers and obligations are attached hereto as **Schedule “A”**.

As further described below, Deloitte was appointed as Court-appointed Liquidator of OES on June 11, 2021 pursuant to an Order (the “**Winding Up and Appointment Order**”) of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”).

This Final Implementation Report focuses on final steps taken by the Liquidator to wind-up the WEEE Program throughout the period of April 2021 – May 2025 and provides key summary information regarding the Liquidator's implementation of the OES Wind-Up Plan over the course of the wind-up period in accordance with the provisions of the WDTA.

Additional information related to the implementation of wind-up activities through 2018 – 2023 can be found in the Ontario Electronic Stewardship Annual Reports [2018](#) (at Appendix E of the RPRA 2018 Annual Report), [2019](#) (at Appendix E of the RPRA 2019 Annual Report), [2020](#), [2021](#), [2022](#), [2023](#)), prepared by OES and the Liquidator, as applicable, in accordance with the requirements of the WDTA and the terms of the Wind-Up Plan.

COST PERFORMANCE TO BUDGET 2021 – 2024

The Liquidator has maintained detailed financial records of the revenues and expenses realized and incurred in OES' wind up. The table below represents the audited statements of operations for the years ended December 31, 2021 to 2024.

The Liquidator did not prepare a detailed budget for the complete wind-up. However, in its RFP response, the Liquidator originally estimated fees of \$115,000 (excluding HST and disbursements) to complete the wind-up. As the liquidation was implemented, additional activities that were not contemplated in this fee estimate (i.e., primarily: court supervision and attendances, additional consultations with stakeholders, and pursuing material HST refunds) were required to be implemented. Throughout the liquidation, the Liquidator consulted with RPRA on the required steps and cost estimates to implement same. As a result of these additional measures, the Liquidator implemented a court supervised and consultative wind-up of OES which also resulted in the un-anticipated recovery of approximately \$15.8 million in HST input tax credits.

Ontario Electronic Stewardship

Statement of Operations⁽¹⁾

For the years ended December 31, 2021 to 2024

	Total	2024	2023	2022	2021
Revenue					
Interest	\$ 1,016,212	\$ 807,259	\$ 169,797	\$ 25,568	\$ 13,588
Other	14,935	-	-	-	14,935
HST recovery	15,839,338	674,878	15,164,460	-	-
	16,870,485	1,482,137	15,334,257	25,568	28,523
Expenses					
Material management	5,019,198	-	-	-	5,019,198
Program delivery and administration	1,269,966	-	-	-	1,269,966
Shared promotion and education	12,571	-	-	-	12,571
RPRA administration	1,180,057	191,286	224,683	266,760	497,328
Liquidator fees	829,705	189,935	201,390	237,904	200,476
Professional fees and other ⁽²⁾	361,357	148,780	103,708	108,869	-
	8,672,854	530,001	529,781	613,533	6,999,539
Excess of revenue over expenses	\$ 8,197,631	\$ 952,136	\$ 14,804,476	\$ (587,965)	\$ (6,971,016)

Notes:

⁽¹⁾ Audited by KPMG LLP for all years

⁽²⁾ Consists of fees of the liquidator's counsel and Deloitte LLP for HST advisory services.

STEWARD REGISTRATION, REPORTING AND COMPLIANCE ACTIVITIES

The following section provides a high-level overview of steward registration, reporting and OES compliance and audit activities with respect to stewards conducted by OES.

With the WEEE Program ceasing operations on December 31, 2020, final steward reports and related audit activity were effectively completed in 2021.

As noted, in accordance with Ministerial Direction and the terms of the OES Wind-Up Plan, electrical and electronic equipment (“**EEE**”) fees (“**EHFs**”) payable by stewards were reduced to zero starting February 1, 2019. Despite the Fee Suspension, stewards remained obligated to report on EEE supply into the Ontario market until December 1, 2020.

Stewards were required to submit supply reports and pay existing EHFs for January 2019 by no later than February 28, 2019. Adjustments and corrections to such reports were permitted to be submitted to OES until April 30, 2019.

Stewards continued to be required to submit EEE supply reports to OES throughout the wind-up period, despite the Fee Suspension. Final steward reports for the month ending December 31, 2020 were due to OES by February 1, 2021, with correction or adjustments to such reports due no later than March 15, 2021.

Compliance activity related to stewards, including both risk-based assessments and random steward assessments to verify the accuracy of steward reports, continued following program termination in December 2020 and into March 2021 (with an emphasis on risk-based accuracy following program termination on December 31, 2020).

SERVICE PROVIDER CONTRACTS, CLAIMS AND COMPLIANCE ACTIVITIES

The following section provides a high-level overview of service provider contract status, claims and OES compliance and audit activities with respect to service providers conducted by OES. Further information in this regard can be found in the OES Annual Reports for the years 2018-2021.

In the third quarter of 2020, and in contemplation of the WEEE Program terminating on December 31, 2020, processor mass balancing reports were moved from a quarterly to monthly basis to facilitate wind-up and expedite OES payments in the final six months of program operations. In addition, OES continued with its regular compliance review activities during the wind-up period and conducted additional onsite processor visits to validate inputs and outputs related to processor reports.

Consumer collection sites were maintained throughout the wind-up period and, beginning in July of 2020, OES began working with collectors and generators in preparation for WEEE Program shutdown. Collected EEE was only eligible for program incentives to the extent that it was dropped off at a collection site by December 31, 2020 and the related MTS bill of lading (“**BOL**”) for pick up and transportation was submitted to OES by end of day on December 31, 2020.

As of January 1, 2021, collectors and generators were no longer able to add new volume to the OES MTS and no new BOL submissions were accepted.

Collector claims for incentives on EEE materials collected prior to December 31, 2020 were required to be submitted to OES by no later than March 1, 2021.

Re-use and refurbish service providers were required to submit reports to OES on re-use and refurbishment activities by January 15, 2021.

Processors were required to submit claims to OES for the MTS BOL's completed and submitted by December 31, 2020 by no later than January 15, 2021. Mass balancing reports were completed and submitted to OES by March 15, 2021. Onsite inspections and wind up audits occurred between January to March 2021.

In the final six-month period leading up to the termination of the WEEE Program, OES increased the audits of processors to ensure claims were entered correctly, were valid and that processors continued to function in accordance with WEEE Program requirements.

Collectors, transporters and processors (amongst other key suppliers), were given a minimum of 90 days notice (or more where the terms of the contract required) of contractual terminations.

TRANSITIONAL ACTIVITIES FOLLOWING THE PRIVATE APPOINTMENT OF DELOITTE AS LIQUIDATOR

Prior to the commencement of the formal liquidation proceedings (the commencement and Court approval of which are discussed below under "Court Appointment of Deloitte as Liquidator"), OES and Deloitte developed a project work plan with the objective of facilitating the transfer of knowledge and effecting a smooth transition on April 1, 2021. The work plan covered financial and operational issues, as well as the issues to be addressed in the liquidation proceedings.

On March 20, 2021, Deloitte met with the Board in order to address outstanding issues relating to the transfer of Surplus Funds and the rationale for bringing an application to the Court for the Court-appointment of Deloitte as Liquidator.

Deloitte provided access to a file-sharing website and made arrangements for the transfer of data from OES to Deloitte, as well as requisitioning a full inventory of OES data and information systems.

During its operation, the WEEE Program was administered by OES through a service agreement with the Electronic Product Recycling Association ("ERPA"). OES' contractual closure with ERPA occurred following program termination. Following the termination of the OES operating agreement with ERPA, the Liquidator assumed responsibility for remaining OES operations and entered into a contract with ERPA to continue providing services on a transitional basis during the formal liquidation proceedings on February 28, 2021. The Liquidator subsequently amended and extended the agreement with ERPA on July 1, 2021 and September 30, 2021. With the claims process nearing completion and ERPA's services no longer required, the Liquidator decided not to renew this agreement.

COURT APPOINTMENT OF DELOITTE AS LIQUIDATOR

On February 24, 2021, the OES Board appointed Deloitte as Liquidator of OES, effective April 1, 2021.

Following such appointment, on application by Deloitte in its capacity as privately-appointed liquidator of OES, to the Court, Deloitte was appointed as Court-appointed Liquidator of OES on June 11, 2021 pursuant to the Winding Up and Appointment Order.

The powers and duties of the Liquidator provided under the terms of the Winding Up and Appointment Order largely mirror the Liquidator's Mandate as defined and described in the RFP and reproduced in **Schedule "A"**. The Court-appointment of Deloitte as Liquidator was necessary in the circumstances to assist the Liquidator in carrying out the Liquidator's Mandate, ensure that the wind-up process was conducted in an open and fair manner, and provided an effective mechanism to complete the wind-up of OES in accordance with regulatory requirements.

A copy of the Winding Up and Appointment Order granted by the Court dated June 11, 2021 is available on the [Liquidator's website](#).

CLAIMS PROCESS

The OES Wind-Up Plan specifically contemplated the appointment of the Liquidator to dispose of any remaining OES assets and take the final steps necessary to dissolve OES as a corporate entity. In furtherance of the Liquidator's Mandate to apply the property of OES in satisfaction of all its debts, obligations and liabilities, the Liquidator (with the assistance of counsel) developed a procedure for the identification, quantification, and resolution of claims of creditors of OES (the "**Claims Procedure**"), to be approved by the Court.

The Claims Procedure was developed in accordance with the requirements of the WDTA and the WDTA Regulations. In this regard, the provisions of the WDTA and the WDTA Regulations incorporate by reference the winding-up provisions of the *Corporations Act* (Ontario) (the "**Corporations Act**"). The Corporations Act, as modified by the WDTA Regulations, provides that the identification and determination of any claim against a winding up entity must be conducted in accordance with the process outlined under the *Assignments and Preferences Act* (Ontario).

On June 11, 2021, concurrent with the Liquidator's application for its Court-appointment, the Liquidator sought, and the Court issued, an order (the "**Claims Procedure Order**") approving the Claims Procedure.

A copy of the Claims Procedure Order granted by the Court dated June 11, 2021 is available on the [Liquidator's website](#).

Table 2 below outlines the salient features and a timeline of the Claims Procedure carried out by the Liquidator pursuant to the Claims Procedure Order.

Capitalized terms used in this section of the Report, including Table 2 below, are as defined in the [Claims Procedure Order](#).

Table 2: Claims Procedure Timeline		
Timeline Prescribed under Claims Procedure Order	Date Completed by Liquidator	Details
<i>Proof of Claims to Known Claimants</i> [paragraph 10 of the Claims Procedure Order]		
Following the Court Appointment Date	June 11, 2021	Liquidator compiled a list of Known Claimants as at the Court Appointment Date, showing for each Known Claimant, their name, address, email address (where available) and amount owed pursuant to OES' books and records.
<i>Notification Process</i> [paragraphs 11 - 13 of the Claims Procedure Order]		
No later than June 30, 2021	June 14, 2021	Liquidator sent a Claims Package (including a Pre-Populated Proof of Claim) to each Known Claimant by email to the last known email address of the Known Claimant set out in the books and records of OES.
No later than 5:00 pm on June 30, 2021	<i>Globe and Mail</i> June 15, 2021 July 2, 2021 <i>Toronto Star</i> June 27, 2021 July 4, 2021	<p>Liquidator caused the Notice to Claimants to be published, for at least two (2) Business Days, at an interval of one week, in each of <i>The Globe and Mail</i> (National Edition) and the <i>Toronto Star</i>.</p> <p>With respect to the Notice to Claimants published in the <i>Toronto Star</i>, advertisements were only available for publication on Sundays. Accordingly, the Notice to Claimants was posted in the Sunday edition(s) of the <i>Toronto Star</i>, rather than a Business Day, as the <i>Toronto Star</i> has a larger readership than alternative publications that were available.</p>
Following Publication in <i>The Globe and Mail</i> and <i>Toronto Star</i>	June 11, 2021	Liquidator posted the Notice to Claimants, the Claims Package and the Claims Procedure Order on the Liquidator's Website
<i>Proof of Claims Filing Date</i> [paragraphs 16-17 of the Claims Procedure Order]		
August 31, 2021 (the "Proof of Claims Filing Date")	August 31, 2021	Any Person who (i) disagreed with the Claim stated in the Pre-Populated Proof of Claim, or (ii) wished to assert a Claim, were to deliver to the Liquidator, on or before the Proof of Claims Filing Date, a completed Proof of Claim, including all relevant supporting documentation.

Table 2: Claims Procedure Timeline		
Timeline Prescribed under Claims Procedure Order	Date Completed by Liquidator	Details
		<p>Four Known Claimants filed Proofs of Claim with the Liquidator on or before the Proof of Claims Filing Date as follows:</p> <p>RPRA filed a Proof of Claim for future amounts owing to it pursuant to applicable legislation;</p> <p>One Known Claimant filed a Proof of Claim, the quantum of which was disputed by the Liquidator;</p> <p>Two Known Claimants filed Proof(s) of Claim, the amounts of each were admitted by the Liquidator.</p>
Not less than five (5) business days following the Proof of Claims Filing Date	September 13, 2021	Liquidator sent a notice (a "Notice") to the Known Claimants who had not filed a Proof of Claim, reminding them of the Proof of Claim Filing Date and informing them of the Liquidator's intention to seek a Bar Date Order.
<i>Bar Date</i> [paragraph 18 of the Claims Procedure Order]		
Not less than three (3) days following delivery of a Notice	Motion heard by the Court on October 8, 2021	<p>On September 23, 2021, the Liquidator delivered a further notice to the Known Claimants that had not yet filed a Proof of Claim, advising such Known Claimants of the October 8, 2021 hearing date (described below), and providing a link to the Liquidator's website where the Liquidator's Motion Record and supporting documentation would be available for download. Interested parties were provided with information regarding how to request attendance at the hearing of the motion for the Bar Date Order.</p> <p>Liquidator brought a motion to the Court, on notice to the Service List and Known Claimants who received a Notice, for the Bar Date Order providing, amongst other things, for a Bar Date.</p>

In accordance with the provisions of the Claims Procedure Order, on October 8, 2021, the Liquidator brought a motion to the Court for, and was granted, an Order (the "**Bar Date Order**") fixing a claims bar date of October 21, 2021 (the "**Bar Date**") with respect to the Claims Procedure.

A copy of the Bar Date Order granted by the Court dated October 8, 2021 is available on the [Liquidator's website](#).

Following the issuance of the Bar Date Order, and as of the Bar Date of October 21, 2021, the Liquidator admitted Claims in the aggregate amount of \$149,841.

As of the Bar Date of October 21, 2021, the Liquidator revised or denied Claims in the aggregate amount of \$89,777. In accordance with the provisions of the Claims Procedure Order, the Liquidator advised such Claimants in writing that the Liquidator had revised or rejected all or part of such Claimant's Claim as set out in its applicable Proof of Claim by delivering a Notice of Revision or Disallowance to each such Claimant.

One Claimant that received a Notice of Revision or Disallowance in connection with its Claim contacted the Liquidator following receipt of such notice, disputing the quantum of its revised Claim as determined by the Liquidator (the "**Disputed Claim**"). The Disputed Claim was subsequently settled by the Liquidator, with the approval of RPRA.

In carrying out the Claims Procedure, the Liquidator issued payments aggregating \$186,720 representing 100% of the face amount of all Proven Claims. By virtue of the Claims Procedure, any financial obligations or Claims not presented or resolved during the Claims Procedure were extinguished by Court order.

CLAIM AGAINST THE CRA FOR AN HST REFUND (HST CLAIM)

As noted, at the start of the WEEE Program wind-up period in April 2018, OES was successful in a tax appeal against CRA and received the 2018 Tax Refund. As a result of the 2018 Tax Refund, and in light of the large balance of Surplus Funds resulting from the 2018 Tax Refund, the Fee Suspension was implemented on February 1, 2019.

Notwithstanding the Fee Suspension, and acting on legal advice, OES continued to issue invoices to stewards after February 1, 2019, reflecting a notional EHF charge and associated GST/HST. The invoices showed the notional charge reduced to zero, reflecting settlement of the EHF from the operating surplus. OES remitted the notional HST to CRA, despite not actually collecting any HST from stewards during this period.

In accordance with the Liquidator's Mandate, the Liquidator filed GST/HST returns with CRA on February 18, 2022, seeking a refund of approximately \$3.5 million to resolve the over-remittance of HST. On July 20, 2022, CRA wrote to the Liquidator raising a number of questions with respect to OES' GST/HST returns. In addition to responding to CRA's questions, the Liquidator requested an amendment to the originally filed returns, increasing the refund claim to approximately \$14.3 million.

In December 2023, CRA concluded that OES was entitled to the ITCs and issued a notice of assessment approving \$14.3 million in ITCs and adjustments and \$0.9 million in interest on the refund. The Liquidator, on behalf of OES received a resulting HST refund, totalling \$15.2 million in January 2024. A second return, reflecting adjustments to the review period, resulted in a further additional refund of \$632,000, which was received by the Liquidator in June 2024.

STAKEHOLDER COMMUNICATIONS AND CONSULTATION

The Liquidator has, since its appointment by the Board effective April 2021, consulted and communicated with a variety of OES stakeholders with respect to the liquidation process and the status of the OES wind-up. These stakeholders include creditors, RPRA, ERPA and stewards. The Liquidator also maintained its website to provide stakeholders with updates on the liquidation process.

More particularly, the Liquidator has conducted stakeholder consultations in respect of (1) the distribution of Surplus Funds to RPRA, and (2) the additional Surplus Funds resulting from the additional HST refund(s) received by the Liquidator in connection with the HST Claim.

Regarding the distribution of Surplus Funds to RPRA, under the approved Wind-Up Plan, OES is obligated to disburse Surplus Funds to RPRA to offset registry costs incurred pursuant to the RRCEA.

Following the private appointment of Deloitte as Liquidator of OES by the OES Board effective April 1, 2021, the Liquidator identified a potential conflict or ambiguity between the terms of the OES Wind-Up Plan and the rules for stewards with respect to payment of EHF's ("**Steward Rules**") implemented by OES pursuant to the WDTA.

In summary, the Steward Rules that were in force in April 2021 required that, where a steward had paid more EHF's in a fiscal year than was required ("**Excess EHF's**"), OES would either credit or pay such Excess EHF's to the steward. Under the provisions of the WDTA (section 35(5)), OES is permitted to distribute remaining Surplus Funds to RPRA, however such distribution may only occur after all liabilities of OES in respect of the WEEE Program have been satisfied.

The Liquidator identified that the obligation to return Excess EHF's pursuant to the Steward Rules likely constituted a financial liability of OES such that Surplus Funds could not be transferred to RPRA in accordance with the Wind-Up Plan until such financial liability was addressed.

To address this ambiguity and ensure consistency and adherence to the terms of the Wind-Up Plan, the Liquidator proposed to amend the Steward Rules (following its Court-appointment as Liquidator) to include a new provision allowing for the distribution of Surplus Funds to RPRA, whether or not such Surplus Funds were comprised of any amounts in respect of Excess EHF's.

In accordance with the provisions of the WDTA, which allow OES to amend Steward Rules following consultation with stewards, the Liquidator, on behalf of OES, distributed a notice of consultation to stewards on May 10, 2021, together with a presentation providing an overview of the proposed amendment to the Steward Rules. The May 10, 2021 notice of consultation notified stakeholders of consultations to be held by webinar on May 20 and 21, 2021, and invited stakeholders to submit questions or comments in writing in advance of such webinars by no later than May 14, 2021.

On May 14, 2021, the Liquidator sent an email to stakeholders, advising recipients that an updated presentation regarding the proposed amendment to the Steward Rules had been posted on the Liquidator's website, and extending the deadline for stakeholders to submit questions and comments to the Liquidator until May 18, 2021.

The Liquidator did not receive any objections with respect to the proposed amendment to the Steward Rules, however, Electronics Product Stewardship Canada, an organization representing

the vast majority of stewards that participated in the WEEE Program, requested that it continue to be consulted with respect to the distribution of Surplus Funds. Following the conclusion of the consultation process in May 2021, the Liquidator posted a summary of the consultation process, including all questions and comments received during the consultation process, together with the Liquidator's responses, on its case website.

The Steward Rules were amended effective June 23, 2021, following approval by RPRA's board of directors.

Regarding the HST Claim, the Liquidator and RPRA hosted a joint online information session on April 10, 2024, to provide stakeholders with an update on OES' financial position and the status and outcome of the HST Claim. The Liquidator and RPRA addressed all questions during the online information session.

The joint information session provided stakeholders with background information regarding the commencement and outcome of the HST Claim, the Liquidator's estimate of the quantum of the final distribution of Surplus Funds to be made to RPRA, and a summary of next steps to be completed by the Liquidator to complete the implementation of the Wind-Up Plan and conclude the winding-up of OES.

TRANSITION OF MTS AND OTHER INTELLECTUAL PROPERTY

During the operation of the WEEE Program, OES tracked waste EEE through various service providers to intended recycling outcomes throughout the use of MTS, a proprietary software specifically designed to track waste EEE in accordance with regulatory requirements.

In accordance with the terms of the Wind-Up Plan, the OES MTS system was made available to stakeholders as a free software as of July 1, 2020. Following the termination of the WEEE Program in December 2020, OES transferred the MTS to RPRA to act as trustee of the MTS source code and enable RPRA to continue to make MTS available following the wind-up.

OES' additional intellectual property includes the domain name for the OES website and the trademark for the business name *Ontario Electronic Stewardship*. Legal ownership rights to the OES trademark and website domain name were transferred to RPRA following WEEE Program termination in December 2020.

OES' dormant website domain (recycleyourelectronics.ca) will also be transferred to RPRA following dissolution of OES as a corporate entity in accordance with the terms of the Wind-Up Plan.

DATA RETENTION, MANAGEMENT AND DESTRUCTION

The Wind-Up Plan requires that OES take steps to ensure that data retention required to ensure compliance with residual program obligations, any outstanding Corporations Act or taxation requirements will be retained in a manner consistent with these obligations.

In addition, as part of the wind-up process, OES is required to provide all WEEE Program data to RPRA and, following the completion of OES post-program termination administrative tasks, engage with a third-party IT firm to destroy all remaining OES data and ensure that all data is cleansed from OES devices.

As required by the Wind-Up Plan, the Liquidator prepared a data management plan (the “**Data Management Plan**”) to (i) ensure the security of OES’ data; (ii) ensure OES data was used solely by OES and the Liquidator for the purpose of implementing the Wind-Up Plan; (iii) manage the transfer of data to RPRA in accordance with the terms of the Wind-Up Plan; (iv) document steps to be taken by the Liquidator to retain necessary OES data in compliance with applicable legislation; and (v) ensure the secure destruction of OES data not required for retention.

The Data Management Plan was approved by RPRA on September 27, 2021.

The Liquidator worked closely with RPRA and ERPA to identify, categorize and secure all OES data. These efforts included (i) reviewing records maintained by ERPA and conducting interviews with management and technical staff; (ii) identifying and securing physical records maintained at OES’ offices and off-site storage facilities; (iii) cataloging and digitizing all physical records; (iv) uploading all OES data to a secure document library and facilitating RPRA’s review of the OES data to identify which data should and would be transferred; (v) reviewing applicable legislation to determine retention requirements; and (vi) transferring OES data to RPRA pursuant to the requirements of the Winding Up and Appointment Order and the terms of the Wind-Up Plan.

In addition to the foregoing, the Liquidator prepared a supplementary plan for the retention and destruction of OES Data (the “**Data Retention and Destruction Plan**”).

With the exception of certain retention obligations required by applicable law, the Liquidator completed its remaining obligations under the Data Management Plan and Data Retention and Destruction Plan. These activities included: (i) inquiring with management and attending site visits to identify which soft and hard copy documents are in management’s custody; (ii) identifying the documents to be transferred to the Liquidator and confirming their transfer; and (iii) identifying the documents to be destroyed and confirming their destruction. On July 7, 2023, a third party issued an Agreed-Upon Procedures Report confirming the destruction and transfer of certain identified data sets.

SURPLUS FUND AND RESIDUAL FUND DISBURSEMENTS

As a result of the 2018 Tax Refund, by February 2019, OES had sufficient reserve fund balances from previous steward EHF’s to fully offset EHF’s chargeable to stewards to manage the WEEE Program. Notwithstanding the implementation of the Fee Suspension (representing a reduction of EHF’s charged to zero effective February 1, 2019), and as a result of the additional HST refunds received in December 2023 and January 2024 as a result of the HST Claim, Surplus Funds in totalling approximately \$18.2 million are being held by the Liquidator.

The Wind-Up Plan provides that any Surplus Funds remaining after the resolution of OES’ financial obligations and the completion of the wind-up activities be transferred to RPRA to offset registry-related expenses incurred pursuant to the RRCEA, and that such transfer is consistent with the requirements of the WDTA.

The Corporations Act (as modified by the WDTA Regulations) provides that, upon a winding up, the Liquidator “shall apply the property of the corporation in satisfaction of all of its liabilities and, after satisfying the liabilities, shall distribute the property in a way that is consistent with the wind up plan approved under section 14 of the *Waste Diversion Transition Act, 2016* and with the purposes set out in section 35 of that Act”.

In accordance with the provisions of the Corporations Act (as modified by the WDTA Regulation), the Liquidator has completed the Claims Procedure and the Bar Date has long passed. All claims that were disallowed or disputed by the Liquidator as part of the Claims Procedure have been either settled, or otherwise not challenged or contested. Claims that were proved as part of the Claims Process have been paid in full.

The Surplus Funds are held by the Liquidator in its trust account (approximately \$432,265) and in term deposits (approximately \$17.8 million).

The Corporations Act (as modified by the WDTA Regulation) provides that “the costs, charges and expenses of a winding up, including the remuneration of the liquidator, are payable out of the property of the corporation in priority to all other claims” (s.255 of the Corporations Act). Similarly, the Winding Up and Appointment Order provides, at paragraph 19, that “the costs, charges and expenses of the winding up, including the remuneration of the Liquidator and its counsel, are payable out of the Property of the Corporation in priority to all other claims”, and grants the Liquidator and its counsel a charge on the property of OES as security for such fees and disbursements.

In light of the Wind-Up Plan requiring a distribution of the Surplus Funds to RPRA, on January 27, 2025, the Liquidator brought a motion to the Court (the “**Distribution Motion**”) for an Order (the “**Distribution Order**”), among other things, (i) authorizing payment of the Surplus Funds to RPRA minus a holdback of \$1,000,000 (the “**Interim Distribution**”) for estimated future professional fees of the Liquidator, the Liquidator’s counsel and auditors, income tax liability resulting from interest earned on the portion of the Surplus Funds being held in term deposits, and any unanticipated costs that may be incurred in completing the winding-up of OES (the “**Holdback**”); and (ii) authorizing the distribution by the Liquidator of any unused portion of the Holdback to RPRA in accordance with the Wind-Up Plan upon completion of all Ancillary Matters (defined below) to the winding-up of OES (the “**Final Distribution**”).

A copy of the Distribution Order granted by the Court dated January 27, 2025, is available on the [Liquidator’s website](#).

In accordance with the terms of the Wind-Up Plan and the provisions of the WDTA, the Liquidator was required to complete the following remaining matters prior to making the Final Distribution:

- Arranged for the submission of final tax returns and obtaining a clearance certificate from the CRA;
- Prepared and issued final audited financial statements of OES, a copy of which are attached at Section 2 of this Report;
- Distributed amounts from the Holdback to the Liquidator, its counsel and auditors for payment of professional fees and disbursements in accordance with the terms of the Distribution Order; and
- Distributed amounts from the Holdback to pay any income tax liability resulting from interest earned on the Surplus Funds held in term deposits, and any unanticipated costs to be incurred by the Liquidator in completing the winding-up of OES, in accordance with the terms of the Distribution Order

(collectively, the “**Ancillary Matters**”).

Ontario Electronic Stewardship – Final Implementation Report

In accordance with the terms of the Distribution Order, the Liquidator made the Interim Distribution to RPRA on March 14, 2025.

Following the completion of the Ancillary Matters, the Liquidator intends to provide RPRA with final statement of receipts and disbursements, after payment of the amounts contemplated to be paid out of the Holdback, reflecting the quantum of the Final Distribution.

In accordance with the terms of the Distribution Order, the Liquidator intends to make the Final Distribution to RPRA following the dissolution of OES as a corporate entity.

FINAL OES WIND-UP STEPS

All tasks associated with the operation of WEEE Program wind-up have been implemented by OES and the Liquidator, as applicable, in accordance with the Wind-Up Plan, with the exception of the items noted in this section.

Following the issuance of the Minister's notice terminating the WEEE Program under section 14(21) of the WDTA, the winding-up of OES will be complete, and the Liquidator will be in a position to (i) terminate the Court-supervised winding-up proceedings; (ii) dissolve OES as a corporate entity in accordance with the provisions of the Corporations Act, as modified by the WDTA Regulation; and (iii) be discharged as Court-appointed Liquidator of OES.

In order to bring the winding-up proceedings to a close, the Liquidator proposes to bring a motion to the Court (the **"Termination, Discharge and Dissolution Motion"**) for an order (the **"Termination, Discharge and Dissolution Order"**), among other things:

- Approving the activities of the Liquidator since the issuance of the Distribution Motion;
- Approving the fees and disbursements of the Liquidator and its counsel;
- Terminating the Court-supervised winding-up proceedings;
- Ordering the dissolution of OES as a corporate entity upon the granting of the Termination, Discharge and Dissolution Order, in accordance with the provisions of the Corporations Act, as modified by the WDTA Regulation; and
- Approving the Discharge of Deloitte as Liquidator of OES and releasing it and its counsel from claims in connection with the Winding Up Proceedings.

Following the issuance of the Termination, Discharge and Dissolution Order, OES will have been dissolved as a corporate entity. Following dissolution, the Liquidator will (i) make the Final Distribution to RPRA and (ii) file with the Minister, in accordance with the provisions of the Corporations Act, as modified by the WDTA Regulation, a certified copy of the Termination, Discharge and Dissolution Order.

SCHEDULE “A” - LIQUIDATOR’S MANDATE

- To take possession of and exercise control over the property of OES and any and all proceeds, receipts and disbursements arising out of or from the property;
- To take such steps as necessary to protect and preserve the property of OES, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
- To take possession of and review the books and records of OES, in electronic or paper form, to ascertain the property of OES, all liabilities and obligations of OES;
- To engage consultants, appraisers, agents, experts, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, and including the OES wind up oversight manager, to assist with the exercise of the Liquidator’s powers and duties;
- To receive and collect all monies and accounts now owed or hereafter owing to OES and to exercise all remedies of OES in collecting such monies, including, without limitation, the initiation of legal proceedings and the enforcement of any security held by OES. All funds, monies, cheques, instruments, and other forms of payments received or collected by the Liquidator from and after its appointment from any source whatsoever, including without limitation the sale of all or any of the property of OES and the collection of any accounts receivable in whole or in part, whether in existence on the date of its appointment or thereafter, shall be deposited into one or more new accounts to be opened by the Liquidator (the "Liquidator’s Accounts") and the monies standing to the credit of the Liquidator’s Accounts from time to time, net of any disbursements provided for herein, shall be held by the Liquidator and applied to satisfy the debts and obligations of OES; to draw, accept, make and endorse any bill of exchange or promissory note in the name and on behalf of OES;
- To execute, assign, issue and endorse documents of whatever nature in respect of any of the property of OES, whether in the Liquidator’s name or in the name and on behalf of OES;
- To initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to OES, the property of OES or the Liquidator and RPRA hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding and subject to an Order of the Court to settle or compromise any such proceeding;
- To arrange for the final reconciliation of financial obligations owed by or to OES;
- To market the tangible property, if any, of OES for sale and negotiate such terms and conditions of sale as the Liquidator in its discretion may deem appropriate;

- To the extent necessary, apply to the Court for any vesting order or other orders necessary to convey the property of OES or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such property;
- To apply to the Court for directions as may be necessary in carrying out its duties;
- To report to, meet with and discuss with such affected persons, including employees, Stewards, service providers, government officials and representatives of any of the foregoing as the Liquidator deems appropriate on all matters relating to the property and / or the debts and obligations of OES and to share information with such persons, subject to such terms as to confidentiality as the Liquidator deems advisable;
- To report to RPRA as required for wind up compliance. This may be on a bi-weekly basis and frequency, as established and agreed to between the Liquidator and RPRA.
- To file all required HST and other tax returns and obtain appropriate clearances from the CRA;
- To take any remaining steps necessary to transition the Material Tracking System (**MTS**) to RPRA so that it can be made available to brand owners of electronics under new independent producer responsibility regime;
- To arrange for the final transfer of any OES data to RPRA;
- To issue invoices to OES, subject to the written approval of RPRA, for its compensation and to deduct its compensation from the program residual funds of OES;
- To take any steps reasonably incidental to the exercise of the above-noted powers or the performance of any statutory obligations, any direction to the OES from the Minister, including the wind-up or dissolution of OES as a corporate entity.

Following the liquidation of all of OES' assets and fiscal obligations, the Liquidator's Mandate (as defined and described in the RFP) included the requirement to:

- Distribute any WEEE Program residual funds in accordance with the OES Wind-Up Plan and amendments as approved by RPRA;
- Prepare and submit a final report to RPRA including a financial accounting of all receipts and disbursements made by the Liquidator in carrying out its duties;
- Submit this Final Implementation Report to RPRA and the Minister, pursuant to section 14(20) of the WDTA; and
- In consultation with RPRA, initiate steps to wind-down and terminate the existence of OES as a corporate entity.

SECTION 2: 2024 AUDITED FINANCIAL STATEMENTS

Financial Statements of

**ONTARIO ELECTRONIC
STEWARDSHIP**

And Independent Auditor's Report thereon

Year ended December 31, 2024

**KPMG LLP**

Vaughan Metropolitan Centre
100 New Park Place, Suite 1400
Vaughan, ON L4K 0J3
Canada
Telephone 905 265 5900
Fax 905 265 6390

INDEPENDENT AUDITOR'S REPORT

To the Administrator of Ontario Electronic Stewardship

Opinion

We have audited the financial statements of Ontario Electronic Stewardship (the Entity), which comprise:

- the balance sheet as at December 31, 2024
- the statement of operations for the year then ended
- the statement of changes in net assets for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies, (Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2024, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the **"Auditor's Responsibilities for the Audit of the Financial Statements"** section of our auditor's report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Emphasis of Matter - Basis of Preparation

We draw attention to note 1(a) to the financial statements which describes that the financial statements are not prepared on a going concern basis of accounting.

Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.



Page 3

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the liquidation basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, stylized font and is underlined with a single horizontal stroke.

Chartered Professional Accountants, Licensed Public Accountants

Vaughan, Canada

February 12, 2025

ONTARIO ELECTRONIC STEWARDSHIP

Balance Sheet

December 31, 2024, with comparative information for 2023

	2024	2023
Assets		
Current assets:		
Cash and cash equivalents	\$ 18,004,611	\$ 2,447,343
Accounts receivable	701,900	15,237,860
	\$ 18,706,511	\$ 17,685,203

Liabilities and Net Assets

Current liabilities:		
Accounts payable and accrued liabilities	\$ 149,020	\$ 79,848
Net assets:		
Contingency reserve (note 3)	18,557,491	17,605,355
	\$ 18,706,511	\$ 17,685,203

See accompanying notes to financial statements.

On behalf of the Administrator:

Administrator

ONTARIO ELECTRONIC STEWARDSHIP

Statement of Operations

Year ended December 31, 2024, with comparative information for 2023

	2024	2023
Revenue:		
Interest	\$ 807,259	\$ 169,797
HST recovery	674,878	15,164,460
	1,482,137	15,334,257
Expenses:		
Resource Productivity and Recovery Authority administration	191,286	224,683
Liquidator fees	189,935	103,708
Professional fees and other	148,780	201,390
	530,001	529,781
Excess of revenue over expenses	\$ 952,136	\$ 14,804,476

See accompanying notes to financial statements.

ONTARIO ELECTRONIC STEWARDSHIP

Statement of Changes in Net Assets

Year ended December 31, 2024, with comparative information for 2023

	2024			2023
	Unrestricted	Contingency reserve	Total	Total
Balance, beginning of year	\$ –	\$ 17,605,355	\$ 17,605,355	\$ 2,800,879
Excess of revenue over expenses	952,136	–	952,136	14,804,476
Transfer to contingency reserve (note 3)	(952,136)	952,136	–	–
Balance, end of year	\$ –	\$ 18,557,491	\$ 18,557,491	\$ 17,605,355

See accompanying notes to financial statements.

ONTARIO ELECTRONIC STEWARDSHIP

Statement of Cash Flows

Year ended December 31, 2024, with comparative information for 2023

	2024	2023
Cash provided by (used in):		
Operating activities:		
Excess of revenue over expenses	\$ 952,136	\$ 14,804,476
Change in non-cash operating working capital:		
Accounts receivable	14,535,960	(15,178,072)
Accounts payable and accrued liabilities	69,172	26,707
Increase (decrease) in cash and cash equivalents	15,557,268	(346,889)
Cash and cash equivalents, beginning of year	2,447,343	2,794,232
Cash and cash equivalents, end of year	\$ 18,004,611	\$ 2,447,343

See accompanying notes to financial statements.

ONTARIO ELECTRONIC STEWARDSHIP

Notes to Financial Statements

Year ended December 31, 2024

The Ontario Electronic Stewardship ("OES" or the "Organization") was set up to act as the Industry Funding Organization for the administration of provincial programs for the reduction, reuse and recycling of waste electrical and electronic equipment ("WEEE") pursuant to the Waste Diversion Act, 2002. The Organization is a not-for-profit organization and, as such, is not subject to income taxes.

On September 20, 2007, the Organization was formally incorporated in the Province of Ontario as a corporation without share capital.

On July 9, 2008, the Organization was designated as the Industry Funding Organization for WEEE by regulation under the Waste Diversion Act, 2002.

OES worked cooperatively with the Resource Productivity and Recovery Authority ("RPRA") to meet the requirements set out by the WEEE and the Ontario Ministry of the Environment, Conservation and Parks (the "Ministry").

Management received a letter from the Ministry on February 8, 2018. Pursuant to Section 14 of the Waste Diversion Transition Act, 2016, the Ministry directed OES to wind up the waste diversion program for WEEE in full, representing substantially all of OES's current operations. In a letter from the Ministry on April 2, 2019, the wind-up date for OES was extended from June 30, 2020 to December 31, 2020. On August 16, 2019, RPRA's Board approved the wind-up plan and as per Ministerial direction, the OES program operations were terminated on December 31, 2020. OES appointed the liquidator on February 26, 2021 pursuant to Section 230(1) of the Corporations Act, effective as of April 1, 2021, to dispose of any remaining assets and coordinate the steps necessary for corporate dissolution.

1. Significant accounting policies:

(a) Basis of preparation:

As a result of the approval of the wind-up plan and cessation of operations effective December 31, 2020, the going concern basis of presentation is not appropriate. As such, these financial statements are prepared on the liquidation basis of accounting in accordance with Canadian accounting standards for not-for-profit organizations.

Accordingly, for the year ended December 31, 2024, assets are adjusted to their estimated net realizable value, which represents the estimated amount of cash that the Organization will receive and disburse as it carries out its wind-up plan. The liquidation value of the Organization's assets is presented on an undiscounted basis. Liabilities are carried at their contractual amounts due or estimated settlement amounts. See note 2 for the "Wind-up plan".

ONTARIO ELECTRONIC STEWARDSHIP

Notes to Financial Statements (continued)

Year ended December 31, 2024

1. Significant accounting policies (continued):

The financial statements as at December 31, 2024 and for the year then ended do not include costs to liquidate the assets of the Organization or settle any contingent liabilities to wind-up the activities of the Organization. The financial statements include accruals of professional fees and future administrative costs.

(b) Revenue recognition:

Interest revenue is recognized on an accrual basis. HST recovery is recorded when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

(c) Financial instruments:

Financial instruments are recorded at fair value on initial recognition. Equity instruments that are quoted in an active market are subsequently measured at fair value. All other financial instruments are subsequently recorded at cost or amortized cost, unless management has elected to carry the instruments at fair value.

The Organization has not elected to carry any such financial instruments at fair value. Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs, which are amortized using the straight-line method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Organization determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Organization expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial carrying value.

ONTARIO ELECTRONIC STEWARDSHIP

Notes to Financial Statements (continued)

Year ended December 31, 2024

1. Significant accounting policies (continued):

(d) Use of estimates:

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Significant items subject to such estimates and assumptions include accounts payable and accrued liabilities. Actual results could differ from management's best estimates as additional information become available in the future.

2. Wind-up plan:

Following the issuance of the Ministry notice, terminating the WEEE program under section 14(21) of the Waste Diversion Transition Act ("WDTA"), the winding-up of OES will be complete, and the liquidator will be in a position to (i) terminate the Court-supervised winding-up proceedings; (ii) dissolve OES as a corporate entity in accordance with the provisions of the Corporations Act, as modified by the WDTA regulation; and (iii) be discharged as Court-appointed liquidator of OES. The liquidator anticipates the completion of the termination, operational wind-up activities, and financial arrangements, including the dissolution of the corporate entity by June 30, 2025.

3. Contingency reserve:

In the past, the Board of Directors established a contingency reserve to accumulate sufficient funds to ensure stable program operations continued through variable economic conditions. All excess revenue over expenses not used for the purchase of capital assets are transferred to the reserve. In a year where an operating deficit occurs, a transfer is made from the contingency reserve to the unrestricted net assets to cover the current year's operating deficit.

APPENDIX A: SUMMARY IMPLEMENTATION CHART

Wind-Up Activity	Implementation
Implementation of Steward OES Fee Suspension on February 1, 2019	
OES notice to stewards re proposed Fee Suspension via steward webinar session	<ul style="list-style-type: none"> Email blast invitation. Completed: November 19, 2018 Webinar updating OES Financials and providing notice of EHF reduction to zero for February 1, 2019. Completed: November 23, 2018 Posting of webinar on OES website (consultation update).
Formal OES notification of EHF reduction to zero	<ul style="list-style-type: none"> Website posting. Steward email blast. Identification of key dates for final fee payments to OES along with final dates for any fee adjustment corrections. OES contact information/process re questions. Completed: December 3, 2018
Implementation of steward Fee Suspension	<ul style="list-style-type: none"> Update EHF fee rates and references throughout OES website. Completed: February 1, 2019
Final date for submission of steward reports requiring fee payments	<ul style="list-style-type: none"> OES staff follow-up as required. Completed: February 28, 2019
Final date for stewards to report any corrections to supply reports and associated fee adjustments.	<ul style="list-style-type: none"> OES staff follow-up as required. Completed: April 30, 2019
Deadline for submission of inventory adjustment claims from retailers	<ul style="list-style-type: none"> February 28, 2019 deadline for submission of claims. April 30, 2019 deadline for adjustments to claims. One on one staff follow-up as required.

Wind-Up Activity	Implementation
Notice to Stakeholders re RPRA Approval of OES Wind-Up Plan	
Stewards	<ul style="list-style-type: none"> • Preparation and release of notification materials. • Website update. • Steward Newsletter. • Email Blast. August 2019
Collectors/ Transporters/ Processors/ Generators/ Re-use and Refurbishers/ Municipalities	<ul style="list-style-type: none"> • Preparation and release of notification materials. • Website update. • Email Blast. August 2019
Public	<ul style="list-style-type: none"> • Preparation and release of notification materials. • Website update. August 2019
Formal Notification to Service Providers of Contract Terminations	
Stewards-Remitters/ Collectors/ Municipalities	<ul style="list-style-type: none"> • Preparation of contract termination notice (email/letter). • Identification of date on which OES service contract will be terminated. • Reference to key submission dates regarding finalization of contract obligations. • OES contact information/process re questions. January 2020
Refurbishers/ Processors	<ul style="list-style-type: none"> • Preparation of contract termination notice (email/letter).

Wind-Up Activity	Implementation
	<ul style="list-style-type: none"> • Identification of date on which OES service contract will be terminated. • Reference to key submission dates re finalization of contract obligations. • OES contact information/process re questions. <p>January 2020</p>
Making MTS Software Available to WEEE Program Participants	
Notification to stewards, service providers of OES MTS information session	<ul style="list-style-type: none"> • Letter indicating time and date of session to provide briefing on MTS requirements, process for transfer. <p>March 2020</p>
Conduct MTS information session	<ul style="list-style-type: none"> • Development of briefing materials for information session <p>April 2020</p>
MTS software available for transfer	<ul style="list-style-type: none"> • Development of internal process, software modifications, instructions, necessary to facilitate transfer • MTS made available as free software as of July 2020 (and remained available until WEEE Program termination on December 31, 2020)
Provision of MTS software to RPRA for potential transfer to WEEE recyclers post-program termination.	<ul style="list-style-type: none"> • After December 31, 2020 MTS software transferred to RPRA.
Submission and Publication of OES 2019 Annual Report	

Wind-Up Activity	Implementation
Draft and Submit Annual Report	<ul style="list-style-type: none"> • Compile data • Draft Annual Report • Engage auditor complete financial statements • Completed and approved by RPRA: April 2020
Implementation of Process for Finalization of OES Steward Supply Reports	
Notification of Wind-Up processes and deadline to stewards-remitters	<ul style="list-style-type: none"> • Preparation and release of wind-up reminders. • Newsletters. • Email blasts. • Website postings. <p>July 2020 to December 2020</p>
Transition of steward reporting/registration link from recyclemyelectronics.ca to ontariostewardship.ca	<ul style="list-style-type: none"> • Implementation of IT adjustments. • Implementation of changes to both websites. <p>January 1, 2021</p>
Follow up one on one contact with stewards as required	<ul style="list-style-type: none"> • Staff contact any stewards which have not submitted final reports or submitted deficient reports by February 1, 2021 deadline. <p>February 1 2021</p>
Additional one-on-one steward follow-up as required	<ul style="list-style-type: none"> • Staff contact stewards to resolve correction or adjustment to reports. <p>March 15, 2021</p>
Final OES steward supply report reconciliations	<ul style="list-style-type: none"> • OES finalizes steward supply reports for 2020 operating period. <p>March-April 2021</p>

Wind-Up Activity	Implementation
Implementation of Process for Finalization of Collector (Including Municipalities) Incentive Payments	
Reminder notifications of wind-up processes and deadlines to collectors	<ul style="list-style-type: none"> • Preparation and release of wind-up reminders. • Email blasts. • Website postings. • Direct staff contact. July 2020 to December 2020
Arrangement of final collector WEEE pickups	<ul style="list-style-type: none"> • Staff arrangement of final collector pickups. By January 15, 2021
One on one follow-up with collectors as required	<ul style="list-style-type: none"> • Staff contact any collectors to resolve any issues with claims submissions due by January 31, 2021. February 2021
Processing of final collection incentive payments to collectors	<ul style="list-style-type: none"> • Processing of final collector incentive payments. February-March 2021
Implementation of Process for Finalization of Processor Incentive Payments	
Reminder notification of wind-up processes and deadlines to processors	<ul style="list-style-type: none"> • Preparation and release of wind-up reminders. • Email blasts. • Website postings. • Direct staff contact. July 2020 to December 2020

Wind-Up Activity	Implementation
One on one work with processors re additional audit/verification requirements re wind up requirements	<ul style="list-style-type: none"> • OES Identification of additional verification requirements/revised time frames for documentation, etc. • Additional site visits as required. November 2020 – January 2021
One on one follow up with processors as required	<ul style="list-style-type: none"> • Follow up with processors re final incentive claims submissions due February. February – March 2021
Final processor site visits – completion of mass balance reports	<ul style="list-style-type: none"> • Final staff processor site visits and completion of mass balance reports. • Final adjustments to incentive claims volumes. March 2021
Processing of final OES processor incentive payments	<ul style="list-style-type: none"> • Processing of final processor incentive payments. April/May 2021
Finalization of OES Transporter, Re-Packer and Consolidator Arrangements	
Reminder notification of wind-up processes and deadlines to processors	<ul style="list-style-type: none"> • Preparation and release of wind-up reminders. • Email blasts. • Website postings. • Direct staff contact. July 2020 to December 2020
Final purchase orders for services	<ul style="list-style-type: none"> • Staff processing of final purchase. • orders for services.

Wind-Up Activity	Implementation
	January 2021
Processing of payments for final purchase orders	<ul style="list-style-type: none"> Processing of payment for final purchase orders. February 2021
Implementation of Process for Finalization of Re-use and Refurbisher Reports	
Reminder notification of wind-up processes and deadlines to processors	<ul style="list-style-type: none"> Preparation and release of wind-up reminders. Email blasts. Website postings. Direct staff contact. July 2020 to December 2020
One on one follow up with refurbishers	<ul style="list-style-type: none"> Staff follow-up with refurbishers as required re submission of final reuse and refurbish reports (due by January 15, 2021). January-February 2021
Processing of final OES payments for reuse and refurbish reports	<ul style="list-style-type: none"> Staff processing of final payments for last reuse and refurbish reports. February – March 2021
Collection of OES Branded Materials Used by Collectors or Processors	
Reminder notifications of wind-up processes and deadlines to collectors	<ul style="list-style-type: none"> Direct staff contact with collectors re inventories of OES materials. November-December 2020

Wind-Up Activity	Implementation
Arrangement of collection of OES branded materials from collectors in conjunction with final WEEE pickups	<ul style="list-style-type: none"> Staff arrangement of final material pickups. December 2020-January 2021
Arrangement of collection of OES branded materials from processors	<ul style="list-style-type: none"> Staff arrangement of final material pickups. February-March 2021
Auctioning off of any OES branded materials with value	<ul style="list-style-type: none"> Materials to be auctioned off in conjunction with dispersal of other remaining OES assets. March-April 2021
Arrangement for recycling of OES branded materials with no material value	<ul style="list-style-type: none"> Staff arrangement of branded materials recycling. February-March 2021
Appointment of OES Liquidator	
Consultation with RPRA	<ul style="list-style-type: none"> OES Board consults with RPRA re appointment of liquidator. Completed: Fall 2020
Request for Proposal Process	<ul style="list-style-type: none"> Request for Proposal published. Completed: December 1, 2020. Response deadline under Request for Proposal: December 21, 2020.
Selection of Liquidator	<ul style="list-style-type: none"> OES Board selection of Deloitte as Liquidator, subject to RPRA approval. Development and assignment of Liquidator functions and engagement of Liquidator. Completed: February 24, 2021, Liquidator appointment effective April 1, 2021

Wind-Up Activity	Implementation
Resignation of OES Board	<ul style="list-style-type: none"> Board resignation and transfer of duties to Liquidator. Completed: effective April 1, 2021
Application by the Liquidator to the Court for the Court-Appointment of Deloitte as Liquidator	<ul style="list-style-type: none"> Application Materials served on all interested parties on June 1, 2021. Winding Up and Appointment Order Granted: June 11, 2021
Submission and Publication of OES 2020 Annual Report	
Draft and Submit Annual Report	<ul style="list-style-type: none"> Compile data. Draft Annual Report. Engage auditor complete financial statements. Completed and approved by RPRA: April 2021
Data Management, Retention and Destruction	
Review of statutory obligations relating to data management, retention and destruction and identification and classification of OES WEEE Program data and securing of OES data	<ul style="list-style-type: none"> Liquidator review of applicable legislation to ensure compliance with residual program obligations including Corporations Act, taxation and privacy requirements. Completed: June 2021 Liquidator (in coordination with RPRA and ERPA) to categorize and secure of all OES data. Completed: June – August 2021
Development of Data Management Plan and Data Retention and Destruction Plan	<ul style="list-style-type: none"> Liquidator to develop Data Management Plan. Completed and Approved by RPRA: September 27, 2021 Liquidator to develop Data Retention and Destruction Plan. Completed: November 2023
Termination of OES-EPRA Service Agreement	

Wind-Up Activity	Implementation
Termination of OES consumer functions on EPRA recyclemyelectronics.ca website	<ul style="list-style-type: none"> • Preparation and implementation of necessary IT and website changes • Links to OES ontarioelectronicstewardship.ca website. • Completed: January 1, 2021
Final arrangements for termination of OES-EPRA service agreement	<ul style="list-style-type: none"> • Completed: Spring 2021
Transitional service agreement between EPRA and the Liquidator	<ul style="list-style-type: none"> • Liquidator and EPRA to enter into Service Agreement for the provision of EPRA services during winding-up. Completed: July 1, 2021
Shut down of OES website	<ul style="list-style-type: none"> • Transition of domain name and trademarks to RPRA including preparation of necessary transfer and legal documents and implementation of necessary IT changes. • Completed: July 2021
Amendment to Steward Rules	
Review of Steward Rules against requirements of Wind-Up Plan	<ul style="list-style-type: none"> • Liquidator to determine whether Steward Rules are consistent with Wind-Up Plan requirements to distribute Surplus Funds to RPRA following WEEE Program termination and winding-up. • Liquidator to propose plan to address ambiguity and inconsistencies between Steward Rules and Wind-Up Plan. • Completed: April 2021
Consultation with stewards regarding amendment to Steward Rules	<ul style="list-style-type: none"> • Delivery of notice of consultation to stewards regarding proposed amendment to Steward Rules to allow Surplus Funds to be distributed to RPRA in accordance with terms of Wind-Up Plan. Completed: May 10, 2021.

Wind-Up Activity	Implementation
	<ul style="list-style-type: none"> • Receipt and solicitation of questions from stewards regarding materials circulated in advance of consultation sessions. Completed: May 18, 2021. • Consultation with stewards regarding amendment to Steward Rules. Completed: May 20-21, 2021
Adoption of amended Steward Rules	<ul style="list-style-type: none"> • Submission of amended Steward Rules to RPRA for approval. • Adoption of amended Steward Rules. Completed: June 23, 2021
HST Claim	
Filing of 2021 OES Tax Return with CRA	<ul style="list-style-type: none"> • On the advice of legal counsel, Liquidator filed Tax Return to seek refund of amounts over-remitted in respect of HST as a result of OES continuing to remit notional HST on EHF's. • Completed: February 18, 2022
Correspondence with CRA regarding Tax Returns	<ul style="list-style-type: none"> • Correspondence with CRA. • Completed: July, 2022
Notice of Assessment	<ul style="list-style-type: none"> • Notice of assessment to be issued concluding that OES was entitled to ITCs and reflecting adjustments. • HST refund received in the amount of \$15.2 million. Completed: January 2024. • Additional HST refund in the amount of \$632,000. Completed: June 2024.
Submission and Publication of OES 2021 Annual Report	
Draft and Submit Annual Report	<ul style="list-style-type: none"> • Compile data. • Draft Annual Report. • Engage auditor complete financial statements. • Completed and approved by RPRA: April 2022

Wind-Up Activity	Implementation
Consultation Regarding OES Surplus Funds Resulting from HST Claim	
Consultation with stakeholders regarding additional Surplus Funds received as a result of the HST Claim	<ul style="list-style-type: none"> • Notice of joint information session with RPRA providing background information regarding outcome of HST Claim and proposed distribution of Surplus Funds to RPRA in accordance with Wind-Up Plan. Completed: February 16, 2024 • Joint information session regarding outcome of HST Claim and proposed distribution of additional resulting Surplus Funds. Completed: April 10, 2024
Claims Procedure	
Motion by the Liquidator to the Court for approval of the Claims Procedure and the issuance of the Claims Procedure Order	<ul style="list-style-type: none"> • Motion Materials served on all interested parties on June 1, 2021. • Claims Procedure Order Granted: June 11, 2021
Compilation of list of Known Claimants	<ul style="list-style-type: none"> • Liquidator to prepare list of Known Claimants including name, address, email address and amount owed per OES books and records. • Complete: June 11, 2021
Notification of Claims Procedure and Process	<ul style="list-style-type: none"> • Liquidator to deliver Claims Package (including Pre-Populated Proof of Claim) to each Known Claimants by email to the last known email address set out in the books and records of OES. Completed: June 14, 2021. • Liquidator to publish Notice to Claimants in each of the <i>Toronto Star</i> and <i>Globe and Mail</i>. Completed: June 27, 2021, July 4, 2021 (<i>Toronto Star</i>) June 15, 2021 and July 2, 2021 (<i>Globe and Mail</i>). • Liquidator to publish Notice to Claimants on Liquidator's Website. Completed: June 11, 2021

Wind-Up Activity	Implementation
Proof of Claims Filing Date	<ul style="list-style-type: none"> Any Person who (i) disagreed with the Claim stated in the Pre-Populated Proof of Claim, or (ii) wished to assert a Claim, delivered to the Liquidator, on or before the Proof of Claims Filing Date, a completed Proof of Claim, including all relevant supporting documentation. Completed: August 31, 2021
Notice of Known Claimants re Proof of Claims Filing Date	<ul style="list-style-type: none"> Liquidator sent a notice (a “Notice”) to the Known Claimants who had not filed a Proof of Claim, reminding them of the Proof of Claim Filing Date and informing them of the Liquidator’s intention to seek a Bar Date Order. Completed: September 13, 2021 Further Notice to Known Claimants advising of the Liquidator’s intention to seek a Bar Date Order. Completed: September 23, 2021
Motion by the Liquidator to the Court for the issuance of the Bar Date Order	<ul style="list-style-type: none"> Bar Date Order fixed a Claims Bar Date of October 21, 2021 (the “Bar Date”) with respect to the Claims Procedure. Completed: October 8, 2021
Resolution of Disputed Claim	<ul style="list-style-type: none"> Liquidator to deliver Notice of Revision or Disallowance following review of Proof(s) of Claims to applicable parties. Settlement of Disputed Claim. Completed: October 2021
Bar Date for the filing of any Claims against OES	<ul style="list-style-type: none"> Completed: October 21, 2021 As of the Bar Date, the Liquidator admitted Claims in the aggregate amount of \$149,841, and issued payments aggregating \$186,720 representing 100% of the face amount of all Proven Claims
Submission and Publication of OES 2022 Annual Report	
Draft and Submit Annual Report	<ul style="list-style-type: none"> Compile data. Draft Annual Report. Engage auditor complete financial statements. Completed and approved by RPRA: April 2023

Wind-Up Activity	Implementation
Submission and Publication of OES 2023 Annual Report	
Draft and Submit Annual Report	<ul style="list-style-type: none"> • Compile data. • Draft Annual Report. • Engage auditor complete financial statements. • Completed and approved by RPRA: April 2024
Consultation regarding OES Surplus Funds	
Consultation with stakeholders regarding additional Surplus Funds received as a result of the HST Claim	<ul style="list-style-type: none"> • Notice of joint information session with RPRA providing background information regarding outcome of HST Claim and proposed distribution of Surplus Funds to RPRA in accordance with Wind-Up Plan. Completed: March 2024 • Joint information session regarding outcome of HST Claim and proposed distribution of additional resulting Surplus Funds. Completed: April 10, 2024
Court Approval of Distribution of Surplus Funds	
Motion by the Liquidator to the Court for the issuance of the Distribution Order	<ul style="list-style-type: none"> • Materials served on all interested parties on January 17, 2025 • Distribution Order Granted: January 27, 2025
Interim Distribution to RPRA	<ul style="list-style-type: none"> • Liquidator to make Interim Distribution to RPRA in accordance with provisions of the Distribution Order and Wind-Up Plan. Completed: March 14, 2025
Distribution of Holdback	

Wind-Up Activity	Implementation
Income Tax	<ul style="list-style-type: none"> Payment of any income tax liability resulting from interest earned on portion of the Surplus Funds being held in term deposits. See below under “Final Tax Matters”
Payment of Professional Fees from the Holdback	<ul style="list-style-type: none"> Distribution to legal counsel. To be completed following final court proceedings Distribution to auditors. Completed: March 19, 2025
Final Tax Matters	
Income Tax Liability	<ul style="list-style-type: none"> Payment of any income tax liability resulting from interest earned on portion of the Surplus Funds being held in term deposits. The external auditor (i.e., KPMG) advised the Liquidator that there will be no income tax liability payable by the Liquidator. The Liquidator must file a final tax return which will be done after the discharge order is obtained from the Court.
Preparation of final Tax Return	<ul style="list-style-type: none"> Tax Return Filed. Completed: April 25, 2025
CRA Clearance Certificate	<ul style="list-style-type: none"> Liquidator to apply for a Clearance Certificate upon the filing of the final income tax return. The Clearance Certificate will be obtained after CRA reviews the final income tax return as filed.
Finalization Arrangements re OES DATA	
Final WEEE Program data transfers from OES to RPRA	<ul style="list-style-type: none"> Consultation with RPRA. Transfer of any remaining WEEE Program data to RPRA. Completed: February 2, 2024

Wind-Up Activity	Implementation
Retention of OES data	<ul style="list-style-type: none"> Liquidator to secure all OES data required to be retained in accordance with the WDTA, the WDTA Regulation, the Corporations Act, taxation and privacy legislation.
Destruction of OES data	<ul style="list-style-type: none"> Liquidator to securely destroy OES data that was not transferred to RPRA in accordance with the requirements of the WDTA and OES' Data Management Plan and Data Retention and Destruction Plan, as approved by RPRA. All paper and hard copy data and records were destroyed on June 28, 2022. Any OES data that must be retained as part of the Liquidator's working papers and required by statute and/or Deloitte policy will be retained and destroyed in accordance with the statute and/or policy in the future. The liquidator will provide written confirmation to RPRA that this data has been destroyed.
Submission of Final Implementation Report to RPRA and Minister	
Draft and submit wind up report as required by subsection 14(20) of the WDTA	<ul style="list-style-type: none"> Engage Auditor to prepare final audited financial statements. Completed: March 2025 Draft Final Implementation Report submitted to RPRA. Completed: March 2025 RPRA staff assessment of steps taken to implement Wind-Up Plan and comments on Draft Final Implementation Report. Completed: April 2025 RPRA staff recommendation to RPRA Board of Directors that OES has completed all required steps under Wind-Up Plan and that the WEEE Program/OES should be formally terminated. Completed: May 2025

Wind-Up Activity	Implementation
	<ul style="list-style-type: none"> • RPRA Board of Directors letter to the Minister communicating that the Wind-Up Plan has been implemented and the WEEE Program/OES should be formally terminated. Completed: May 2025 • Final Implementation Report submitted by OES to RPRA and the Minister. Completed: May 2025
Minister to issue Notice of Termination recommending that the WEEE Program be formally terminated and OES dissolved as a corporate entity in accordance with subsection 14(21) of the WDTA	<ul style="list-style-type: none"> • Minister to issue notice terminating the WEEE Program and OES as of the date set out in the notice issued pursuant to subsection 14(21) of the WDTA.
Books and Records	
Liquidator to provide all books, accounts and documents held by the Liquidator to RPRA	<ul style="list-style-type: none"> • In accordance with the provisions of the Corporations Act (as modified by the WDTA Regulation), the Liquidator has provided books, accounts and documents to RPRA.
Court Approval of Termination of the Winding-Up of OES, Discharge of the Liquidator and Dissolution of OES	
Motion by the Liquidator to the Court for the issuance of the Termination, Dissolution and Discharge Order	<ul style="list-style-type: none"> • Materials served to all interested parties • Relief sought to include, among other things, approval of the activities of the Liquidator since the Distribution Motion, approval of the fees and disbursements of the Liquidator and its counsel, termination of the winding-up proceedings of OES, discharge of Deloitte as Liquidator and the dissolution of OES as a corporate entity. • Seek Termination, Dissolution and Discharge Order

Wind-Up Activity	Implementation
Distribution of remaining Surplus Funds to RPRA	
Payment of the Final Distribution to RPRA	<ul style="list-style-type: none"> • Deloitte to provide final statement of receipts and disbursements to RPRA. • Deloitte to make Final Distribution to RPRA in accordance with the provisions of the Distribution Order.
Dissolution of OES as Corporation	
Dissolution of OES as a corporate entity	<ul style="list-style-type: none"> • Pursuant to the provisions of the Corporations Act (as modified by the WDTA Regulation) dissolution effective at and from the date of the Termination, Discharge and Dissolution Order.
Filing of the Termination, Discharge and Dissolution Order	<ul style="list-style-type: none"> • Deloitte to file copy of Termination, Discharge and Dissolution Order with the Minister in accordance with the provisions of the Corporations Act (as modified by the WDTA Regulation).
Submission and Publication of OES 2024 Annual Report	
Draft and Submit Annual Report	<ul style="list-style-type: none"> • Compile data • Draft Annual Report • Engage auditor complete financial statements • Completed and approved by RPRA: April 2025