

NO. S-124409  
VANCOUVER REGISTRY

**IN THE SUPREME COURT OF BRITISH COLUMBIA**

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,  
R.S.C. 1985, c. C-36, AS AMENDED

AND

IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*,  
S.B.C. 2002, c. 57, AS AMENDED

AND

IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF LEMARE  
HOLDINGS LTD., LEMARE LAKE LOGGING LTD., LONE TREE LOGGING LTD.,  
C. & E. ROADBUILDERS LTD., COAST DRYLAND SERVICES LTD., DOMINION LOG  
SORT LTD. AND CENTRAL COAST INDUSTRIES LTD.

PETITIONERS

**NOTICE OF APPLICATION**

**Names of applicants:** Lemare Holdings Ltd., Lemare Lake Logging Ltd., Lone Tree  
Logging, Ltd., C. & E. Roadbuilders Ltd., Coast Dryland Services Ltd.,  
Dominion Log Sort Ltd. and Central Coast Industries Ltd.  
(the “**Applicants**”)

To: Those Parties on the Service List attached as Schedule “A” hereto.

TAKE NOTICE than an application will be made by the Applicants to the Honourable Mr.  
Justice Grauer, at the courthouse at 800 Smithe Street, Vancouver, British Columbia, on  
Thursday, September 6, 2012 at 10:00 a.m., for the orders set out in Part 1 below.

**Part 1: ORDERS SOUGHT**

1. An order in the form attached hereto as Schedule “B”; and
2. such further and other relief as this Honourable Court may order.

**Part 2: FACTUAL BASIS**

1. On June 21, 2012, the Honourable Mr. Justice Grauer pronounced an Initial Order in  
these proceedings pursuant to the provisions of the *Companies' Creditors Arrangement  
Act*, R.S.C. 1985, c. C-36, as amended, which granted relief, including, *inter alia*, a stay  
of proceedings until 11:59 p.m. on July 20, 2012.

2. On July 20, 2012, the Applicants applied for, and were granted, an extension of the relief in the Initial Order (the “**First Extension Order**”), including the stay of proceedings, to September 28, 2012.
3. From the date that the First Extension Order was pronounced, the Applicants have continued to act with due diligence and good faith and have been cooperating fully with the Monitor in respect of the reporting obligations and the obligations set out in the Initial Order.
4. The Applicants have continued to work towards formulating a plan of compromise and arrangement. However, these efforts have been put on hold due to the pending motion of Her Majesty the Queen in right of the Province of British Columbia (the “**Crown**”) to set aside the Initial Order, and the adjournment of the application for the Claims Process Order.
5. The Applicants are hopeful that the Crown’s motion will be dismissed and that the Claims Process Order will be approved in order to quantify the claims to be compromised so as to enable the Applicants to formulate a plan of arrangement.
6. The Applicants have been and continue to act in good faith and with due diligence in these proceedings.

**Part 3: LEGAL BASIS**

1. *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended, and in particular ss. 11, 11.02, 19 thereof; and
2. the inherent jurisdiction of this Honourable Court.

**Part 4: MATERIAL TO BE RELIED ON**

1. Affidavit #4 of Eric Dutcyvich, to be sworn;
2. Initial Order made June 21, 2012;
3. Third Report of the Monitor, to be filed;
4. the pleadings and other materials filed herein; and
5. such further and other material as counsel may advise and this Honourable Court may allow.

The Applicants estimate that the application will take approximately 45 minutes to be heard.

- ☐ This matter is within the jurisdiction of a master.
- ☒ This matter is not within the jurisdiction of a master. This matter is to be heard before Mr Justice Grauer, who is seized of this matter. The date and time of this application have been arranged through Trial Division.

TO THE PERSONS RECEIVING THIS NOTICE OF APPLICATION: If you wish to respond to this notice of application, you must, within 5 business days after service of this notice of application or, if this application is brought under Rule 9-7, within 8 business days after service of this notice of application,

- (a) file an application response in Form 33;
- (b) file the original of every affidavit, and of every other document, that
  - (i) you intend to refer to at the hearing of this application, and
  - (ii) has not already been filed in the proceeding; and
- (c) serve on the applicant 2 copies of the following, and on every other party of record one copy of the following:
  - (i) a copy of the filed application response;
  - (ii) a copy of each of the filed affidavits and other documents that you intend to refer to at the hearing of this application and that has not already been served on that person;
  - (iii) if this application is brought under Rule 9-7, any notice that you are required to give under Rule 9-7(9).

September 4, 2012

Dated



Signature of lawyer for the Applicants  
Davis LLP (Mary I.A. Buttery/ H. Lance Williams)  
Lawyer for the Petitioners

***To be completed by the court only:***

Order made

☐ in the terms requested in paragraphs \_\_\_\_\_ of Part 1 of this notice of application

☐ with the following variations and additional terms:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Date: \_\_\_\_\_

Signature of ☐ Judge ☐ Master

## APPENDIX

*The following information is provided for data collection purposes only and is of no legal effect.*

### **THIS APPLICATION INVOLVES THE FOLLOWING:**

- ☐ discovery: comply with demand for documents
- ☐ discovery: production of additional documents
- ☐ oral matters concerning document discovery
- ☐ extend oral discovery
- ☐ other matter concerning oral discovery
- ☐ amend pleadings
- ☐ add/change parties
- ☐ summary judgment
- ☐ summary trial
- ☐ service
- ☐ mediation
- ☐ adjournments
- ☐ proceedings at trial
- ☐ case plan orders: amend
- ☐ case plan orders: other
- ☐ experts

**IN THE SUPREME COURT OF BRITISH COLUMBIA**

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,  
R.S.C. 1985, c. C-36, AS AMENDED

AND

IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*,  
S.B.C. 2002, c. 57, AS AMENDED

AND

IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF LEMARE  
HOLDINGS LTD., LEMARE LAKE LOGGING LTD., LONE TREE LOGGING LTD., C. &  
E. ROADBUILDERS LTD., COAST DRYLAND SERVICES LTD., DOMINION LOG SORT  
LTD. AND CENTRAL COAST INDUSTRIES LTD.

PETITIONERS

**SERVICE LIST**

<p><b>Davis LLP</b> Attention: Mary Buttery H. Lance Williams Susan Wood Email: mbuttery@davis.ca lwilliams@davis.ca swood@davis.ca</p> <p><i>Counsel for the Petitioners</i></p>	<p><b>Farris, Vaughan, Wills &amp; Murphy LLP</b> Attention: Robert P. Sloman Rebecca M. Morse Email: rsloman@farris.com rmorse@farris.com</p> <p><i>Counsel for The Toronto-Dominion Bank and TD Equipment Finance Canada Inc.</i></p>
<p><b>Borden Ladner Gervais LLP</b> Attention: Magnus C. Verbrugge Edward T. Wang Martha Martindale Email: MVerbrugge@blg.com ewang@blg.com mmartindale@blg.com</p> <p><i>Counsel for the Monitor</i></p>	<p><b>Alvarez &amp; Marsal Canada Inc.</b> Attention: Todd Martin Pam Boparai Tom Powell Marianna Lee Email: tmartin@alvarezandmarsal.com pboparai@alvarezandmarsal.com tpowell@alvarezandmarsal.com marianna.lee@alvarezandmarsal.com</p> <p><i>Monitor</i></p>

<p><b>Department of Justice Canada</b> Attention: Neva Beckie Charles Fugere Email: Neva.beckie@justice.gc.ca Charles.fugere@justice.gc.ca</p> <p><i>Counsel for Her Majesty the Queen in Right of Canada (Canada Revenue Agency)</i></p>	<p><b>Ministry of Justice, Legal Services Branch</b> Attention: David J. Hatter Aaron Welch Robert Payne Micah Weintraub Email: david.hatter@gov.bc.ca aaron.welch@gov.bc.ca robert.payne@gov.bc.ca Micah.Weintraub@gov.bc.ca</p> <p><i>Counsel for Her Majesty the Queen in Right of the Province of British Columbia</i></p>
<p><b>Alexander Holburn Beaudin &amp; Lang LLP</b> Attention: David A. Garner Michael Roche Email: dgarner@ahbl.ca mroche@ahbl.ca</p> <p><i>Counsel for David Dutcyvich and 3L Cattle Company Limited</i></p>	<p><b>Miller Thomson LLP</b> Attention: Charles W. Bois Email: cbois@millerthomson.com</p> <p><i>Counsel for SMS Equipment Inc.</i></p>

**SCHEDULE "B"**

NO. S-124409  
VANCOUVER REGISTRY

**IN THE SUPREME COURT OF BRITISH COLUMBIA**

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,  
R.S.C. 1985, c. C-36, AS AMENDED

AND

IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*,  
S.B.C. 2002, c. 57, AS AMENDED

AND

IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF LEMARE  
HOLDINGS LTD., LEMARE LAKE LOGGING LTD., LONE TREE LOGGING LTD.,  
C. & E. ROADBUILDERS LTD., COAST DRYLAND SERVICES LTD., DOMINION LOG  
SORT LTD. AND CENTRAL COAST INDUSTRIES LTD.

PETITIONERS

**ORDER MADE AFTER APPLICATION**

BEFORE	)	)	
	)	)	FRIDAY, THE 7 <sup>th</sup> DAY OF
	)	)	SEPTEMBER, 2012
	)	)	

THE APPLICATION of the Petitioners coming on for hearing at Vancouver, British Columbia,  
on the 7<sup>th</sup> day of September, 2012; AND ON HEARING Mary I.A. Buttery and H. Lance  
Williams, counsel for the Petitioners, and those other counsel listed on **Schedule "A"** hereto;  
AND UPON READING the materials filed herein:

THIS COURT ORDERS AND DECLARES THAT:

**SERVICE**

1. The time for service of the Notice of Application herein be and is hereby abridged and the  
Notice of Application is properly returnable today and service thereof upon any interested

party other than those parties on the service list maintained by the Petitioners and the Monitor in this matter (the “**Service List**”) is hereby dispensed with.

### **STAY EXTENSION**

2. All relief granted in the Order made in this proceeding on June 21, 2012, including the stay of proceedings contained therein, is hereby continued and extended to November 30, 2012.

### **DEFINITIONS AND INTERPRETATION**

3. For the purposes of this Claims Process Order, all capitalized terms not otherwise defined in this Claims Process Order shall have the definitions set out in **Schedule “B”** hereto.
4. All references herein as to time shall mean local time in Vancouver, British Columbia, Canada, and any reference to an event occurring on a Business Day shall mean prior to 5:00 p.m. on such Business Day unless otherwise indicated herein and any event that occurs on a day that is not a Business Day shall be deemed to occur on the next Business Day.
5. All references to the singular herein include the plural, the plural include the singular, and any gender includes the other gender.

### **GENERAL PROVISIONS**

6. The Claims Process, including the Claims Bar Date and the Restructuring Claims Bar Date, is hereby approved.
7. The Petitioners and the Monitor are hereby authorized to use reasonable discretion as to the adequacy of compliance with respect to the manner in which forms delivered hereunder are completed and executed and the time in which they are submitted, and may, where they are satisfied that a Claim has been adequately proven, waive strict compliance with the requirements of this Claims Process Order, including in respect of the completion, execution and time of delivery of such forms, and may request any further



documentation from a Creditor that the Petitioners or the Monitor may require in order to enable the Monitor to determine the validity of a Claim.

8. Any Claims denominated in a currency other than Canadian Dollars shall be converted to Canadian Dollars at the Bank of Canada noon spot rate in effect on the Filing Date.
9. Copies of all forms delivered by or to a Creditor hereunder, as applicable, and determinations of Claims by the Monitor, or the Court, as the case may be, shall be maintained by the Monitor and, subject to further order of the Court, such Creditor will be entitled to have access thereto by appointment during normal business hours on reasonable written request to the Petitioners and the Monitor.

#### **MONITOR'S ROLE**

10. The Monitor, in addition to its prescribed rights, duties, responsibilities and obligations under the CCAA and under the Initial Order, shall assist the Petitioners in connection with the administration of the Claims Process, including the determination of Claims of Creditors and the referral of any Claim to the Court, as requested by the Petitioners from time to time, and is hereby directed and empowered to take such other actions and fulfill such other roles as are contemplated by this Claims Process Order.

#### **NOTICE OF CLAIMS**

11. Forthwith after the date of this Claims Process Order, and in any event within three (3) Business Days following the date of this Claims Process Order, the Monitor shall cause a Claims Package, in accordance with paragraph 35 hereof, to be sent to: (a) each Creditor with a Claim as evidenced by the books and records of the Petitioners as of the Filing Date, and (b) each counter-party to any contract or agreement entered into prior to the Filing Date, in respect of which a Petitioner has advised the Monitor that such counter-party has received a Notice of Disclaimer or Resiliation from such Petitioner prior to the date of this Claims Process Order, in each case to the address of such Creditor or counter-party set out in the applicable Petitioner's records. Any Notice of Disclaimer or Resiliation delivered to a Person after the date of this Claims Process Order shall be

accompanied by a Claims Package. A Claim Amount Notice shall be included in a Claims Package if such Claim Amount Notice is provided to the Monitor by the Petitioners prior to the Monitor sending such Claims Package.

12. Forthwith after the date of this Claims Process Order, and in any event within four (4) Business Days following the date of this Claims Process Order, the Monitor shall have taken the steps necessary to cause the Newspaper Notice to be published for one (1) Business Day in the Vancouver Sun and the North Island Gazette at the next available publication date for such newspaper.
13. Forthwith after the date of this Claims Process Order, and in any event within two (2) Business Days following the date of this Claims Process Order, the Monitor shall post on the Monitor's Website a copy of this Claims Process Order, the Instruction Letter, a blank Proof of Claim form and a blank Notice of Dispute form.
14. To the extent that any Creditor requests documents relating to the Claims Process prior to the Claims Bar Date or the Restructuring Claims Bar Date, as applicable, the Monitor shall forthwith cause a Claims Package to be sent to the Creditor and/or direct the Creditor to the documents posted on the Monitor's Website, and otherwise respond to the request relating to the Claims Process as the Monitor determines to be appropriate in the circumstances.
15. Subject to further order of the Court, any Notice of Disclaimer or Resiliation issued by the Petitioners must be issued by the Petitioners at least fifteen (15) days prior to a scheduled Meeting of Creditors, if any, or any adjournment thereof.

#### **NOTICE SUFFICIENT**

16. The forms of Instruction Letter, Proof of Claim, Notice of Revision or Disallowance, Notice of Dispute and Newspaper Notice substantially in the forms attached to this Claims Process Order as **Schedule "C"**, **Schedule "D"**, **Schedule "E"**, **Schedule "F"** and **Schedule "G"**, respectively, are hereby approved. Despite the foregoing, the

Petitioners and the Monitor may, from time to time, make minor changes to such forms as the Petitioners and the Monitor consider necessary or desirable.

17. Publication of the Newspaper Notice, the sending to the Creditors of a Claims Package in accordance with this Claims Process Order, and completion of the other requirements of this Claims Process Order, shall constitute good and sufficient service and delivery of notice of this Claims Process Order, the Claims Bar Date and the Restructuring Claims Bar Date on all Persons who may be entitled to receive notice and who may wish to assert a Claim, and no other notice or service need be given or made and no other document or material need be sent to or served upon any Person in respect of this Claims Process Order.

#### **FILING PROOFS OF CLAIM FOR CLAIMS OTHER THAN RESTRUCTURING CLAIMS AND CROWN CLAIMS**

18. Subject to paragraphs 20 and 22 hereof, any Creditor who wishes to assert a Claim (other than a Restructuring Claim or Crown Claim) against any of the Petitioners and/or any Director and/or Officer shall file a Proof of Claim with the Monitor in the manner set out in paragraph 36 hereof so that the Proof of Claim is received by the Monitor by no later than the Claims Bar Date.
19. Subject to paragraphs 20 and 22 hereof, any Person that does not file a Proof of Claim as provided for in paragraph 18 hereof so that such Proof of Claim is received by the Monitor on or before the Claims Bar Date, or such later date as the Monitor and the Petitioners may agree in writing or the Court may otherwise direct, shall:
  - (a) be and is hereby forever barred, estopped and enjoined from asserting or enforcing any Claim against any of the Petitioners and/or any of the Directors and/or Officers and all such Claims shall be forever extinguished;
  - (b) not be permitted to vote on any plan of arrangement or compromise proposed by the Petitioners (the "**Plan**"), if applicable, on account of such Claim(s);

- (c) not be permitted to participate in any distribution under any Plan, from the proceeds of any sale of the Petitioners' assets, or otherwise on account of such Claim(s); and
  - (d) not be entitled to receive further notice in respect of the Claims Process or these CCAA Proceedings.
20. Notwithstanding paragraphs 18 and 19 hereof, any Creditor who receives a Claim Amount Notice and who does not dispute the Claim as set forth in the Claim Amount Notice, is not required to file a Proof of Claim by the Claims Bar Date. If a Creditor who receives a Claim Amount Notice does not file a Proof of Claim by the Claims Bar Date, then such Creditor's Claim as set out in the Claim Amount Notice shall be an Allowed Claim for voting and distribution purposes. Any Creditor who receives a Claim Amount Notice and wishes to dispute the amount set out therein shall file a Proof of Claim with the Monitor in accordance with paragraph 18 hereof.
21. Notwithstanding anything contained in this Claims Process Order, Exempted Claims shall not be extinguished or affected by this Claims Process Order and, for greater certainty, paragraph 19 shall not apply to the Exempted Claims.

#### **FILING PROOFS OF CLAIM FOR RESTRUCTURING CLAIMS**

22. Notwithstanding paragraphs 18 and 19 hereof, any Creditor who wishes to assert a Restructuring Claim against any of the Petitioners and/or any Director and/or Officer shall file a Proof of Claim with the Monitor in the manner set out in paragraph 36 hereof so that the Proof of Claim is received by the Monitor by no later than the Restructuring Claims Bar Date. All other dates contained herein (other than the Claims Bar Date), shall apply equally to any Restructuring Claims.
23. Any Person that does not file a Proof of Claim in respect of a Restructuring Claim as provided for in paragraph 22 hereof so that such Proof of Claim is received by the Monitor on or before the Restructuring Claims Bar Date, or such later date as the Monitor and the Petitioners, may agree in writing or the Court may otherwise direct, shall:

- (e) be and is hereby forever barred, estopped and enjoined from asserting or enforcing any Claim against any of the Petitioners and/or any of the Directors and/or Officers and all such Claims shall be forever extinguished;
- (f) not be permitted to vote on the Plan, if applicable, on account of such Claim(s);
- (g) not be permitted to participate in any distribution under any Plan, from the proceeds of any sale of the Petitioners' assets, or otherwise on account of such Claim(s); and
- (h) not be entitled to receive further notice in respect of the Claims Process or these CCAA Proceedings.

#### **ADJUDICATION OF CLAIMS**

- 24. The Monitor shall provide the Petitioners' counsel with copies of all Proofs of Claim and Notices of Dispute filed with the Monitor pursuant to the Claims Process.
- 25. The Monitor, in consultation with the Petitioners, shall review all Proofs of Claim received on or before the Claims Bar Date or the Restructuring Claims Bar Date, as applicable, and shall accept, revise or disallow each Claim as set out therein. If the Petitioners wish to revise or disallow a Claim, the Petitioners and/or the Monitor shall, by no later than ten (10) days after the Claims Bar Date or the Restructuring Claims Bar Date, as applicable, send such Creditor a Notice of Revision or Disallowance advising that the Creditor's Claim as set out in its Proof of Claim has been revised or disallowed and the reasons therefor. If neither the Petitioners nor the Monitor send a Notice of Revision or Disallowance to a Creditor by such date or such other date as may be agreed to by the Monitor and the Creditor, the Claim set out in the applicable Proof of Claim shall be an Allowed Claim. Unless otherwise agreed to by the Petitioners and the Monitor or ordered by the Court, all Claims set out in Proofs of Claim that are filed after the Claims Bar Date or the Restructuring Claims Bar Date, as applicable, are deemed to be disallowed and the Petitioners and the Monitor need not deliver a Notice of Revision or Disallowance in respect of such Claim.

26. Any Creditor who is sent a Notice of Revision or Disallowance pursuant to paragraph 25 hereof and wishes to dispute such Notice of Revision or Disallowance shall deliver a completed Notice of Dispute to the Monitor by no later than 5:00 p.m. on the day which is ten (10) days after the date of the applicable Notice of Revision or Disallowance or such other date as may be agreed to by the Monitor. If a Creditor fails to deliver a Notice of Dispute by such date, the Claim set out in the applicable Notice of Revision or Disallowance, if any, shall be an Allowed Claim.
27. Upon receipt of a Notice of Dispute, the Monitor, in consultation with the Petitioners, may: (i) attempt to consensually resolve the disputed Claim with the Creditor, or (ii) bring a motion before the Court in these proceedings to determine the disputed Claim. If the Petitioners and the Creditor consensually resolve the disputed Claim, such Claim (as resolved) shall be an Allowed Claim. If a Claim is referred under this paragraph to the Court, the Court shall resolve the dispute between the Petitioners and such Creditor as soon as practicable, in a summary manner.

#### **NOTICE OF TRANSFEREES**

28. If, after the Filing Date, the holder of a Claim transfers or assigns the whole of such Claim to another Person, neither the Monitor nor the Petitioners shall be obligated to give notice or otherwise deal with the transferee or assignee of such Claim in respect thereof unless and until actual written notice of such transfer or assignment, together with satisfactory evidence of such transfer or assignment, shall have been received and acknowledged by the relevant Petitioner and the Monitor in writing and thereafter such transferee or assignee shall for the purposes hereof constitute the "Creditor" in respect of such Claim. Any such transferee or assignee of a Claim shall be bound by any notices given or steps taken in respect of such Claim in accordance with the Claims Process prior to receipt and acknowledgement by the relevant Petitioner and the Monitor of satisfactory evidence of such transfer or assignment. A transferee or assignee of a Claim takes the Claim subject to any rights of set-off to which a Petitioner may be entitled with respect to such Claim. For greater certainty, a transferee or assignee of a Claim is not entitled to set-off, apply, merge, consolidate or combine any Claims assigned or transferred to it against

or on account or in reduction of any amounts owing by such person to any of the Petitioners. Reference to a transfer in this Claims Process Order includes a transfer or assignment whether absolute or intended as security.

## **CROWN CLAIMS**

29. In the event the Crown wishes to assert a Crown Claim against the Petitioners and/or any Director and/or any Officer, the Crown shall file and serve on the relevant parties an application before the Court prior to the Claims Bar Date setting out the amount of the Crown Claim, the basis therefore and any other information necessary for the Court to determine the Crown Claim (“**Adjudication Application**”).
30. The Petitioners and/or any Directors and/or any Officers, as applicable, shall file a Response to any Adjudication Application within 15 days from the Claims Bar Date.
31. Any Adjudication Application shall be heard as soon as practicable by the Court, and any party may apply for direction setting a date therefore.
32. If the Crown fails to file a Crown Claim as provided herein, or as the Court may otherwise direct it shall:
  - (a) be and is hereby forever barred, estopped and enjoined from asserting or enforcing any Crown Claim against any of the Petitioners and/or any of the Directors and/or Officers and all such Crown Claim(s) shall be forever extinguished;
  - (b) not be permitted to vote on any Plan, if applicable, on account of such Crown Claim(s);
  - (c) not be permitted to participate in any distribution under any Plan from the proceeds of any sale of the Petitioners’ assets, or otherwise, on account of such Crown Claim(s); and
  - (d) not be entitled to receive further notice in respect of these CCAA proceedings.

33. If the Petitioners fail to respond to the Adjudication Application as provided herein, or the Court may otherwise direct, the Crown Claim(s) as set out in the Adjudication Application shall be Allowed Claims.
34. The hearing of an Adjudication Application shall be heard as if it were an appeal to the Court under Section 142.9(1) of the *Forest Act*, R.S.B.C. 1996, c. 157, and all onuses or other evidentiary standards contained in the said Act shall apply to the hearing of the Adjudication Application.

### **SERVICE AND NOTICES**

35. The Petitioners and the Monitor may, unless otherwise specified by this Claims Process Order, serve and deliver the Claims Package, any letters, notices or other documents to Creditors or any other interested Person by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or electronic transmission to such Persons at their respective addresses or contact information as last shown on the records of the Petitioners or set out in a Proof of Claim. Any such service and delivery shall be deemed to have been received: (i) if sent by ordinary mail, on the third Business Day after mailing within British Columbia, the fifth Business Day after mailing within Canada (other than within British Columbia), and the seventh Business Day after mailing internationally; (ii) if sent by courier or personal delivery, on the next Business Day following dispatch; and (iii) if delivered by electronic transmission, by 5:00 p.m. on a Business Day, on such Business Day and if delivered after 5:00 p.m. or other than on a Business Day, on the following Business Day.
36. Any Proof of Claim, Notice of Dispute or other notice or communication required to be provided or delivered by a Creditor to the Monitor or the Petitioners under this Claims Process Order, shall be in writing in substantially the form, if any, provided for in this Claims Process Order and will be sufficiently given only if delivered by prepaid registered mail, courier, personal delivery, facsimile transmission or email addressed to:

Alvarez & Marsal Canada Inc.  
Court-appointed Monitor of Lemare Lake Logging et al.



400 Burrard Street, Suite 1680  
Vancouver, British Columbia V6C 3A6  
Attention: Marianna Lee

Telephone: 604.639.0845 Fax: 604.638.7441

Email: lemareclaims@alvarezandmarsal.com

Any such notice or communication delivered by a Creditor shall be deemed to be received on actual receipt thereof by the Monitor before 5:00 p.m. (Vancouver time) on a Business Day or, if delivered after 5:00 p.m. (Vancouver time), on the next Business Day.

37. If during any period which notice or other communications are being given pursuant to this Claims Process Order, a postal strike or postal work stoppage of general application should occur, such notice or other communications sent by ordinary mail and then not received shall not, absent further Order of this Court, be effective and notices and other communications given hereunder during the course of any such postal strike or work stoppage of general application shall only be effective if given by courier, personal delivery, facsimile transmission or email in accordance with this Claims Process Order.
38. In the event this Claims Process Order is later amended by further Order of the Court after a hearing on at least two (2) Business Days notice to the Service List, the Petitioners or the Monitor may post such further Order on the Monitor's Website and serve such further Order on the Service List, and such posting and service shall constitute adequate notice to Creditors of such amended Claims Process.

#### **MISCELLANEOUS**

39. Notwithstanding any other provisions of this Claims Process Order, the solicitation by the Monitor or the Petitioners of Proofs of Claim and the filing by any Creditor of any Proof of Claim shall not, for that reason only, grant any Person standing in these CCAA Proceedings.
40. The Claims Bar Date and the Restructuring Claims Bar Date, and the amount and status of every Allowed Claim, as determined under the Claims Process, including any

determination as to the nature, amount, value, priority or validity of any Claim, including any secured claim, shall continue in full force and effect and be final for all purposes (except as expressly stated in any Notice of Disallowance or Revision or settlement or Claims Officer's Determination or order of the Court), including in respect of any Plan and voting thereon (unless provided for otherwise in any Order of the Court), and, including for any distribution made to Creditors of any of the Petitioners, whether in these CCAA Proceedings or in any of the proceedings authorized by this Court or permitted by statute, including a receivership proceeding or a bankruptcy affecting any of the Petitioners.

41. The Monitor (i) in carrying out the terms of this Claims Process Order, shall have all of the protections given to it by the CCAA and the Initial Order or as an officer of this Court, including the stay of proceedings in its favour, (ii) shall incur no liability or obligation as a result of the carrying out of its obligations under this Claims Process Order, (iii) shall be entitled to rely on the books and records of the Petitioners, and any information provided by the Petitioners, all without independent investigations, and (iv) shall not be liable for any claims or damages resulting from any errors or omissions in such books, records or information.
42. Notwithstanding the terms of this Claims Process Order, the Petitioners and the Monitor may apply to this Court from time to time for directions from this Court with respect to this Claims Process Order, including the Claims Process and the schedules to this Claims Process Order, or for such further Order or Orders as either of them may consider necessary or desirable to amend, supplement or replace this Claims Process Order, including any schedule to this Claims Process Order.
43. Notwithstanding anything to the contrary herein:
  - (a) a Petitioner may, with the consent of the Monitor, at any time refer a Claim for resolution to the Court for any purpose where in the Petitioner's discretion such a referral is preferable or necessary for the resolution of the valuation of the Claim;

- (b) a Petitioner may, with the consent of the Monitor, in writing and at any time, accept the amount of a Claim for voting purposes without prejudice to the right of the Petitioner to contest liability of the Claim; and
- (c) a Petitioner may, with the consent of the Monitor, in writing and at any time, settle and resolve any disputed Claims.

#### **APPROVAL**

44. Endorsement of this Claims Process Order by counsel appearing on this application is hereby dispensed with.

#### **THIS COURT REQUESTS:**

45. The aid and recognition of other Canadian and foreign Courts, tribunal, regulatory or administrative bodies to act in aid of and to be complementary to this Court in carrying out the terms of this Claims Process Order where required. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to (i) make such orders and to provide such assistance to the Petitioners and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Claims Process Order, (ii) grant representative status to any of the Petitioners, in any foreign proceeding, and (iii) assist the Petitioners, the Monitor and the respective agents of each of the foregoing in carrying out the terms of this Claims Process Order.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

---

Signature of lawyer for the Petitioners  
Davis LLP (Mary I.A. Buttery and H. Lance Williams)

BY THE COURT

---

REGISTRAR

**Schedule "A"**

**LIST OF COUNSEL**

Name	Party Represented
------	-------------------

## **Schedule "B"**

### **DEFINITIONS**

**"Adjudication Application"** has the meaning given to it in paragraph 29 hereof;

**"Allowed Claim"** means the amount, status and/or validity of the Claim or Crown Claim of a Creditor finally determined in accordance with the Claims Process which shall be final and binding for voting and/or distribution purposes under the Plan or otherwise. Any other Claim will be "finally determined" and become an Allowed Claim in accordance with the Claims Process if:

- (a) the Creditor was sent a Claim Amount Notice by the Petitioner or Monitor and the Creditor does not file a Proof of Claim by the Claims Bar Date;
- (b) a Creditor files a Proof of Claim by the Claims Bar Date or the Restructuring Claims Bar Date, as applicable, and the Petitioner or the Monitor has not sent a Notice of Revision or Disallowance by the deadline set out in paragraph 25 of this Claims Process Order;
- (c) the Petitioner or the Monitor has sent the Creditor a Notice of Revision or Disallowance in accordance with the Claims Process and the Creditor has not sent a Notice of Dispute in response by the deadline set out in paragraph 26 of this Claims Process Order;
- (d) the Creditor sent a Notice of Dispute by the deadline set out in paragraph 26 and the Petitioners and Creditor have consensually resolved the disputed Claim;
- (e) the Court has made a determination with respect to the Claim and no appeal or application for leave to appeal therefrom has been taken or served on either party, or if any appeal(s) or application(s) for leave to appeal or further appeal have been taken therefrom or served on either party, any (and all) such appeal(s) or application(s) have been dismissed, determined or withdrawn;
- (f) the Crown has filed an Adjudication Application by the Claims Bar Date and the Petitioners have not filed a Response to the said Adjudication Application within 15 days from the Claims Bar Date;
- (g) the Court has made a determination with respect to a Crown Claim and no appeal or application for leave to appeal therefrom has been taken or served on either party, or if any appeal(s) or application(s) for leave to appeal or further appeal have been taken therefrom or served on either party any (and all) such appeal(s) or application(s) have been dismissed, determined or withdrawn.

**"Business Day"** means any day other than a Saturday, Sunday or a day on which banks in Vancouver, British Columbia or Toronto, Ontario are authorized or obligated by applicable law to close or otherwise are generally closed;

**“CCAA”** means the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended;

**“CCAA Charges”** means, collectively, the Administration Charge and the D&O Charge, and any other charge over the Debtors' assets created by other Order of the Court, as such terms are defined in the Initial Order dated June 21, 2012, and as such charges may be amended, modified or varied by further Order of the Court;

**“CCAA Proceedings”** means the CCAA proceedings commenced by the Petitioners, being British Columbia Supreme Court Action No. S-124409, on the Filing Date pursuant to the Initial Order;

**“Claim”** means (i) any Pre-Filing Claim, (ii) any Restructuring Claim; or (iii) any Directors/Officers Claim; provided, however, that, in each case, a “Claim” shall not include an Exempted Claim or a Crown Claim;

**“Claim Amount Notice”** means a form of notice which the Monitor may include with any Claims Package setting out the Petitioners' determination of such Creditor's Claim;

**“Claims Bar Date”** means October 17, 2012 at 5:00 p.m. (Vancouver time), or such other date as may be ordered by the Court;

**“Claims Package”** means the document package which includes a copy of: (i) the Instruction Letter; (ii) a blank Proof of Claim; (iii) a Claim Amount Notice (if applicable); and (iv) such other materials as the Monitor, in consultation with the Petitioners, considers necessary or appropriate;

**“Claims Process”** means the call for claims to be administered by the Monitor, in consultation with the Petitioners, pursuant to the terms of this Claims Process Order;

**“Claims Process Order”** means this Order establishing a Claims Process;

**“Court”** means the Supreme Court of British Columbia;

**“Creditor”** means any Person having a Claim and includes, without limitation, the transferee or assignee of a transferred Claim that is recognized as a Creditor in accordance with paragraph 28 hereof, or a trustee, liquidator, receiver, manager, or other Person acting on behalf of such Person;

**“Crown”** means Her Majesty the Queen in Right of British Columbia;

**“Crown Claim”** means any claim of the Crown relating to unpaid stumpage or any other claim pursuant to the *Forest Act*, R.S.B.C. 1996, c. 157;

**“Director”** means any Person who is or was, or may be deemed to be or have been, whether by statute, operation of law or otherwise, a director of any one or more of the Petitioners;

**“Directors/Officers Claim”** means any right or claim of any Person against one or more of the Directors and/or Officers that relates to a Pre-Filing Claim or a Restructuring Claim, howsoever arising, for which the Directors and/or Officers are by statute or otherwise by law liable to pay in their capacity as Directors and/or Officers or in any other capacity;

**“Dispute Package”** means, with respect to any Claim, a copy of the related Proof of Claim, Notice of Revision or Disallowance and Notice of Dispute;

**“Exempted Claim”** means, subject to further order of this Court,

- (h) any right or claim of any Person that may be asserted or made in whole or in part against the Petitioners (or any of them) in connection with any indebtedness, liability or obligation of any kind which arose in respect of obligations first incurred on or after the Filing Date (other than Restructuring Claims and Directors/Officers Claims) and any interest thereon, including any obligation of the Petitioners toward creditors who have supplied or shall supply services, utilities, goods or materials or who have or shall have advanced funds to the Petitioners on or after the Filing Date, but only to the extent of their claims in respect of the supply of such services, utilities, goods, materials or funds on or after the Filing Date;
- (i) any claim secured by any CCAA Charge;
- (j) any claim of The Toronto-Dominion Bank and TD Equipment Finance Canada Inc. secured by the Lender Charge (as defined in the Initial Order);
- (k) that portion of a Claim arising from a cause of action for which the Petitioners are covered by insurance, but only to the extent of such coverage;
- (l) any Intercompany Claim;
- (m) any Claim referred to in sections 6(3), 6(5) and 6(6) of the CCAA;
- (n) any claims with respect to reasonable fees and disbursements of counsel of any Petitioner, the Monitor, or any financial advisor retained by any of the foregoing, as approved by the Court to the extent required; and
- (o) any Claim of any employee of the Petitioners (or any of them) employed by the Petitioners (or any of them) as of the Filing Date, but only in respect of a claim for wages, including vacation pay and banked time.

**“Filing Date”** means June 21, 2012;

**“includes”** means includes, without limitation, and **“including”** means including, without limitation;



**“Initial Order”** means the Order of the Court dated June 21, 2012, and as may be further amended, supplemented or varied by the Court;

**“Instruction Letter”** means the letter regarding completion of a Proof of Claim, which letter shall be substantially in the form attached hereto as **Schedule “C”**;

**“Intercompany Claim”** means any Claim of a Petitioner against another Petitioner or of any wholly owned, direct or indirect non-Petitioner subsidiary of a Petitioner against a Petitioner;

**“Meeting of Creditors”** means a subsequent meeting of the Creditors ordered by the Court;

**“Monitor”** means Alvarez & Marsal Canada Inc., in its capacity as Court-appointed Monitor pursuant to the Initial Order;

**“Monitor's Website”** means the Monitor's website located at [www.alvarezandmarsal.com/lemare](http://www.alvarezandmarsal.com/lemare);

**“Newspaper Notice”** means the notice of the Claims Process to be published in the newspapers listed in paragraph 12 of this Claims Process Order, calling for any and all Claims of creditors against the Petitioners, in substantially the form attached hereto as **Schedule “G”**;

**“Notice of Disclaimer or Resiliation”** means a written notice in any form issued on or after the Filing Date by the Petitioners advising a Person of the restructuring, disclaimer, resiliation, termination or breach of any contract, employment agreement, lease or other agreement or arrangement of any nature whatsoever, whether written or oral, and whether such restructuring, disclaimer, resiliation, termination or breach which took place or takes place before or after the date of this Claims Process Order;

**“Notice of Dispute”** means the notice that may be delivered by a Creditor who has received a Notice of Revision or Disallowance disputing such Notice of Revision or Disallowance, which notice shall be substantially in the form attached hereto as **Schedule “F”**;

**“Notice of Revision or Disallowance”** means the notice that may be delivered by the Monitor to a Creditor advising that the Monitor has revised or disallowed in whole or in part such Creditor's Claim as set out in its Proof of Claim, which notice shall be substantially the form attached hereto as **Schedule “E”**;

**“Officer”** means any Person who is or was, or may be deemed to be or have been, whether by statute, operation of law or otherwise, an officer of any one or more of the Petitioners;

**“Person”** means any individual, firm, partnership, joint venture, venture capital fund, association, trust, trustee, executor, administrator, legal personal representative, estate, group, body corporate (including a limited liability company and an unlimited liability

company), corporation, unincorporated association or organization, governmental authority, syndicate or other entity, whether or not having legal status;

**“Petitioners”** means, collectively, Lemare Holdings Ltd., Lemare Lake Logging Ltd., Lone Tree Logging Ltd., C. & E. Roadbuilders Ltd., Coast Dryland Services Ltd., Dominion Log Sort Ltd., and Central Coast Industries Ltd.;

**“Plan”** has the meaning given to it in paragraph (b) hereof;

**“Pre-Filing Claim”** means any right or claim of any Person that may be asserted or made in whole or in part against the Petitioners (or any of them), whether or not asserted or made, in connection with any indebtedness, liability or obligation of any kind whatsoever, and any interest accrued thereon or costs payable in respect thereof, in existence on, or which is based on, an event, fact, act or omission which occurred in whole or in part prior to the Filing Date, at law or in equity, by reason of the commission of a tort (intentional or unintentional), any breach of contract or other agreement (oral or written), any breach of duty (including, without limitation, any legal, statutory, equitable or fiduciary duty), any right of ownership of or title to property or assets or right to a trust or deemed trust (statutory, express, implied, resulting, constructive or otherwise) or for any reason whatsoever against any of the Petitioners or any of their property or assets, and whether or not any indebtedness, liability or obligation is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, present, future, known or unknown, by guarantee, surety or otherwise, and whether or not any right or claim is executory or anticipatory in nature including any right or ability of any Person to advance a claim for contribution or indemnity or otherwise with respect to any matter, action, cause or chose in action whether existing at present or commenced in the future, together with any other rights or claims not referred to above that are or would be claims provable in bankruptcy had the Petitioners (or any one of them) become bankrupt on the Filing Date, and for greater certainty, includes any Tax Claim; provided, however, that “Pre-Filing Claim” shall not include an Exempted Claim;

**“Proof of Claim”** means the form to be completed and filed by a Creditor setting forth its proposed Claim, substantially in the form attached hereto as **Schedule “D”**;

**“Restructuring Claim”** means any right or claim of any Person against the Petitioners (or any one of them) in connection with any indebtedness, liability or obligation of any kind whatsoever owed by the Petitioners (or any one of them) to such Person arising out of the restructuring, disclaimer, resiliation, termination, or breach on or after the Filing Date of any contract, employment agreement, lease or other agreement or arrangement, whether written or oral, and whether such restructuring, disclaimer, resiliation, termination or breach took place or takes place before or after the date of this Claims Process Order, and includes for greater certainty any right or claim of an employee of any of the Petitioners arising from a termination of its employment after the Filing Date; provided, however that “Restructuring Claim” shall not include an Exempted Claim;

**“Restructuring Claims Bar Date”** means the later of: (i) the Claims Bar Date; and (ii) 5:00 p.m. on the day that is ten (10) days after the date of the applicable Notice of Disclaimer or Resiliation, or such other date as may be ordered by the Court;

**“Tax Claim”** means any Claim against the Petitioners (or any of them) for any Taxes in respect of any taxation year or period ending on or prior to the Filing Date, and in any case where a taxation year or period commences on or prior to the Filing Date, for any Taxes in respect of or attributable to the portion of the taxation period commencing prior to the Filing Date and up to and including the Filing Date. For greater certainty, a Tax Claim shall include, without limitation, any and all Claims of any Taxing Authority in respect of transfer pricing adjustments and any Canadian or non-resident Tax related thereto; and

**“Taxing Authorities”** means Her Majesty the Queen, Her Majesty the Queen in right of Canada, Her Majesty the Queen in right of any province or territory of Canada, the Canada Revenue Agency, any similar revenue or taxing authority of each and every province or territory of Canada and any political subdivision thereof, the Internal Revenue Service and any similar revenue or taxing authority of the federal or state governments of the United States of America, and any Canadian or foreign governmental authority, and **“Taxing Authority”** means any one of the Taxing Authorities.

## Schedule "C"

### FORM OF INSTRUCTION LETTER

#### INSTRUCTION LETTER

**FOR THE CLAIMS PROCESS FOR CREDITORS OF LEMARE HOLDINGS LTD.,  
LEMARE LAKE LOGGING LTD., LONE TREE LOGGING LTD., C. & E.  
ROADBUILDERS LTD., COAST DRYLAND SERVICES LTD., DOMINION LOG  
SORT LTD. AND CENTRAL COAST INDUSTRIES LTD.**

**(hereinafter referred to collectively as the "Petitioners")**

#### **Claims Process**

By order of the Supreme Court of British Columbia (the "**Court**") dated September 7, 2012 (as may be amended, restated or supplemented from time to time, the "**Claims Process Order**"), in the proceeding commenced by the Petitioners under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"), the Petitioners have been authorized to conduct a claims process (the "**Claims Process**"). A copy of the Claims Process Order, with all schedules, may be found on the Monitor's Website at: [\*\*www.alvarezandmarsal.com/lemare\*\*](http://www.alvarezandmarsal.com/lemare). Capitalized terms used in this letter, which are not defined in this letter shall have the meaning ascribed to them in the Claims Process Order.

This letter provides instructions for Creditors for completing the Proof of Claim. A blank Proof of Claim form is included with this letter.

The Claims Process is intended for any Person asserting a Claim (other than an Exempted Claim) of any kind or nature whatsoever against any of the Petitioners and/or any of their Directors and/or Officers arising before the Filing Date, and/or any Restructuring Claim arising on or after the Filing Date as a result of a restructuring, disclaimer, rescission, termination or breach by any of the Petitioners on or after the Filing Date of any contract, employment agreement, lease or other agreement or arrangement of any nature whatsoever, whether written or oral, and whether such restructuring, disclaimer, rescission, termination or breach took place or takes place before or after the date of the Claims Process Order.

Current employees of the Petitioners are not required to submit a Proof of Claim in respect of any Claim pertaining to wages, including vacation pay and banked time due to them.

**If a notice setting out the amount which the Petitioners have determined to be the amount of your Claim (a "Claim Amount Notice") is enclosed with this letter, and you do not dispute the nature or amount of such Claim as set out in the Claim Amount Notice, you are not required to file a Proof of Claim. If a Claim Amount Notice is enclosed and you dispute the nature or amount of our Claim as set out in the Claim Amount Notice you must file a Proof of Claim (as referenced in section 2 below) to avoid the barring and extinguishment**

of that portion of your Claim that exceeds the amount set out in the Claim Amount Notice. Any Creditor who receives a Claim Amount Notice and who does not file a Proof of Claim by the Claims Bar Date in accordance with section 2 below is deemed to have accepted the nature and amount of such Claim, as set out in the applicable Claim Amount Notice.

If a Claim Amount Notice is not enclosed with this letter and you wish to file a Claim, you must file a Proof of Claim (as referenced in section 2 below) to avoid the barring and extinguishment of any Claim which you may have against any of the Petitioners and/or any of their Directors and/or Officers.

If you have any questions regarding the Claims Process, please contact the Court-appointed Monitor at the address provided below.

All enquiries with respect to the Claims Process should be addressed to:

Alvarez & Marsal Canada Inc.  
Court-appointed Monitor of the Petitioners  
400 Burrard Street, Suite 1680  
Vancouver, British Columbia V6C 3A6  
Attention: Marianna Lee  
Telephone: 604.639.0845  
Fax: 604.638.7441  
Email: [lemareclaims@alvarezandmarsal.com](mailto:lemareclaims@alvarezandmarsal.com)

## **2. For Creditors Submitting a Proof of Claim**

If you have not received a Claim Amount Notice, or you have received a Claim Amount Notice and you dispute the nature or amount of the Claim as set out in such Claim Amount Notice, you are required to file a Proof of Claim, in the form enclosed herewith, and ensure **that it is received by the Monitor by 5:00 p.m. (Vancouver time) on October 17, 2012** (the “Claims Bar Date”), to avoid the barring and extinguishment of any Claim (other than a Restructuring Claim) you may have against any of the Petitioners and/or any of their Directors and/or Officers in excess of any amount set out in the Claim Amount Notice enclosed herewith, if any.

To avoid the barring and extinguishment of any Restructuring Claim you may have against any of the Petitioners and/or any of their Directors and/or Officers, you are required to file a Proof of Claim, in the form enclosed herewith, and ensure **that it is received by the Monitor by the later of: (a) the Claims Bar Date, and (b) 5:00 p.m. (Vancouver time) on the day which is ten (10) days after the date of the Notice of Disclaimer or Resiliation** sent to you (the “Restructuring Claims Bar Date”).

For the avoidance of doubt, any Claim or Restructuring Claim you may have against any of the Petitioners must be filed in accordance with the Process set forth herein.

Additional Proof of Claim forms can be found on the Monitor's website at [www.alvarezandmarsal.com/lemare](http://www.alvarezandmarsal.com/lemare) or obtained by contacting the Monitor at the address

indicated above and providing particulars as to your name, address, facsimile number and e-mail address. Once the Monitor has this information, you will receive, as soon as practicable, additional Proof of Claim forms.

If you are submitting your Proof of Claim electronically, please submit it in one PDF file and ensure the name of the file is **[legal name of creditor]poc.pdf**.

### **3. Claims Order**

While this Instruction Letter, along with its accompanying Proof of Claim form, is provided to assist you in the Claims Process, you must comply with the terms of the Claims Process Order pronounced September 7, 2012.

**UNLESS YOU ARE A HOLDER OF A CLAIM FOR WHICH YOU HAVE RECEIVED A CLAIM AMOUNT NOTICE THAT YOU DO NOT DISPUTE; IF A PROOF OF CLAIM IN RESPECT OF YOUR CLAIM IS NOT RECEIVED BY THE MONITOR BY THE CLAIMS BAR DATE OR RESTRUCTURING CLAIMS BAR DATE, AS APPLICABLE:**

**A) YOUR CLAIM SHALL BE FOREVER BARRED AND EXTINGUISHED AND YOU WILL BE PROHIBITED FROM MAKING OR ENFORCING A CLAIM AGAINST ANY OF THE PETITIONERS AND/OR ANY OF THEIR DIRECTORS AND/OR OFFICERS;**

**(B) YOU SHALL NOT BE PERMITTED TO VOTE ON ANY PLAN OF ARRANGEMENT OR COMPROMISE OR ENTITLED TO ANY FURTHER NOTICE OR DISTRIBUTION UNDER THE PLAN, IF ANY;**

**(C) YOU SHALL NOT BE ENTITLED TO ANY PROCEEDS OF SALE OF ANY OF THE PETITIONERS' ASSETS; AND**

**(D) YOU SHALL NOT BE ENTITLED TO PARTICIPATE AS A CREDITOR IN THE CCAA PROCEEDINGS OF THE PETITIONERS.**

**Schedule "D"**

**FORM OF PROOF OF CLAIM**

**PROOF OF CLAIM**

**AGAINST LEMARE HOLDINGS LTD., LEMARE LAKE LOGGING LTD., LONE  
TREE LOGGING LTD., C. & E. ROADBUILDERS LTD., COAST DRYLAND  
SERVICES LTD., DOMINION LOG SORT LTD. AND CENTRAL COAST  
INDUSTRIES LTD.**

**(hereinafter referred to collectively as the "Petitioners")**

**Please read the enclosed Instruction Letter carefully prior to completing this Proof of Claim. Defined terms not defined within this Proof of Claim form shall have the meaning ascribed thereto in the Claims Process Order dated September 7, 2012, as may be amended, restated or supplemented from time to time.**

**Particulars of Creditor**

(a) Please complete the following:

Full Legal Name:  <i>(Full legal name should be the name of the original Creditor, regardless of whether an assignment of a Claim, or a portion thereof, has occurred prior to or following the Filing Date.)</i>	
Full Mailing Address:  <i>(Full Mailing Address should be that of the Creditor, not of the Assignee.)</i>	
Telephone Number:	
Facsimile Number:	
E-mail address:	
Attention (Contact Person):	

(b) Has the Claim been sold, transferred or assigned by the Creditor to another party (an "Assignee")?

Yes: [ ]

No: [ ]

**2. Particulars of Assignee(s) (if any):**

(a) Please complete the following if all or a portion of the Claim has been assigned. Insert full legal name of assignee(s) of the Claim. If there is more than one assignee, please attach a separate sheet with the required information:

Full Legal Name of Assignee(s):	
Full Mailing Address of Assignee(s):	
Telephone Number of Assignee(s):	
Facsimile Number of Assignee(s):	
E-mail address of Assignee(s):	
Attention (Contact Person):	

**Proof of Claim:**

I, \_\_\_\_\_ (name of individual Creditor or Representative of corporate Creditor), of \_\_\_\_\_ (City, Province or State) do hereby certify:

(a) that I [ ] am a Creditor; OR

[ ] am \_\_\_\_\_ (state position or title) of \_\_\_\_\_ (name of corporate Creditor), which is a Creditor;

that I have knowledge of all the circumstances connected with the Claim referred to below;

(b) that \_\_\_\_\_ (name of applicable Petitioners and/or Directors and/or Officers) was and still is indebted to the Creditor as follows:



CLAIM (other than Restructuring Claim):

\$\_\_\_\_\_ (insert \$ value of Claim)

RESTRUCTURING CLAIM:

\$\_\_\_\_\_ (insert \$ value of Claim arising after the Filing Date resulting from the restructuring, disclaimer, resiliation, termination or breach after the Filing Date of any contract, employment agreement, lease or other agreement or arrangement of any nature whatsoever, whether written or oral);

A. TOTAL CLAIM(S) \$\_\_\_\_\_

(Note: Claims in a currency other than Canadian Dollars will be converted to Canadian Dollars at the noon spot rate of the Bank of Canada as at the Filing Date, June 21, 2012. Please indicate currency of claim if not Canadian Dollars).

**Nature of Claim:**

*(Check and complete appropriate category)*

☐ A. UNSECURED CLAIM OF \$\_\_\_\_\_. That in respect of this debt, no assets of any of the Petitioners are pledged as security.

☐ B. SECURED CLAIM OF \$\_\_\_\_\_. That in respect of this debt, assets of \_\_\_\_\_ (insert name of applicable Petitioners) valued at \$\_\_\_\_\_ are pledged to me as security, particulars of which are as follows:

*(Give full particulars of the security, including the date on which the security was given and the value at which you assess the security, and attach a copy of the security documents.)*

**Particulars of Claims:**

Other than as already set out herein, the particulars of the undersigned's total Claim and/or Restructuring Claim are attached.

*(Provide all particulars of the claims and supporting documentation, including amount, description of transaction(s) or agreement(s) giving rise to the claims, name of any guarantor which has guaranteed the claims, and amount of invoices, particulars of all credits, discounts, etc. claimed, description of the security, if any, granted by the Petitioners to the Creditor and estimated value of such security. Where a claim is advanced against any Directors or Officers, please provide either a reference to a statutory authority for your claim or enclose a draft Notice of Civil Claim.)*

**Filing of Claims:**

This Proof of Claim **must be received by the Monitor by no later than 5:00 p.m. (Vancouver time) on October 17, 2012** (the "Claims Bar Date") unless your claim is a Restructuring Claim.

Proofs of Claim for Restructuring Claims arising after the Filing Date resulting from a restructuring, disclaimer, resiliation, termination, or breach after the Filing Date of any contract, employment agreement, lease or other agreement or arrangement of any nature whatsoever, whether written or oral, **must be received by the Monitor by the later of: (a) the Claims Bar Date, and (b) by 5:00 p.m. (Vancouver time) on the day which is 10 days after the date of the applicable Notice of Disclaimer or Resiliation** (the "Restructuring Claims Bar Date").

**FAILURE TO FILE YOUR PROOF OF CLAIM AS DIRECTED BY THE CLAIMS BAR DATE OR RESTRUCTURING CLAIMS BAR DATE, AS APPLICABLE, WILL RESULT IN YOUR CLAIM BEING FOREVER BARRED AND EXTINGUISHED, AND YOU WILL BE PROHIBITED FROM MAKING OR ENFORCING A CLAIM AGAINST ANY OF THE PETITIONERS AND/OR ANY OF THEIR DIRECTORS AND/OR OFFICERS.**

This Proof of Claim must be delivered by prepaid registered mail, personal delivery, e-mail, courier or facsimile transmission at the following addresses:

Alvarez & Marsal Canada Inc.  
Court-appointed Monitor of the Petitioners  
400 Burrard Street, Suite 1680  
Vancouver, British Columbia V6C 3A6  
Attention: Marianna Lee  
Telephone: 604.639.0845  
Fax: 604.638.7441  
Email: lemareclaims@alvarezandmarsal.com

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 2012.

\_\_\_\_\_  
Witness:

Per: \_\_\_\_\_

Print name of Creditor:

\_\_\_\_\_  
*If Creditor is other than an individual, print  
name and title of authorized signatory*

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**Schedule "E"**

**FORM OF NOTICE OF REVISION OR DISALLOWANCE**

**NOTICE OF REVISION OR DISALLOWANCE  
OF LEMARE HOLDINGS LTD., LEMARE LAKE LOGGING LTD., LONE TREE  
LOGGING LTD., C. & E. ROADBUILDERS LTD., COAST DRYLAND SERVICES  
LTD., DOMINION LOG SORT LTD. AND CENTRAL COAST INDUSTRIES LTD.**

**(hereinafter referred to collectively as the "Petitioners")**

Full Legal Name of Creditor: \_\_\_\_\_

Reference #: \_\_\_\_\_

Pursuant to the order of the Supreme Court of British Columbia dated September 7, 2012 (as may be amended, restated or supplemented from time to time), Alvarez & Marsal Canada Inc., in its capacity as Monitor of the Petitioners, hereby gives you notice that the Petitioners, in consultation with the Monitor, have reviewed your Proof of Claim and have revised or disallowed your Claim as follows:

	<b>Proof of Claim as Submitted (\$CDN)</b>	<b>Revised Claim as Accepted (\$CDN)</b>	<b>Secured (\$CDN)</b>	<b>Unsecured (\$CDN)</b>
<b>Total Claim</b>				

Reason for the Revision or Disallowance:

---

---

---

---

---

---

---

---

---

---

If you do not agree with this Notice of Revision or Disallowance, please take notice of the following:

**If you intend to dispute a Notice of Revision or Disallowance, you must deliver a Notice of Dispute, in the form attached hereto, by prepaid registered mail, personal delivery, e-mail (in PDF format), courier or facsimile transmission to the address indicated herein so that such Notice of Dispute is received by the Monitor by 5:00 p.m. (Vancouver time) on \_\_\_\_\_, 2012 [being ten (10) days after the date of this Notice of Revision or Disallowance, or such other date as may be agreed to by the Monitor. The form of Notice of Disallowance is attached to this Notice.**

Where a Notice of Dispute is being submitted electronically, please submit one pdf file with the file named as follows: [legal name of creditor]pocdispute.pdf.

If you do not deliver a Notice of Dispute by the time specified, the nature and amount of your Claim, if any, shall be as set out in this Notice of Revision or Disallowance for voting and/or distribution purposes.

Address for Service of Notices of Dispute:

Alvarez & Marsal Canada Inc.  
Court-appointed Monitor of the Petitioners  
400 Burrard Street, Suite 1680  
Vancouver, British Columbia V6C 3A6  
Attention: Marianna Lee  
Telephone: 604.639.0845  
Fax: 604.638.7441  
Email: lemareclaims@alvarezandmarsal.com

**IF YOU FAIL TO TAKE ACTION WITHIN THE PRESCRIBED TIME PERIOD, THIS NOTICE OF REVISION OR DISALLOWANCE WILL BE BINDING UPON YOU.**

Dated at \_\_\_\_\_ this \_\_\_\_\_ day of \_\_\_\_\_, 2012.

**ALVAREZ & MARSAL CANADA INC.**

In its capacity as the Court-appointed Monitor  
of the Petitioners

Per: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

## Schedule "F"

### FORM OF NOTICE OF DISPUTE

**NOTICE OF DISPUTE  
OF LEMARE HOLDINGS LTD., LEMARE LAKE LOGGING LTD., LONE TREE  
LOGGING LTD., C. & E. ROADBUILDERS LTD., COAST DRYLAND SERVICES  
LTD., DOMINION LOG SORT LTD. AND CENTRAL COAST INDUSTRIES LTD.**

(hereinafter referred to collectively as the "Petitioners")

Pursuant to the order of the Supreme Court of British Columbia dated September 7, 2012 (as may be amended, restated or supplemented from time to time), I/we hereby give you notice of my/our intention to dispute the Notice of Revision or Disallowance bearing Reference Number \_\_\_\_\_ and dated \_\_\_\_\_ issued by Alvarez & Marsal Canada Inc., in its capacity as Monitor of the Petitioners, in respect of my/our Claim.

*Full Legal Name of Creditor:* \_\_\_\_\_

	<b>Reviewed Claim as Accepted (\$CDN)</b>	<b>Reviewed Claim as Disputed (\$CDN)</b>	<b>Secured (\$CDN)</b>	<b>Unsecured (\$CDN)</b>
<b>Total Claim</b>				

*Reasons for Dispute* (attach additional sheet and copies of all supporting documentation if necessary):

---

---

---

Signature of Individual: \_\_\_\_\_

Date: \_\_\_\_\_

(Please print name): \_\_\_\_\_

Telephone Number: (\_\_\_\_\_) \_\_\_\_\_

Facsimile Number. (\_\_\_\_\_) \_\_\_\_\_

Email Address: \_\_\_\_\_

Full Mailing Address:

\_\_\_\_\_

\_\_\_\_\_

**This form and supporting documentation is to be returned by prepaid registered mail, personal delivery, e-mail (in pdf format), courier or facsimile transmission to the address indicated herein and is to be received by the Monitor by 5:00 p.m. (Vancouver time) on \_\_\_\_\_, 2012 [being ten (10) days after the date of the Notice of Revision or Disallowance], or such other date as may be agreed to by the Monitor.**

Where this Notice of Dispute is being submitted electronically, please submit one pdf file with the file named as follows: **[legal name of creditor]pocdispute.pdf**.

Address for Service of Notices of Dispute:

Alvarez & Marsal Canada Inc.  
Court-appointed Monitor of the Petitioners  
400 Burrard Street, Suite 1680  
Vancouver, British Columbia V6C 3A6  
Attention: Marianna Lee  
Telephone: 604.639.0845  
Fax: 604.638.7441  
Email: [lemareclaims@alvarezandmarsal.com](mailto:lemareclaims@alvarezandmarsal.com)

## Schedule "G"

### FORM OF NEWSPAPER NOTICE

#### NOTICE TO CREDITORS OF LEMARE HOLDINGS LTD., LEMARE LAKE LOGGING LTD., LONE TREE LOGGING LTD., C. & E. ROADBUILDERS LTD., COAST DRYLAND SERVICES LTD., DOMINION LOG SORT LTD. AND CENTRAL COAST INDUSTRIES LTD.

(hereinafter referred to collectively as the "Petitioners")

#### RE: NOTICE OF CLAIMS PROCESS FOR THE PETITIONERS PURSUANT TO THE COMPANIES' CREDITORS ARRANGEMENT ACT ("CCAA")

This notice is being published pursuant to an order of the Supreme Court of British Columbia dated September 7, 2012 (the "**Claims Process Order**") which approved a claims process for the determination of certain claims against the Petitioners and/or their Directors and/or Officers. The claims process only applies to the Claims of Creditors described in the Claims Process Order. A copy of the Claims Process Order and other public information concerning the CCAA proceedings can be obtained on the website of Alvarez & Marsal Canada Inc., the Court-Appointed Monitor of the Petitioners (the "**Monitor**") at [www.alvarezandmarsal.com/lemare](http://www.alvarezandmarsal.com/lemare). Any person who may have a claim against any of the Petitioners and/or any of their Directors and/or Officers should carefully review and comply with the Claims Process Order.

Any person having a Claim against any of the Petitioners and/or any of their Directors and/or Officers arising or relating to the period prior to June 21, 2012 (the "**Filing Date**"), which would have been a claim provable in bankruptcy had the Petitioners become bankrupt on the Filing Date and who does not receive a Claim Amount Notice with their Claims Package, or who receives a Claim Amount Notice with their Claims Package but disputes the amount or nature of their Claim as listed in their Claim Amount Notice, must send a Proof of Claim to the Monitor, **to be received by the Monitor by no later than 5:00 p.m. (Vancouver time) on October 17, 2012** (the "**Claims Bar Date**").

Proofs of Claim for Claims arising as a result of a restructuring, disclaimer, resiliation, termination, or breach by any of the Petitioners on or after the Filing Date of any contract, lease, employment agreement, lease or other agreement or arrangement of any nature whatsoever, whether written or oral, **must be received by the Monitor by no later than: (a) the Claims Bar Date; and (b) 5:00 p.m. (Vancouver time) on the day which is ten (10) days after the date of the Notice of Disclaimer or Resiliation sent by the Monitor to such creditor.**

For the avoidance of doubt, any claim a creditor may have against any of the Petitioners must be filed in accordance with the process set forth in the Claims Process Order. Creditors requiring more information or who have not received a Proof of Claim form or Claims Package should contact the Monitor by telephone at (604) 639-0845, fax at (604) 638-7441, or email at



lemareclaims@alvarezandmarsal.com or visit the Monitor's web site at:  
www.alvarezandmarsal.com/lemare.

**UNLESS EXPRESSLY PROVIDED IN THE CLAIMS PROCESS ORDER, HOLDERS OF CLAIMS THAT DO NOT FILE PROOFS OF CLAIM WITH THE MONITOR BY THE APPLICABLE DEADLINE SPECIFIED ABOVE SHALL NOT BE ENTITLED TO ANY FURTHER NOTICE OR DISTRIBUTION UNDER A PLAN, IF ANY, OR OF ANY PROCEEDS OF SALE OF ANY OF THE PETITIONERS' ASSETS, OR TO PARTICIPATE AS A CREDITOR IN THE CCAA PROCEEDINGS OF THE PETITIONERS, AND SHALL BE PROHIBITED FROM MAKING OR ENFORCING ANY CLAIM AGAINST ANY OF THE PETITIONERS AND/OR ANY OF THEIR DIRECTORS AND/OR OFFICERS. ADDITIONALLY, ANY CLAIMS SUCH CREDITOR MAY HAVE AGAINST ANY OF THE PETITIONERS AND/OR ANY OF THEIR DIRECTORS AND/OR OFFICERS SHALL BE FOREVER BARRED AND EXTINGUISHED.**

NO. S-124409  
VANCOUVER REGISTRY

**IN THE SUPREME COURT OF BRITISH COLUMBIA**

IN THE MATTER OF THE *COMPANIES' CREDITORS*  
*ARRANGEMENT ACT*, R.S.C. 1985, c. C-36,  
AS AMENDED

AND

IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*,  
S.B.C. 2002, c. 57

AND

IN THE MATTER OF A PLAN OF COMPROMISE OR  
ARRANGEMENT OF LEMARE HOLDINGS LTD., LEMARE  
LAKE LOGGING LTD., LONE TREE LOGGING LTD.,  
C. & E. ROADBUILDERS LTD., COAST DRYLAND  
SERVICES LTD., DOMINION LOG SORT LTD. AND  
CENTRAL COAST INDUSTRIES LTD.

PETITIONERS

---

**ORDER MADE AFTER APPLICATION**

---

**DAVIS LLP**  
Barristers & Solicitors  
2800 Park Place  
666 Burrard Street  
Vancouver, BC V6C 2Z7

Tel. No. 604.687.9444  
Fax No. 604.687.1612

File No. 47597-00052

TAG/mlf

