

**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**

**Name(s) of applicant(s):** 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.

**To:** Those Parties on the Service List attached as Schedule "A" hereto.

TAKE NOTICE than an application will be made by the applicants before the Honourable  
Mr. Justice Grauer at the Courthouse at 800 Smithe Street, Vancouver, BC, V6Z 2E1 on Friday, the  
9<sup>th</sup> day of May, 2014 at 9:45 a.m. for the Orders set out in Part 1 below.

**Part 1: ORDER(S) SOUGHT**

1. An Order authorizing the Petitioners to file a consolidated plan of arrangement and directing a meeting of the Trade Creditors to vote on the Plan, all in the form of Order attached as Schedule "B".
2. An Order that all relief granted in the Order made in this proceeding on June 21, 2012, including the stay of proceedings contained therein, as extended on July 20, 2012 and subsequently extended on September 6, 2012, October 3, 2012, October 19, 2012, October 26, 2012, November 28, 2012, February 13, 2013, May 28, 2013, August 30, 2013, September 3, 2013, December 17, 2013 and March 18, 2014 be continued and extended to July 31, 2014.

3. Such further and other relief as this Honourable Court may order.

**Part 2: FACTUAL BASIS**

1. The Petitioners obtained an Initial Order under the *Companies' Creditors Arrangement Act*, on June 21, 2012.
2. The Petitioners are now in a position to file a plan to be voted upon by the Petitioners Trade Creditors.

**Part 3: LEGAL BASIS**

1. *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended.
2. The inherent jurisdiction of this Honourable Court.

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

1. Affidavit of Eric Dutcyvich #16, sworn May 1, 2014;
2. Initial Order made June 21, 2012;
3. The pleadings and other materials filed herein; and
4. Such further and other material as counsel may advise and this Honourable Court may allow.

The applicant estimates that the application will take 1 day.

- ☐ 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 has been arranged through Trial Scheduling

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 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).

Date:

May 1 2014

Signature of lawyer for Applicants  
John J. McLean, Q.C.

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

#### THIS APPLICATION INVOLVES THE FOLLOWING:

- ☐ discovery: comply with demand for documents
- ☐ discovery: production of additional documents
- ☐ other 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

# SCHEDULE "A"

## SERVICE LIST

IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT  
OF LEMARE HOLDINGS LTD., and others  
CCAA Proceedings, S.C.B.C. NO. S124409, Vancouver Registry  
(as of May 1, 2014)

<p><b>Gowling Lafleur Henderson LLP</b> Suite 2300, 550 Burrard Street Vancouver, BC V6C 2B5</p> <p><b>John I. McLean, Q.C.</b> Email: <a href="mailto:john.mclean@gowlings.com">john.mclean@gowlings.com</a></p> <p><i>Counsel for the Petitioners</i></p>	<p><b>Alvarez &amp; Marsal Canada ULC</b> Suite 1680, 400 Burrard Street Vancouver, BC V6C 3A6</p> <p><b>Todd Martin / Tom Powell / Marianna Lee</b> Email: <a href="mailto:tmartin@alvarezandmarsal.com">tmartin@alvarezandmarsal.com</a> <a href="mailto:tpowell@alvarezandmarsal.com">tpowell@alvarezandmarsal.com</a> <a href="mailto:marianne.lee@alvarezandmarsal.com">marianne.lee@alvarezandmarsal.com</a></p> <p><i>Monitor</i></p>
<p><b>Borden Ladner Gervais LLP</b> 1200 Waterfront Centre 200 Burrard Street Vancouver, BC V7X 1T2</p> <p><b>Magnus Verbrugge / Edward T. Wang / Martha Martindale</b> Email: <a href="mailto:mverbrugge@blg.com">mverbrugge@blg.com</a> <a href="mailto:ewang@blg.com">ewang@blg.com</a> <a href="mailto:mmartindale@blg.com">mmartindale@blg.com</a></p> <p><i>Counsel for the Monitor</i></p>	<p><b>Farris Vaughan Wills Murphy LLP</b> 2500 – 700 West Georgia Street Vancouver, BC V7Y 1B3</p> <p><b>Robert P. Sloman / Rebecca M. Morse</b> email: <a href="mailto:rsloman@farris.com">rsloman@farris.com</a> <a href="mailto:rmorse@farris.com">rmorse@farris.com</a></p> <p><i>Counsel for The Toronto-Dominion Bank and TD Equipment Finance Canada Inc.</i></p>
<p><b>Department of Justice Canada</b> 900 Howe Street Vancouver, BC V6Z 2S9</p> <p><b>Neva Beckie, Senior Counsel, Tax Law Services / Charles Fugere</b> Direct Line: (604) 666-5443 Fax: (604) 666-1462 Email: <a href="mailto:neva.beckie@justice.gc.ca">neva.beckie@justice.gc.ca</a> <a href="mailto:Charles.fugere@justice.gc.ca">Charles.fugere@justice.gc.ca</a></p> <p><i>Counsel for Her Majesty The Queen In Right of Canada (Canada Revenue Agency)</i></p>	<p><b>Ministry of Justice</b> Legal Services Branch P.O. Box 9289 STN PROV GOVT 400 – 1676 Douglas Street Victoria, BC V8W 9J7</p> <p><b>David J. Hatter / Aaron Welch / Robert Payne / Micah Weintraub</b> tel: 250-387-1274 (Hatter's dir. Line) fax: 1-250-387-0700 email: <a href="mailto:david.hatter@gov.bc.ca">david.hatter@gov.bc.ca</a> <a href="mailto:aaron.welch@gov.bc.ca">aaron.welch@gov.bc.ca</a> <a href="mailto:robert.payne@gov.bc.ca">robert.payne@gov.bc.ca</a> <a href="mailto:micah.weintraub@gov.bc.ca">micah.weintraub@gov.bc.ca</a></p> <p><i>Counsel for Her Majesty The Queen In Right of Prov. of BC</i></p>

<p><b>Alexander Holburn Beaudin &amp; Lang LLP</b></p> <p><b>David A. Garner / Michael Roche</b> Tel: 604-484-1708 email: <a href="mailto:dgarner@ahbl.ca">dgarner@ahbl.ca</a> <a href="mailto:mroche@ahbl.ca">mroche@ahbl.ca</a></p> <p>former counsel for <i>David Dutcyvich and 3L Cattle Company Limited</i></p>	<p><b>Gehlen Dabbs LLP</b> 1201 – 1030 West Georgia Street Vancouver, BC V6E 2Y3</p> <p><b>Geoffrey H. Dabbs</b> tel: 604-642-0117 email: <a href="mailto:gd@gdlaw.ca">gd@gdlaw.ca</a></p> <p><i>Counsel for David Dutcyvich and 3L Cattle Company Limited</i></p>
<p><b>Kanuka Thuringer LLP</b> Saskatchewan, SK</p> <p><b>Warren Sproule</b> email: <a href="mailto:wsproule@ktllp.ca">wsproule@ktllp.ca</a></p> <p><i>Counsel for Concentra Financial Services Association</i></p>	<p><b>Miller Thomson LLP</b> 1000 – 840 Howe St. Vancouver, BC V6Z 2M1</p> <p><b>Charles W. Bois</b> Tel: 604-643-1224 Email: <a href="mailto:cbois@millerthomson.com">cbois@millerthomson.com</a></p> <p><i>Counsel for SMS Equipment Inc.</i></p>
<p><b>Blake Cassels &amp; Graydon LLP</b> 2600 - 595 Burrard Street Vancouver, BC V7X 1L3</p> <p><b>Peter Rubin</b> email: <a href="mailto:peter.rubin@blakes.com">peter.rubin@blakes.com</a></p> <p><i>Counsel for Concentra Trust</i></p>	

# SCHEDULE "B"

No. S124409  
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

(Meeting Order)

BEFORE THE HONOURABLE	)	FRIDAY, THE 9 <sup>TH</sup> DAY
	)	
MR. JUSTICE GRAUER	)	OF MAY, 2014

THE APPLICATION of the Petitioners coming on for hearing before me this day at the Courthouse, 800 Smithe Street, Vancouver, British Columbia; AND UPON HEARING John I. McLean, Q.C., Counsel for the Petitioners, and other counsel as listed on **Schedule "A"** hereto; AND UPON READING the pleadings and materials filed herein; AND PURSUANT TO the provisions of the *Companies' Creditors Arrangement Act* R.S.C. c. C-36 (the "CCAA"), the *Business Corporations Act*, S.B.C. 2002, c.57, and the *Business Corporations Act*, R.S.A. 2000, C. B-9, and the *Rules of Court*, and the equitable and inherent jurisdiction of this Honourable Court:

THIS COURT ORDERS AND DECLARES THAT:

1. all capitalized terms in this Order shall, unless defined or otherwise stated herein, have the meaning given to them in the Consolidated Plan of Arrangement (the "**Plan**"), substantially in the form attached hereto as **Schedule "B"**;

**Meeting of Creditors**

2. the Petitioners are authorized and directed to hold a meeting of the Trade Creditors (the "**Creditors' Meeting**") on or before July 15, 2014 for the purpose of seeking the approval of the Plan, at the time and place to be prescribed in the notice of meeting of creditors, or, if adjourned, at such time and place as the Petitioners may determine in consultation with the Monitor;
3. the Creditors' Meeting, subject to the express terms of this Order, shall be called, held and conducted in accordance with the CCAA, any further Order of this Court and the rulings and directions of the chairperson of the Creditors' Meeting (the "**Chairperson**"), and this Court declares and confirms that no other meetings of any additional classes of Creditors, Persons or of shareholders of the Petitioners are required;

**Notice of Creditors' Meeting and Meeting Materials**

4. no later than ten (10) days prior to the date of the Creditors' Meeting, the Monitor will send to the Trade Creditors at the addresses provided by the Trade Creditors in their proofs of claim, in the manner prescribed in this Order, copies of the following documents (collectively, the "**Meeting Materials**"):
  - (a) the notice of meeting of creditors substantially in the form attached as **Schedule "C"** to this Order (the "**Meeting Notice**");
  - (b) this Order (without Schedules);
  - (c) the Plan;



- (d) the Monitor's Report in respect of the Plan;
  - (e) the Proxy (the "**Proxy**"), substantially in the form attached hereto as **Schedule "D"**.
- 5. the Monitor shall post copies of the Meeting Materials on the Monitor's website at [www.alvarezandmarsal.com/lemare](http://www.alvarezandmarsal.com/lemare);
  - 6. the Monitor may deliver the Meeting Materials to the Trade Creditors by ordinary mail, personal delivery, facsimile or other electronic means, or any combination thereof, as determined by the Monitor in its sole discretion, and such delivery will constitute good and sufficient delivery of the Meeting Materials. Mailing shall be deemed to be effective service on the second (2<sup>nd</sup>) day following such mailing. Delivery by facsimile or other electronic means shall be deemed effective on the date and time such facsimile or other electronic transmission is made;
  - 7. the delivery of the Meeting Materials to the Trade Creditors in accordance with the requirements of this Order shall constitute good and sufficient service of this Order and other documents referred to in this Order on all persons who may be entitled to receive notice and attend or vote in person or by proxy at the Creditors' Meeting or any adjournment thereof, and no other notice of service need be given or made and no other document or material need be served;
  - 8. the accidental omission to deliver the Meeting Materials or the non-receipt of such Meeting Materials by one or more Trade Creditors specified herein shall not invalidate any resolution passed or proceedings taken at the Creditors' Meeting;

#### **Forms of Documents**

- 9. the forms of Notice to Creditors and Proxy attached as Schedules to this Order are hereby approved. The Petitioners may, from time to time, make changes to such forms provided the Monitor does not object to such changes and such changes are not substantive;

### **Conduct of Creditors' Meeting**

10. Todd Martin of the Monitor, or such other representative of the Monitor as it may designate, shall be the Chairperson of the Creditors' Meeting. The Monitor shall provide scrutineers for the supervision and tabulation of the attendance, quorum and votes to be conducted at the Creditors' Meeting;
11. a representative of the Monitor designated by the Chairperson shall act as secretary at the Creditors' Meeting;
12. the only persons entitled to notice of, or to attend, the Creditors' Meeting shall be:
  - (a) the Monitor and any person designated by the Monitor;
  - (b) officers and directors of the Petitioners;
  - (c) Trade Creditors (including the holders of Proxies for them);
  - (d) legal counsel to any person entitled to attend the Creditors' Meeting; and
  - (e) any person admitted to the Creditors' Meeting on the invitation of the Chairperson.
13. the quorum for the purposes of the Creditors' Meeting shall be one Trade Creditor present in person or by proxy. If the requisite quorum is not present at the Creditors' Meeting or if the Chairperson exercises his sole discretion to adjourn the Creditors' Meeting, then the Creditors' Meeting shall be adjourned on such terms as are considered appropriate by the Chairperson and to such time and place as may be determined by the Chairperson;
14. the Chairperson shall be entitled to adjourn and further adjourn the Creditors' Meeting or any adjourned Creditors' Meeting provided that any such adjournment or adjournments shall be for a total period of not more than thirty (30) days;
15. in the event of any adjournment of the Creditors' Meeting, the Petitioners shall not be required to deliver any notice of the adjournment other than either announcing the

adjournment at the Creditors' Meeting or posting notice of the adjournment at the originally designated time and location of the Creditors' Meeting or any adjourned Creditors' Meeting;

#### **Voting Procedure at Creditors' Meeting**

16. at the Creditors' Meeting, the Chairperson shall direct a vote, by written ballot (except in the case of Proxies, in which case the Proxy shall stand as the written ballot), on a resolution to approve the Plan and the transactions contemplated therein and any amendments to the Plan made in accordance with the terms thereof;
17. for the purposes of considering and voting upon the Plan, Trade Creditors shall be grouped into one class comprised only of Trade Creditors, and each Trade Creditor, in such capacity and to the extent provided in the Plan and in this Order, shall be entitled to vote upon the Plan;
18. the meeting and the vote will be conducted on a consolidated basis as if the Petitioners constituted a single entity with the Trade Creditors being creditors of that single entity;
19. for the purposes of calculating the required majority pursuant to the CCAA at the Creditors' Meeting, each Trade Creditor shall be entitled to:
  - (a) one vote for the purposes of determining the simple majority in number; and
  - (b) one vote for each \$1.00 of its Proven Claim for the purposes of determining the two-thirds majority in value of those Trade Creditors who actually vote upon the Plan in person or by Proxy.
20. in order to be voted at the Creditors' Meeting, a Proxy must be provided to the Monitor by no later than 5:00 p.m. (Vancouver time) on the last business day prior to the date of the Creditors' Meeting. Notwithstanding the foregoing, the Monitor shall have the discretion to accept for voting purposes any Proxy signed by a Trade Creditor and delivered to the Monitor prior to the commencement of the Creditors' Meeting (or any adjournment thereof). The Monitor, in its sole discretion, may accept or reject for voting

purposes any Proxy delivered to the Monitor, subject to the right of such Trade Creditor to appeal the decision of the Monitor to the Court;

21. the Monitor shall keep records and tabulations of the votes cast at the Creditors' Meeting;
22. any creditor with a Disputed Creditor Claim is entitled to attend and vote at the Creditors' Meeting, but such votes will be marked "disputed" and will be calculated separately from the other votes;
23. if the votes of the creditors with Disputed Creditor Claim would affect the result of the meeting, an application to the Court will be made for directions;

#### **Application for Final Order**

24. the Monitor shall report to the Court the results of the Creditors' Meeting. If the Plan is approved by the required majority of the Trade Creditors, the Petitioners shall bring an application seeking the Final Order sanctioning the Plan together with such ancillary relief necessary to implement the Plan;
25. any Person wishing to receive materials and appear at the hearing of the application for the Plan Approval Order (the "**Plan Approval Order Hearing**"), other than the Petitioners, the Monitor and those persons on the service list in these proceedings, shall, by no later than 5:00 p.m. (Vancouver time) on the date immediately following the date of the Creditors' Meeting, file a Response with the Court and serve the filed Response on the solicitors for the Petitioners, the Monitor, and the parties on the service list in this proceeding;
26. the Plan Approval Order Hearing will take place on the fifth (5<sup>th</sup>) business day following the date of the Creditors' Meeting at 10:00 a.m. or such later date as may be set by the Petitioners in consultation with the Monitor (the "**Approval Hearing Date**"). The Petitioners shall serve notice of the Approval Hearing Date upon each person entering a Response in these proceedings and such service will constitute good and sufficient service of the application for the Plan Approval Order. No notice of any postponement or

adjournment of the Plan Approval Hearing Date will be given to any person who has not entered a Response in these proceedings unless written request for such notice is received by counsel for the Petitioners;

27. if the Plan Approval Order Hearing is postponed or adjourned, only those parties on the service list in these proceedings, persons who have filed and served a Response or persons who have made written request of counsel for the Petitioners in accordance with paragraph 23 above, shall be served with notice of the adjourned date;
28. the Monitor may apply to this Court for advice and directions with respect to the implementation of this Order;

#### **Changes and Directions**

29. the Petitioners may file any modification of, or amendment or supplement to, the Plan by way of a supplementary plan or plans of reorganization, compromise or arrangement (or any one or more thereof) filed with the Court at any time, or from time to time, prior to the Creditors' Meeting, (an "**Amendment**") in which case any such supplementary plan or plans of reorganization, compromise or arrangement (or any one or more thereof) shall, for all purposes, be and be deemed to be a part of and incorporated into the Plan. If the Monitor determines that such amendment would not be materially prejudicial to the interests of the Creditors under this Plan (a "**Non-Material Change**") then the Petitioners may give notice of a proposed amendment to the Plan at or before the Creditors' Meeting by notice in writing, which shall be sufficient if given to those Creditors present at such Meeting in person or by proxy and any and proxies shall continue to be valid in respect of any amendment to the Plan;
30. if prior to the Creditors' Meeting the Petitioners propose an Amendment that in the opinion of the Monitor is not a Non-Material Change, then written notice of that Amendment shall be mailed to the Trade Creditors at least one week prior to the Creditors' Meeting, and the Creditors' Meeting shall, if necessary be adjourned

accordingly. Unless revoked all existing voting letters or proxies shall continue to be valid in respect of any such Amendment;

31. after the Creditors' Meeting (and both prior to and subsequent to obtaining of the Plan Approval Order), the Petitioners may at any time and from time to time vary, amend, modify or supplement the Plan without the need for obtaining an order of the Court or providing notice to the Trade Creditors if the Monitor determines that such variation, amendment, modification or supplement would not be materially prejudicial to the interests of the Trade Creditors under the Plan or the Plan Approval Order and is necessary in order to give effect to the substance of the Plan or the Plan Approval Order. In the event a material variation, amendment, modification or supplement is required by the Petitioners, such shall be permitted by Court order;
32. any party affected by this Order may apply to this Court for an alteration or variation of this Order or direction as to the implementation of this Order upon two (2) days' notice to the Monitor and the Petitioners;
33. endorsement of this Order by counsel appearing on this application, other than counsel for the Petitioners, is hereby dispensed with.

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:

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Signature of lawyer for the Petitioners  
John I. McLean, Q.C.

BY THE COURT

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REGISTRAR

**SCHEDULE "A"**

**LIST OF COUNSEL**

<b>COUNSEL</b>	<b>ACT FOR:</b>

# SCHEDULE "B"

No. S124409  
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

## CONSOLIDATED PLAN OF ARRANGEMENT

### 1. Consolidated Plan for Trade Creditors

1.1 This consolidated plan of arrangement (the "**Plan**") is submitted by the Petitioners pursuant to the *Companies' Creditors Arrangement Act*.

1.2 The Plan proposes a compromise with the Petitioners' Trade Creditors, and does not propose any compromise or arrangement of Creditors with Unaffected Claims.

1.3 The Trade Creditors are to be treated on a consolidated basis regardless of which particular Petitioner they dealt with, and the obligation to pay the Trade Creditors pursuant to this Plan is an obligation of each of the Petitioners.

### 2. Definitions

2.1 In this Plan:

"**Administrative Charge**" means the charge created in the CCAA Proceedings by Order made June 21, 2012, as amended;

"**Barred Claims**" means any Claim that has not been proven in accordance with the Claims Process Order;



**"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 Petitioners' 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 proceedings commenced by the Petitioners in the Supreme Court of British Columbia under Action No. S124409, Vancouver Registry;

**"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;

**"Claims Process Order"** means the Order made in the CCAA Proceedings on October 26, 2012;

**"Court"** means the Supreme Court of British Columbia;

**"Creditors"** means any Person having a Claim;

**"Creditors' Meeting"** means the meeting of Creditors to vote on the Plan;

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

**"Crown Settlement Claim"** means the amounts owing to the Crown pursuant to a Settlement Agreement and Release Agreement between the Petitioners and others on the one hand and the Crown on the other hand, settling amounts to be paid to the Crown in respect of assessments for stumpage, penalties and interest made by the Crown pursuant to the *Forest Act* and *Forest and Range Practices Act*;

**"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;

**"Disputed Creditor Claims"** means the Claims set out in Schedule "B";

**"Exempted Claim"** means, subject to further Order of this Court:

- (a) 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 thereof, 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 or materials, or advance of funds on or after the Filing Date;

- (b) any claim secured by any CCAA Charge;
- (c) any claim of The Toronto-Dominion Bank and TD Equipment Finance Canada Inc. secured by the Lender Charge (as defined in the Initial Order);
- (d) 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;
- (e) any Intercompany Claim;
- (f) any Claim referred to in sections 6(3), 6(5) and 6(6) of the CCAA;
- (g) 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;
- (h) the Claim of Concentra Financial Services Association and Concentra Trust filed pursuant to the Claims Process Order;
- (i) any right or claim of the Crown for the performance of silviculture obligations; and
- (j) any claim by the Crown in respect of the Crown Settlement Claim.

**"Filing Date"** means June 21, 2012;

**"Initial Order"** means the Order of the Court in the CCAA Proceedings dated June 21, 2012, and as may be further amended, supplemented or varied by the Court;

**"Intercompany Claim"** means any Claim of a Petitioner against any other Petitioner or of any wholly-owned, direct or indirect non-Petitioner subsidiary of a Petitioner against any Petitioner;

**"Monitor"** means Alvarez & Marsal Canada Inc.;

**"OPCO Note"** means that certain promissory note dated January 2, 2003 in the amount of \$10 million between 621745 Saskatchewan Ltd., 3L Cattle Company Ltd., Lemare Lake Logging Ltd. and others, on the one hand, and 626309 Saskatchewan Ltd on the other.;

**"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;

**"Plan Implementation Date"** means the date the Monitor files the Plan Implementation Certificate as provided in paragraph 11.1 of this Plan;

**"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 of them) become bankrupt on the Filing Date, and includes for greater certainty any Tax Claim; provided, however, that "Pre-Filing Claim" shall not include an Exempted Claim;

**"Proven Secured Creditors"** means each of Bailey Western Star Trucks Inc., Christopher Carl Dutcyvich, Eric John Dutcyvich, Linda Dutcyvich, Ford Credit Canada Limited, John Deere Financial Inc. and SMS Equipment Inc.;

**"Restructuring Claim"** means any right or claim of any Person against the Petitioners (or any of them) in connection with any indebtedness, liability or obligation of any kind whatsoever owed by the Petitioners (or any 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 the Claims Process Order, and includes for greater certainty any right or claim of any employee of any of the Petitioners arising from a termination of his or her employment after the Filing Date; provided, however that "Restructuring Claim" shall not include an Exempted Claim;

**"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;

**"TD Prime Rate"** means the annual rate of interest announced and adjusted at any time by the Toronto-Dominion Bank as its reference rate then in effect for determining interest rates it will charge on Canadian dollar commercial loans made by it in Canada, and which it may refer to as its "prime rate" or "prime lending rate";

**"Trade Creditors"** means those Creditors listed on Schedule "A" who have proven a Claim in accordance with the Claims Process Order and, the Creditors with Disputed Claims once those Claims have been settled in accordance with the Claims Process Order;

**"Unaffected Claim"** means:

- (a) the Claims of the Proven Secured Creditors; and
- (b) any Exempted Claim.

### **3. Payment of Administrative Charges and Priority CCAA Claims**

3.1 The Petitioners will pay in full within ten (10) business days of the Plan Implementation Date the following:

- (a) all amounts owing in respect of the Administrative Charge; and
- (b) all amounts required to be paid pursuant to sections 6(3), 6(5) and 6(6) of the CCAA.

### **4. Payment to the Trade Creditors**

4.1 Within ten (10) business days of the Plan Implementation Date the Petitioners will pay in respect of Trade Creditors whose proven Claim is \$5,000 or less, the lesser of \$5,000 or the amount of the proven Claim.

4.2 The balance of the Claims of the Trade Creditors will be paid in twelve (12) consecutive equal quarterly installments of principal payable every three months, the first payment to be made within ten (10) business days of the Plan Implementation Date. In addition to payment of the full balance of the Trade Creditors' Claims the Trade Creditors will be entitled to interest on the amount of their Claims payable at the rate of the TD Prime Rate plus one half of one percent from and after the Plan Implementation Date. Interest is to be paid quarterly on the same date as principal payments of the Trade Creditors' Claims are to be made.

4.3 Disputed Creditor Claims will be paid as set out in this Plan once the dispute has been resolved and the amount of the Disputed Creditor Claim has been determined in accordance with the Claims Process Order, provided that any payment that would otherwise have been paid to in respect of such Disputed Trade Creditor Claim prior to the resolution of the dispute will be paid as soon as the Disputed Creditor Claim is resolved and any remaining payment will be made in accordance with the provisions of the Plan.

4.4 Proven Secured Claims are not affected by this Plan and will be paid by the Petitioners in accordance with the terms of the existing agreement or as may be agreed between the Petitioners and the Proven Security Creditors.

## **5. Default**

5.1 If the Petitioners fail to make any of the required payments pursuant to paragraph 4 hereof then the Trade Creditors will be entitled to accelerate the entire balance owing to them together with interest and to take proceedings against the Petitioners to enforce their claims.

5.2 The validity and amount of any Claim of the Trade Creditors shall be determined in accordance with the terms of the Claims Process Order.

5.3 Any Trade Creditor that has not filed a proof of claim prior to the Claims Bar Date as established by the Claims Process Order is forever barred from participating in this Plan, shall have no right to vote in respect of the Plan and shall not be entitled to receive any amounts payable under this Plan, and the Petitioners shall be forever released from any and all claims of and liabilities or obligations to any such Trade Creditor.

## **6. Creditor Class**

6.1 The only class of Creditors for the purpose of voting on this Plan will be the Trade Creditors.

## **7. Releases**

7.1 As of the Plan Implementation Date the following persons:

- (a) the Petitioners;
- (b) the Monitor and its legal counsel in the CCAA Proceedings;
- (c) all present directors, officers, and employees of the Petitioners in such capacity and not in any other capacity

(collectively the "**Released Parties**") shall be released and discharged from the following (collectively the "**Released Claims**"): any Claims and all demands, claims, actions, causes of action, counterclaims, suits, debts, sums of money, accounts, covenants, damages, judgments, expenses, executions, liens and other recoveries on account of any liability, obligations, demand or cause of action of whatsoever nature which any Person may be entitled to assert, including any claims in respect of potential statutory liabilities

of the present and former directors, officers and employees of the Petitioners and any alleged fiduciary or other duty, whether known or unknown, matured or unmatured, foreseen or unforeseen, now existing or hereafter arising, based in whole or in part on any act or omission, transaction, duty, responsibility, indebtedness, liability, obligation, dealing or other occurrence existing or taking place on or prior to the Plan Implementation Date in any way relating to, arising out of or in connection with Claims, the business and affairs of the Petitioners and the CCAA Proceedings to the full extent permitted by law, and all Released Claims arising out of any such actions or omissions shall be forever waived and released (other than the right to enforce the Petitioners' obligations under this Plan) provided that nothing herein shall:

- (d) release or discharge a Released Party from a Claim which cannot be compromised under the CCAA;
- (e) affect the rights of any Person to recover indemnity from any insurance coverage under which that Person is an insured;
- (f) release or discharge any present or former director of the Petitioners with respect to matters set out in section 5.1(2) of the CCAA; or
- (g) release any Unaffected Claim.

## **8. Permanent Injunction**

8.1 From and after the Plan Implementation Date, all Trade Creditors and all other Creditors with Barred Claims shall be permanently and forever barred, estopped, stayed and enjoined from:

- (a) commencing, conducting or continuing in any manner, directly or indirectly, any actions, suits, demands or other proceedings of any nature or kind whatsoever (including, without limitation, any proceeding in a judicial, arbitral, administrative or other forum) against the Petitioners or any of them and their respective representatives, predecessors, administrators, subsidiaries, affiliates, related companies, franchisees, member companies, vendors, partners, distributors, brokers, retailers, officers, directors, shareholders, employees, attorneys, sureties, insurers, successors, indemnitees, servants, agents and assigns, as applicable;
- (b) enforcing, levying, attaching, collecting or otherwise recovering or enforcing by any manner or means, directly or indirectly, any judgment, award, decree or order against the Petitioners or any of them and their respective representatives, predecessors, heirs, administrators, executors, subsidiaries, affiliates, related companies, franchisees, member companies, vendors, partners, distributors, brokers, retailers, officers, directors, shareholders, employees, attorneys, sureties, insurers, successors, indemnitees, servants, agents and assigns, or the property of such persons;

- (c) commencing, conducting or continuing in any manner, directly or indirectly, any action, suits or demands, including without limitation, by way of contribution or indemnity or other relief, in common law, or in equity, or under the provisions of any statute or regulation, or other proceedings of any nature or kind whatsoever (including, without limitation, any proceeding in a judicial, arbitral, administrative or other forum) against any Person who makes such a claim or might reasonably be expected to make such a claim, in any manner or forum, against the Petitioners or any of them; and
- (d) taking any actions which would interfere directly or indirectly with the implementation or consummation of this Plan.

## **9. Waiver of Defaults**

9.1 From and after the Plan Implementation Date, all Creditors and other Persons shall be deemed to have waived any and all defaults of the Petitioners now existing or previously committed or caused by the Petitioners, and all non-compliance with any covenant, warranty, representation, term, provision, condition, obligation, express or implied, in any contract, credit document, agreement for sale, lease or other agreement, written or oral, and any and all amendments or supplements thereof, existing between such Person and the Petitioners or any of them, including any default under a covenant relating to any other affiliate, subsidiary or related company of the Petitioners or any of them and any and all notices of default and demands for payment under any instrument, including any guarantee, shall be deemed to have been rescinded.

## **10. Conditions Precedent to the Plan**

10.1 The Plan is subject to the following conditions being either satisfied or waived by the Petitioners:

- (a) the Plan being approved by the required majority of Creditors in accordance with the CCAA;
- (b) an order being made by the Court in the CCAA Proceedings approving the Plan in a form acceptable to the Petitioners, or any of them, including a declaration that the holder of the OPCO Note is not entitled to receive any payment in respect of any amounts claimed to be owing by the Petitioners until the remaining debts of the Petitioners, including the Trade Creditors, have been paid in full (the **"Approval Order"**);
- (c) the appeal period in respect of the Approval Order having expired with no appeal having been filed or if filed, the appeal having been dismissed.

## **11. Plan Implementation**

11.1 The Monitor will file a Certificate with the Court once all the conditions precedent in paragraph 10 of this Plan have been either satisfied or waived (the **"Plan Implementation Certificate"**).

11.2 The Monitor will be discharged without further Order upon the Plan Implementation Certificate being filed.

11.3 The requirement for the Monitor to have its fees and disbursements, including the legal fees of its counsel, approved is dispensed with.

11.4 Upon payment of the amount owing under the Administrative Charge by the Petitioners, the Administrative Charge is released.

## **12. Modification of Plan**

12.1 The Petitioners reserve the right to file any modification of, or amendment or supplement to, this Plan by way of a supplementary plan or plans of reorganization, compromise or arrangement (or any one or more thereof) filed with the Court at any time, or from time to time, prior to the Creditors' Meeting, in which case any such supplementary plan or plans of reorganization, compromise or arrangement (or any one or more thereof) shall, for all purposes, be and be deemed to be a part of and incorporated into this Plan. The Petitioners shall give notice to the Trade Creditors of the details of any such modification, amendment or supplement at the Creditors' Meeting prior to the vote being taken to approve this Plan. The Petitioners may give notice of a proposed modification, amendment or supplement to this Plan at or before the Creditors' Meeting by notice in writing which shall be sufficient if given to those Trade Creditors present at such meeting in person or by proxy and any and all voting letters or proxies shall continue to be valid in respect of any modification, amendment or supplement to the Plan. After the Creditors' Meeting (and both prior to and subsequent to obtaining of the Approval Order), the Petitioners may at any time and from time to time vary, amend, modify or supplement this Plan without the need for obtaining an order of the Court or providing notice to the Trade Creditors if the Monitor determines that such variation, amendment, modification or supplement would not be materially prejudicial to the interests of the Creditors under this Plan or the Approval Order and is necessary in order to give effect to the substance of this Plan or the Approval Order. In the event a material variation, amendment, modification or supplement is required by the Petitioners, such shall be permitted by Court order.

12.2 Without limiting the generality of paragraph 12.1 of this Plan, the Petitioners may, at any time after obtaining the Approval Order call a meeting of the Trade Creditors to consider and vote on an amendment to this Plan to permit payment of an amount to resolve and settle any liability of the Petitioners, if any, in respect of the Opco Note. Any such meeting shall be called in accordance with the Meeting Order with such amendments as may be approved by the Monitor. Any such amendment will require Court Approval.

This Plan of Arrangement is submitted by the  
Petitioners, this \_\_\_\_ day of \_\_\_\_\_, 2014.

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Authorized Signatory



# SCHEDULE A

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.

## List of Trade Creditors

Name	Accepted Claim (\$)	Disputed?	Claim (\$) per creditor
<b>Trade Creditor Claims</b>			
1 444466 BC Ltd. Dba ABC Printing & Signs	\$ 75.04	N	
2 99 TRUCK PARTS & INDUSTRIAL EQUIPMENT LTD.	168.00	N	
3 B.C. Hydro c/o Credit Administration	13,389.97	N	
4 Canada Revenue Agency	-	Y	254,116.74
5 Canon Canada Inc.	683.56	N	
6 Cansel Survey Equipment Inc.	8,781.70	N	
7 Cloverdale Paint Inc.	2,211.69	N	
8 Cowichan Hydraulic Equipment Service & Supply Ltd.	10,865.67	N	
9 CR-92 Holdings Ltd. Dba Coastal Mountain Fuels	39,073.22	N	
10 CULLEN DIESEL POWER LTD.	3,598.31	N	
11 DAVE LANDON MOTORS LTD	-	Y	872.83
12 Finning (Canada) A Division of Finning International Inc.	26,826.71	N	
13 Fountain Tire Ltd.	32,615.77	N	
14 Hetherington Industries Ltd.	1,966.16	N	
15 Inland Kenworth, a Partnership dba Inland Kenworth	19,432.96	N	
16 K&K Industrial Installations (1997) Ltd	1,556.26	N	
17 KONECRANES CANADA INC	5,215.12	N	
18 Loomis Express, a div of TFI Transport 22 L.P.	583.64	N	
19 Marcells Equipment Ltd. Dba Great West Equipment	34,462.87	N	
20 Maxim Fleischeuer and Karin Fleischeuer	-	Y	34,561.01
21 MORFCO SUPPLIES LTD	4,217.36	N	
22 Morgan Industrial Supply Ltd dba Morgan Brake & Clutch	23,320.88	N	
23 North Island Pacific Parts & Sales Ltd.	18,431.87	N	
24 PIONEER PARTS REBUILDING LTD.	29,620.70	N	
25 PORT HARDY AUTO PARTS LTD	4,800.90	N	
26 Strathcon Industries Inc.	522.75	N	
27 TWOFOURONE CONSULTING LTD	1,129.57	N	
28 Wainbee Ltd	3,175.39	N	
29 WESTERN EQUIPMENT LTD	11,793.62	N	
30 Woss General Store Ltd.	531.34	N	
31 ADP DISTRIBUTORS INC.	4,227.76	N	
32 0702344 BC LTD. O/S ROADRANGER FREIGHT	1,384.78	N	
33 A STEP A-HEAD ENGINE & MACHINE	22,513.75	N	
34 A.C.E. COURIER SERVICES	417.86	N	
35 A.J. FORSYTH	16,719.53	N	
36 A-1 RADIATORS LTD.	5,156.48	N	
37 Accurate Fabricating Ltd.	13,428.80	N	
38 ACCU-TECH TORCH & REGULATOR REPAIR	960.16	N	
39 ACKLANDS-GRAINGER INC.	17,540.11	N	
40 AL GRANT SIGNS	1,550.08	N	
41 ALSCO UNIFORM & LINEN SERVICES	3,253.33	N	
42 ANDREW SHERET LIMITED	392.62	N	
43 ARCTEC ALLOYS LIMITED	1,405.72	N	
44 BARRIE BROWN NISSAN	300.09	N	
45 BC BEARING ENGINEERS div. of MOTION CANADA	11,649.57	N	
46 BELL DISTRIBUTION	638.23	N	

### List of Trade Creditors

Name	Accepted Claim (\$)	Disputed?	Claim (\$) per creditor
47 BELL MOBILITY INC.	841.90	N	
48 BLACK PRESS GROUP LTD.	751.54	N	
49 B-LINE TIRE & AUTO SUPPLY (BC)	2,543.41	N	
50 BRANDT TRACTOR LTD	4,256.03	N	
51 C.A.B.	15,697.68	N	
52 C.R. METAL FABRICATORS LTD.	8,364.89	N	
53 CANADIAN FORESTS WEBSITE	140.00	N	
54 CENTRAL TRACTOR PARTS INC	10,723.20	N	
55 Chevron Canada Limited	27,775.54	N	
56 COAST FOREST INDUSTRIES LTD	34,869.75	N	
57 COAST INDUSTRIAL MACHINING LTD	28,044.80	N	
58 COAST INDUSTRIAL REFRIGERATION	828.80	N	
59 COKELY WIRE ROPE LTD	3,082.95	N	
60 Commercial Truck Equipment Co.	2,800.00	N	
61 COMOX PACIFIC EXPRESS LTD	16,173.36	N	
62 COPCAN CONTRACTING LTD	2,432.58	N	
63 COPPER AND BRASS SALES	2,529.01	N	
64 COULTER BAY SAWMILLS, MARINE DIV	952.16	N	
65 CR SIGNS	2,073.01	N	
66 Cross Automotive & Marine Ltd	3,569.36	N	
67 DAVIS LLP	1,279.40	N	
68 DELOITTE & TOUCHE LLP	2,216.48	N	
69 Discovery Diesel Electric 06 Ltd	3,870.72	N	
70 DS AUTOMOTIVE PARTS	2,124.64	N	
71 DUNCAN BAY BARGE TERMINAL LTD.	224.00	N	
72 DYNO NOBEL CANADA INC	104,650.46	N	
73 ENFOR CONSULTANTS LTD.	4,304.16	N	
74 EQUIPMENT SALES & SERVICE LTD.	16,540.61	N	
75 Express Custom Trailer Mfg. Inc.	9,225.72	N	
76 FALL TECH LOGGING LTD.	7,129.55	N	
77 FASTENAL CANADA	4,274.35	N	
78 FAUCHER INDUSTRIES	1,553.46	N	
79 FOX'S DISPOSAL SERVICES	1,261.75	N	
80 FRONTLINE GLASS SOLUTIONS	3,054.20	N	
81 Furney Distributing Ltd	178,694.71	N	
82 GANNET DIESEL SERVICE LTD	16,164.98	N	
83 GREGG DISTRIBUTORS (NANAIMO)LT	2,587.23	N	
84 GREYHOUND COURIER EXPRESS	50.95	N	
85 GUILLEVIN INTERNATIONAL INC	3,024.52	N	
86 HAIDAWAY MOTOR INN	296.40	N	
87 HARBOUR SIGNS LTD.	48.22	N	
88 HARDY SOUND LTD	246.38	N	
89 HAYES FOREST SERVICES LTD	33,600.00	N	
90 HEIDEMA ENGINEERING LTD	556.51	N	
91 HIWAY REFRIGERATION LTD	1,277.69	N	
92 HYDRAULIC SUPPLY	909.09	N	
93 HYDRAULIC TECHNOLOGIES INC.	8,217.11	N	
94 INFOSAT COMMUNICATIONS	68.10	N	
95 ISLAND GEM WATER	365.00	N	
96 ISLAND MICROSYSTEMS LTD.	1,181.82	N	
97 ISLAND ROPES LTD.	107,060.32	N	
98 JJ88 INVESTMENTS Inc - DALEWOOD INN	912.00	N	
99 JM'S MOBILE WELDING INC.	604.80	N	
100 KAL TIRE	20,059.63	N	

### List of Trade Creditors

Name	Accepted Claim (\$)	Disputed?	Claim (\$) per creditor
101 Kaman Industrial Technologies	3,036.97	N	
102 KINGSWAY GLASS LIMITED	1,142.27	N	
103 L.G.N. TRUCKING & COURIER	212.80	N	
104 LANGLEY EXCAVATOR PARTS EXCHANGE INC	560.00	N	
105 LEAVITT MACHINERY	507.07	N	
106 LEEMAR EXCAVATOR COMPONENTS INC.	6,720.00	N	
107 LINDE CANADA	2,015.66	N	
108 LORDCO AUTO PARTS LTD	56,036.12	N	
109 LRJ TRUCKING LTD	392.00	N	
110 Macandale's	13,217.14	N	
111 MarketPlace IGA 020	2,305.09	N	
112 MENZIES TRANSPORT LTD.	3,090.64	N	
113 Micron Machine Works 2010 Ltd	1,741.10	N	
114 MILL-LOG WILSON EQUIPMENT	161.06	N	
115 MONK OFFICE SUPPLY LTD.	3,495.40	N	
116 MORAX INDUSTRIAL TOOL REPAIR	575.75	N	
117 NATIONAL PROCESS EQUIPMENT	401.52	N	
118 NEW LINE HOSE & FITTINGS	463.55	N	
119 NORTH COAST COLLISION LTD.	232.08	N	
120 NORTH ISLAND CHROME	10,756.79	N	
121 NORTH ISLAND COMMUNICATIONS	627.17	N	
122 NORTHERN LIGHTS RESTAURANT	1,316.99	N	
123 NORTHERN ROPES & INDUSTRIAL SUPPLY	4,350.50	N	
124 O.M.M.C. LOGGING SUPPLIES	13,272.00	N	
125 OLYMPIC DRIVES & EQUIPMENT LTD.	2,033.92	N	
126 Orkin Canada Corporation	67.20	N	
127 PACIFIC BOLT MANUFACTURING LTD	435.05	N	
128 PACIFIC COASTAL AIRLINES	364.38	N	
129 PAYNE'S MARINE SUPPLY GROUP	2,859.88	N	
130 PENNER'S HEAVY DUTY PARTS & SERVICE	11,071.10	N	
131 PINNACLE DRILLING PRODUCTS LP	1,749.66	N	
132 PORT ALICE PETROLEUM PRODUCTS	368.02	N	
133 PORT MCNEILL ENTERPRISES	425.60	N	
134 PRAXAIR DISTRIBUTION	19,171.63	N	
135 PREMA ISLANDS LTD.	1,013.24	N	
136 Progressive Diesel Ltd.	3,203.88	N	
137 QUALITY SCALING & GRADING LTD.	14,142.72	N	
138 QUINSAM COMMUNICATIONS GROUP	8,084.76	N	
139 RED-D-ARC LTD	2,209.89	N	
140 REDDEN NET CO. (PORT HARDY ) LTD.	815.64	N	
141 Rice Creek R.V. Park	300.00	N	
142 RIVER CABLE LTD	14,560.00	N	
143 Robert Half Canada Inc.	50,400.00	N	
144 SARATOGA VENTURES LTD	6,720.00	N	
145 SHARP-RITE GRINDINGS (B.C.) INC	71.40	N	
146 SHOP-RITE	3,813.97	N	
147 STEVE MARSHALL FORD	34,581.73	N	
148 STORMAWAY TOWING LTD	3,360.00	N	
149 STRYKER ELECTRONICS	25.70	N	
150 SUPER VALU PT.MCNEILL	3,205.38	N	
151 SUPERIOR PROPANE INC	1,979.93	N	
152 Switchback Systems Corp.	2,181.22	N	
153 TAHSIS SUPERMARKET	18,557.01	N	
154 TEAM TUBE	8,947.11	N	

### List of Trade Creditors

Name	Accepted Claim (\$)	Disputed?	Claim (\$) per creditor
155 TELUS COMMUNICATIONS	1,233.06	N	
156 THE TRUCK LOGGERS ASSOCIATION	3,080.00	N	
157 THOMAS SKINNER & SON LTD.	590.13	N	
158 THUNDER & LIGHTNING WELDING LTD.	472.50	N	
159 THUNDER BAY AIRPORT SERVICES INC.	1,891.39	N	
160 T-MAR INDUSTRIES LTD.	19,503.15	N	
161 TRADETEC COMPUTER SYSTEMS LTD.	729.96	N	
162 Traxxon Rock Drills Ltd	5,503.93	N	
163 VANCOUVER TRACPARTS LTD.	6,344.80	N	
164 VICTORIA BATTERY LTD.	5,319.99	N	
165 WAJAX INDUSTRIES LTD	39,884.41	N	
166 WELLINGTON FOUNDRY LTD.	73.30	N	
167 WEST COAST HELICOPTERS	4,745.47	N	
168 West World	743.68	N	
169 WINDSOR PLYWOOD	1,917.52	N	
170 WRIASON SEALS LTD.	295.27	N	
171 WURTH CANADA LIMITED	385.45	N	
172 YORK PORTABLE MACHINE TOOLS	172.48	N	
173 ZIMMFOR MANAGEMENT SERVICES LTD	10,612.78	N	
<b>Total Trade Creditor Claims</b>	<b>\$ 1,553,523.79</b>		<b>\$ 289,550.58</b>

## SCHEDULE "C"

### NOTICE OF CREDITORS' MEETING

**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.  
(the "Petitioners")**

TAKE NOTICE that by Order of the Supreme Court of British Columbia dated \_\_\_\_\_, 2014, the Petitioners have been directed to hold a meeting of the Petitioners' Creditors to consider the Plan of Reorganization (the "**Plan**") in the proceedings commenced under the *Companies' Creditors Arrangement Act* ("CCAA") in Supreme Court of British Columbia Action No. S124409.

The Creditors' Meeting will be held at \_\_\_\_\_ am/pm on \_\_\_\_\_, 2014 at the offices of Gowling, Lafleur, Henderson LLP Suite 2300, 550 Burrard Street, Vancouver, BC.

In order to participate in any vote associated with the Plan or the CCAA proceedings, a creditor must have filed a Proof of Claim in accordance with the Claims Process Order made October 26, 2012.

Copies of material relating to this proceeding can be found on the Monitor's website at [www.alvarezandmarsal.com/lemare](http://www.alvarezandmarsal.com/lemare).

Enquiries related to this process may be directed to:

Alvarez & Marsal Canada Inc.  
Suite 1680, 400 Burrard Street  
Vancouver, BC V6C 3A6

Attention: Vicky Chan  
Telephone: 604-639-0847  
Facsimile: 604-638-7440  
email: [vchan@alvarezandmarsal.com](mailto:vchan@alvarezandmarsal.com)

**SCHEDULE "D"**

No. S124409  
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

**PROXY**

**MEETING OF CREDITORS**

to be held pursuant to the Meeting Order of the Supreme Court of British Columbia  
made \_\_\_\_\_, 2014 in connection with the Consolidated  
Plan of Reorganization under the *Companies' Creditors Arrangement Act*  
(the "**Plan**") and at any adjournment thereof

**THIS PROXY MUST BE COMPLETED AND SIGNED BY THE CREDITOR AND PROVIDED TO THE MONITOR, ALVAREZ & MARSAL CANADA INC., BY 5:00 P.M. ON \_\_\_\_\_, 2014 IF ANY PERSON ON THE CREDITOR'S BEHALF IS TO ATTEND THE MEETING OF CREDITORS, OR ANY ADJOURNMENT THEREOF, AND VOTE ON THE PLAN OR IF THE CREDITOR WISHES TO APPOINT THE REPRESENTATIVE DESIGNATED BY THE MONITOR TO ACT AS THE CREDITOR'S PROXY**

THE UNDERSIGNED CREDITOR hereby revokes all proxies previously given and nominates, constitutes and appoints \_\_\_\_\_, or, if no name is inserted in the

blank space, Todd Martin of Alvarez & Marsal Canada Inc., in its capacity as Monitor, as proxyholder for the undersigned Creditor, with power of substitution, to attend on behalf of and act for the Creditor at the Meeting of Creditors to be held in connection with the Plan and at any and all adjournments thereof, and to vote the amount of the undersigned Creditor's Claim as determined pursuant to the Claims Process Order herein dated October 26, 2012, as follows:

A. (mark one only - **Note: If no option is marked then the Proxy will be used to vote in favour of the Plan**):

- ☐ VOTE FOR approval of the Plan; or
- ☐ VOTE AGAINST approval of the Plan;
- ☐ VOTE FOR OR AGAINST approval of the Plan as the nominee may determine;

- and -

B. Vote at the nominee's discretion and otherwise act for and on behalf of the undersigned Creditor in respect of any amendments or variations to the Plan and to any other matters that may come before the Meeting of Creditors or any adjournment thereof.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 2014.

\_\_\_\_\_  
Print Name of Creditor

\_\_\_\_\_  
Signature of Creditor or, if the Creditor  
is a corporation, signature of an authorized  
signing officer of the corporation

\_\_\_\_\_  
Title of Authorized Signatory for Corporate  
Creditor

## INSTRUCTIONS FOR COMPLETION OF PROXY FORM

1. Each Creditor who has a right to vote at the Creditors' Meeting has the right to appoint a person (who need not be a Creditor) to attend, act and vote for and on behalf of the Creditor and such right may be exercised by inserting in the space provided the name of the person to be appointed.
2. **If no other person is named as proxy in the space provided above, Todd Martin of Alvarez & Marsal Canada Inc., in its capacity as Monitor, or such other representative of the Monitor as Mr. Martin may designate, shall be deemed to be appointed as proxyholder for the Creditor, with power of substitution.**
3. **If an officer of Alvarez & Marsal Canada Inc. is appointed or is deemed to be appointed as proxyholder and the Creditor fails to indicate on this Proxy a vote for or against approval of the Plan, this Proxy will be voted FOR approval of the Plan.**
4. If this Proxy is not dated in the space provided, it shall be deemed to be dated on the date it is received by the Monitor.
5. This Proxy must be signed by the Creditor or by the Creditor's attorney duly authorized in writing or, if the Creditor is a corporation, by a duly authorized officer or attorney of the corporation with an indication of the title of such officer or attorney.
6. Valid proxies executed by the Creditor and bearing or deemed to bear a later date shall revoke this Proxy. If more than one valid proxy for the same Creditor and bearing or deemed to bear the same date are received with conflicting instructions, such proxies will be treated as disputed proxies and shall not be counted.
7. **This Proxy must be sent to the Monitor by mail, courier, facsimile or email (in PDF format) at the address provided below so that it is received by the Monitor no later than 5:00 p.m. (Vancouver time) on \_\_\_\_\_, 2014.**

The address of the Monitor is as follows:

Alvarez & Marsal Canada Inc.  
Suite 1680, 400 Burrard Street  
Vancouver, BC V6C 3A6  
Attention: Vicky Chan  
Telephone: 604-639-0847  
Facsimile: 604-638-7441  
email: [vchan@alvarezandmarsal.com](mailto:vchan@alvarezandmarsal.com)



No. S124409  
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

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**ORDER**  
(Meeting Order)

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GOWLING LAFLEUR HENDERSON LLP  
Barristers & Solicitors  
Suite 2300, 550 Burrard Street  
Vancouver, BC V6C 2B5

Tel. No. 604.683.6498  
Fax No. 604.683.3558

File No. V41031

JIM/msh

No. S-124409  
Vancouver Registry

**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

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**NOTICE OF APPLICATION**  
(Meeting Order and extension of stay)

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