

District of: British Columbia  
Division No. 04 - Vernon  
Court No. 11-1886644  
Estate No. 11-1886644

FORM 68  
Notice of Bankruptcy, First Meeting of Creditors  
(Subsection 102(1) of the Act)

☒ Original ☐ Amended

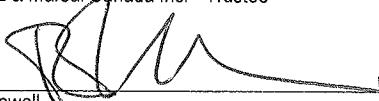
In the matter of the bankruptcy of  
Arthon Contractors Inc.  
of the city of Kelowna, in the Province of British Columbia

Take notice that:

1. Arthon Contractors Inc. filed (or was deemed to have filed) an assignment on the 27th day of June 2014, and the undersigned, Alvarez & Marsal Canada Inc., was appointed as trustee of the estate of the bankrupt by the official receiver (or the Court), subject to affirmation by the creditors of the trustee's appointment or substitution of another trustee by the creditors.
2. The first meeting of creditors of the bankrupt will be held on the 14th day of July 2014, at 11:00 AM, at the Sandman Hotel and Suites, Westbank Room, 2130 Harvey Avenue, Kelowna, BC, V1Y 6G8.
3. To be entitled to vote at the meeting, a creditor must lodge with the trustee, before the meeting, a proof of claim and, where necessary, a proxy.
4. Enclosed with this notice is a proof of claim form, proxy form, and list of creditors with claims amounting to \$25 or more showing the amounts of their claims.
5. Creditors must prove their claims against the estate of the bankrupt in order to share in any distribution of the proceeds realized from the estate.

Dated at the city of Vancouver in the Province of British Columbia, this 2nd day of July 2014.

Alvarez & Marsal Canada Inc. - Trustee  
Per:



Tom Powell  
Commerce Place  
Suite 1680, 400 Burrard Street  
Vancouver BC V6C 3A6  
Phone: (604) 638-7440 Fax: (604) 638-7441



### **CHECKLIST FOR PROOF OF CLAIM**

This checklist is provided to assist you in preparing the proof of claim form and, if appropriate, the proxy form in a complete and accurate manner.

#### **General**

- The **signature of a witness** is required.
- The document **must be signed** by the individual completing the declaration.
- **Provide the complete address** where all notices or correspondence are to be forwarded along with your phone number, fax number and email address where appropriate.

#### **Notes:**

- It is permissible to file a proof of claim by fax.
- A creditor may vote either in person or by proxy at any meeting of creditors if the proof of claim is filed with the Trustee prior to the time appointed for the meeting.
- A quorum at any meeting of creditors is at least one creditor with a valid proof of claim in attendance in person or by proxy.
- A corporation may vote by an authorized agent or mandatory at meetings of creditors.
- In order for a duly authorized person to have a right to vote, they must be a creditor or be the holder of a properly executed proxy. The name of the creditor must appear in the proxy.
- A creditor who is participating in any distribution from an estate must have filed a proof of claim prior to the distribution being declared.
- In the case of an individual bankrupt, by checking the appropriate boxes at the bottom of the proof of claim form, you may request that the Trustee advise you of any material change in the financial situation of the bankrupt or the amount of the bankrupt is required to pay into the bankruptcy, and a copy of the Trustee's report on the discharge of the bankrupt.

#### **Paragraph (1)**

- Creditor must state full and complete legal name of the individual, company or firm.
- If the individual completing the proof of claim is a representative of the creditor, the individual's position or title must be identified.

#### **Paragraph (3)**

- The amount owing must be set out in paragraph 3.
- A **detailed statement of account** must be attached to the proof of claim and marked "Schedule A" and must show the date, number and amount of all the invoices, charges, credits or payments. The amount on the statement of account must correspond to the amount indicated on the proof of claim.

#### Paragraph (4)

##### Notes:

- **Paragraph A** applies to the ordinary unsecured claims. In addition to recording the amount of the claim, please indicate whether the claim has a priority pursuant to section 136 of the Act.
- **Paragraph B** applies to lessor claims in a commercial proposal. Please ensure that the claim applies to a commercial proposal and, if so, include the full particulars of the claim.
- **Paragraph C** applies to secured claims. Please indicate the dollar value of the security and attach copies of the security documents. In addition, please attach copies of the security registration, where appropriate.
- **Paragraph D** applies to inventory claims of farmers, fisherman and aquaculturists. Please note that such claims apply only to inventory supplied from farmers, fishermen and aquaculturists within 15 (fifteen) days of the date of bankruptcy. In addition, please attach copies of any applicable sales agreement and delivery slips.
- **Paragraph E** applies to claims by wage earners. Please note that such claims apply only for unpaid wages owed upon bankruptcy of an employer or when the employer becomes subject to a receivership.
- **Paragraph F** applies to claims by employees for unpaid amounts regarding pension plans. Please note that such claims apply only to unremitted pension contributions outstanding when the sponsoring employer becomes bankrupt or is subject to a receivership.
- **Paragraph G** applies to claims against directors. Please note that such claims apply only to directors of corporations that have filed a commercial proposal to creditors that includes a compromise of statutory claims against directors.
- **Paragraph H** applies to claims of customers of a bankrupt securities firm. Please ensure that the claim of the customer is for net equity and, if so, include the full particulars of the claim, including the calculations upon which the claim is based.
- In order to prepare its claim, the creditor should refer to the Bankruptcy and Insolvency Act, copy of which is accessible at <http://laws.justice.gc.ca/eng/StatutesByTitle>.

#### Paragraph (5)

- All claimants must indicate whether or not they are related to the debtor, as defined in section 4 of the Act, or dealt with the debtor in a non-arm's length manner.

#### Paragraph (6)

- All claimants must attach a detailed list of all payments or credits received or granted, as follows:
  - a) **within the three (3) months preceding** the initial bankruptcy event (including the bankruptcy or the proposal);
  - b) **within the twelve (12) months preceding** the initial bankruptcy event (including the bankruptcy or the proposal) in the case where the claimant and the debtor were not dealing at arm's length.

District of: British Columbia  
Division No. 04 - Vernon  
Court No. 11-1886644  
Estate No. 11-1886644

FORM 31  
Proof of Claim  
(Sections 50.1, 81.5, 81.6, Subsections 65.2(4), 81.2(1), 81.3(8), 81.4(8), 102(2), 124(2), 128(1),  
and Paragraphs 51(1)(e) and 66.14(b) of the Act)

In the matter of the bankruptcy of  
Arthon Contractors Inc.  
of the city of Kelowna, in the Province of British Columbia

All notices or correspondence regarding this claim must be forwarded to the following address:

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

In the matter of the bankruptcy of Arthon Contractors Inc. of the city of Kelowna in the Province of British Columbia and the claim of  
\_\_\_\_\_, creditor.

I, \_\_\_\_\_ (name of creditor or representative of the creditor), of the city of \_\_\_\_\_ in the  
province of \_\_\_\_\_, do hereby certify:

1. That I am a creditor of the above named debtor (or I am \_\_\_\_\_ (position/title) of \_\_\_\_\_,  
creditor).

2. That I have knowledge of all the circumstances connected with the claim referred to below.

3. That the debtor was, at the date of bankruptcy, namely the 27th day of June 2014, and still is, indebted to the creditor in the sum of  
\$ \_\_\_\_\_, as specified in the statement of account (or affidavit) attached and marked Schedule "A", after deducting any  
counterclaims to which the debtor is entitled. (The attached statement of account or affidavit must specify the vouchers or other evidence in  
support of the claim.)

4. (Check and complete appropriate category.)

☐ A. UNSECURED CLAIM OF \$ \_\_\_\_\_  
(other than as a customer contemplated by Section 262 of the Act)

That in respect of this debt, I do not hold any assets of the debtor as security and  
(Check appropriate description.)

☐ Regarding the amount of \$ \_\_\_\_\_, I claim a right to a priority under section 136 of the Act.

☐ Regarding the amount of \$ \_\_\_\_\_, I do not claim a right to a priority.  
(Set out on an attached sheet details to support priority claim.)

☐ B. CLAIM OF LESSOR FOR DISCLAIMER OF A LEASE \$ \_\_\_\_\_

That I hereby make a claim under subsection 65.2(4) of the Act, particulars of which are as follows:  
(Give full particulars of the claim, including the calculations upon which the claim is based.)

☐ C. SECURED CLAIM OF \$ \_\_\_\_\_

That in respect of this debt, I hold assets of the debtor valued at \$ \_\_\_\_\_ 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.)

☐ D. CLAIM BY FARMER, FISHERMAN OR AQUACULTURIST OF \$ \_\_\_\_\_

That I hereby make a claim under subsection 81.2(1) of the Act for the unpaid amount of \$ \_\_\_\_\_  
(Attach a copy of sales agreement and delivery receipts.)

- ☐ E. CLAIM BY WAGE EARNER OF \$ \_\_\_\_\_
- ☐ That I hereby make a claim under subsection 81.3(8) of the Act in the amount of \$ \_\_\_\_\_,
- ☐ That I hereby make a claim under subsection 81.4(8) of the Act in the amount of \$ \_\_\_\_\_,
- ☐ F. CLAIM BY EMPLOYEE FOR UNPAID AMOUNT REGARDING PENSION PLAN OF \$ \_\_\_\_\_
- ☐ That I hereby make a claim under subsection 81.5 of the Act in the amount of \$ \_\_\_\_\_,
- ☐ That I hereby make a claim under subsection 81.6 of the Act in the amount of \$ \_\_\_\_\_,
- ☐ G. CLAIM AGAINST DIRECTOR \$ \_\_\_\_\_

*(To be completed when a proposal provides for the compromise of claims against directors.)*

That I hereby make a claim under subsection 50(13) of the Act, particulars of which are as follows:

*(Give full particulars of the claim, including the calculations upon which the claim is based.)*

- ☐ H. CLAIM OF A CUSTOMER OF A BANKRUPT SECURITIES FIRM \$ \_\_\_\_\_

That I hereby make a claim as a customer for net equity as contemplated by section 262 of the Act, particulars of which are as follows:

*(Give full particulars of the claim, including the calculations upon which the claim is based.)*

5. That, to the best of my knowledge, I \_\_\_\_\_ (am/am not) (or the above-named creditor \_\_\_\_\_ (is/is not)) related to the debtor within the meaning of section 4 of the Act, and \_\_\_\_\_ (have/has/have not/has not) dealt with the debtor in a non-arm's-length manner.

6. That the following are the payments that I have received from, and the credits that I have allowed to, and the transfers at undervalue within the meaning of subsection 2(1) of the Act that I have been privy to or a party to with the debtor within the three months (or, if the creditor and the debtor are related within the meaning of section 4 of the Act or were not dealing with each other at arm's length, within the 12 months) immediately before the date of the initial bankruptcy event within the meaning of Section 2 of the Act: (Provide details of payments, credits and transfers at undervalue.)

7. (Applicable only in the case of the bankruptcy of an individual.)

- ☐ Whenever the trustee reviews the financial situation of a bankrupt to redetermine whether or not the bankrupt is required to make payments under section 68 of the Act, I request to be informed, pursuant to paragraph 68(4) of the Act, of the new fixed amount or of the fact that there is no longer surplus income.
- ☐ I request that a copy of the report filed by the trustee regarding the bankrupt's application for discharge pursuant to subsection 170(1) of the Act be sent to the above address.

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

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Creditor

Phone Number: \_\_\_\_\_

Fax Number : \_\_\_\_\_

E-mail Address : \_\_\_\_\_

NOTE: If an affidavit is attached, it must have been made before a person qualified to take affidavits.

WARNINGS: A trustee may, pursuant to subsection 128(3) of the Act, redeem a security on payment to the secured creditor of the debt or the value of the security as assessed, in a proof of security, by the secured creditor.

Subsection 201(1) of the Act provides severe penalties for making any false claim, proof, declaration or statement of account.

District of: British Columbia  
Division No. 04 - Vernon  
Court No. 11-1886644  
Estate No. 11-1886644

FORM 36

Proxy

(Subsection 102(2) and paragraphs 51(1)(e) and 66.15(3)(b) of the Act)

In the matter of the bankruptcy of  
Arthon Contractors Inc.  
of the city of Kelowna, in the Province of British Columbia

I, \_\_\_\_\_, of \_\_\_\_\_, a creditor in the above matter, hereby  
appoint \_\_\_\_\_, of \_\_\_\_\_, to be  
my proxyholder in the above matter, except as to the receipt of dividends, \_\_\_\_\_ (with or without)  
power to appoint another proxyholder in his or her place.

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

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Individual Creditor

\_\_\_\_\_  
Witness

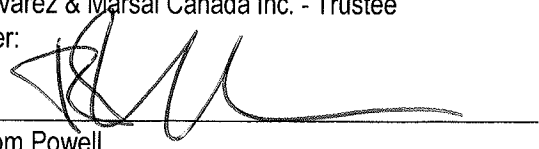
\_\_\_\_\_  
Name of Corporate Creditor

Per \_\_\_\_\_  
Name and Title of Signing Officer

Return To:

Alvarez & Marsal Canada Inc. - Trustee

Per:

  
\_\_\_\_\_  
Tom Powell

Commerce Place

Suite 1680, 400 Burrard Street

Vancouver BC V6C 3A6

Phone: (604) 638-7440 Fax: (604) 638-7441

E-mail: marianna.lee@alvarezandmarsal.com

District of: British Columbia  
Division No. 04 - Vernon  
Court No.  
Estate No.

-- FORM 21 --

Assignment for the General Benefit of Creditors  
(Section 49 of the Act)

In the matter of the bankruptcy of  
Arthon Contractors Inc.  
of the city of Kelowna, in the Province of British Columbia

This indenture made this 27th day of June 2014

between

Arthon Contractors Inc.

#9-1790 KLO Road

Kelowna BC V1W 3P6

hereinafter called "the debtor"

and

Alvarez & Marsal Canada Inc.

hereinafter called "the trustee."

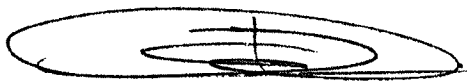
☐ Natural person

☒ Corporate or other legal entity

Whereas the debtor is insolvent and desires to assign and to abandon all his/her property for distribution among his/her creditors, in pursuance of the Act,

This indenture witnesses that the debtor does hereby assign to the trustee all the debtor's property for the uses, intents and purposes provided by the Act.

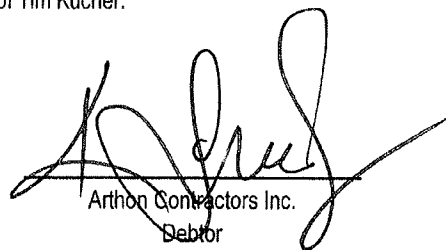
Signed at the city of Kelowna in the Province of British Columbia, in the presence of Tim Kucher.



Tim Kucher  
Witness

27-Jun-2014

Date



Arthon Contractors Inc.  
Debtor

**Timothy S. Kucher**  
Barrister & Solicitor  
200 - 537 Leon Ave.  
Kelowna, BC V1Y 2A9

District of: British Columbia  
Division No. 04 - Vernon  
Court No.  
Estate No.

☒ Original

☐ Amended

— Form 78 —

Statement of Affairs (Business Bankruptcy) made by an entity  
(Subsection 49(2) and Paragraph 158(d) of the Act / Subsections 50(2) and 62(1) of the Act)

In the matter of the bankruptcy of  
Arthon Contractors Inc.  
of the city of Kelowna, in the Province of British Columbia

To the bankrupt:

You are required to carefully and accurately complete this form and the applicable attachments showing the state of your affairs on the date of the bankruptcy, on the 27th day of June 2014. When completed, this form and the applicable attachments will constitute the Statement of Affairs and must be verified by oath or solemn declaration.

LIABILITIES

(as stated and estimated by the officer)

|   |               |
|---|---------------|
| 1. Unsecured creditors as per list "A" .....  | 13,293,622.91 |
| Balance of secured claims as per list "B" .....   | 7,000,618.74  |
| Total unsecured creditors .....   | 20,294,241.65 |
| 2. Secured creditors as per list "B" .....  | 70,526.92     |
| 3. Preferred creditors as per list "C" .....  | 0.00          |
| 4. Contingent, trust claims or other liabilities as per list "D"<br>estimated to be reclaimable for ..... | 50,300,000.00 |
| Total liabilities .....   | 70,664,768.57 |
| Surplus .....   | NIL           |

ASSETS

(as stated and estimated by the officer)

|  |               |
|--|---------------|
| 1. Inventory .....   | 0.00          |
| 2. Trade fixtures, etc. ....                                     | 0.00          |
| 3. Accounts receivable and other receivables, as per list "E"    |               |
| Good .....   | 23,269.44     |
| Doubtful .....   | 2,715,000.00  |
| Bad .....  | 457,750.05    |
| Estimated to produce .....                                       | 23,269.44     |
| 4. Bills of exchange, promissory note, etc., as per list "F" ... | 0.00          |
| 5. Deposits in financial institutions .....                      | 0.00          |
| 6. Cash .....  | 0.00          |
| 7. Livestock .....   | 0.00          |
| 8. Machinery, equipment and plant .....                          | 47,257.48     |
| 9. Real property or immovable as per list "G" .....              | 0.00          |
| 10. Furniture .....  | 0.00          |
| 11. RRSPs, RRIFs, life insurance, etc. ....                      | 0.00          |
| 12. Securities (shares, bonds, debentures, etc.) .....           | 0.00          |
| 13. Interests under wills .....                                  | 0.00          |
| 14. Vehicles .....   | 0.00          |
| 15. Other property, as per list "H" .....                        | 0.00          |
| If bankrupt is a corporation, add:                               |               |
| Amount of subscribed capital .....                               | 0.00          |
| Amount paid on capital .....                                     | 0.00          |
| Balance subscribed and unpaid .....                              | 0.00          |
| Estimated to produce .....                                       | 0.00          |
| Total assets .....   | 70,526.92     |
| Deficiency .....   | 70,594,241.65 |

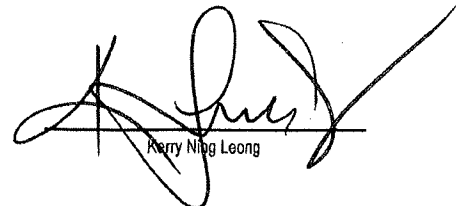
I, Kerry Ning Leong, of the city of Kelowna in the Province of British Columbia, do swear (or solemnly declare) that this statement and the attached lists are to the best of my knowledge, a full, true and complete statement of my affairs on the 27th day of June 2014 and fully disclose all property of every description that is in my possession or that may devolve on me in accordance with the Act.

SWORN (or SOLEMNLY DECLARED)

before me at the city of Kelowna in the Province of British Columbia, on this 27th day of June 2014.



**Timothy S. Kucher**  
Barrister & Solicitor  
200 - 537 Leon Ave.  
Kelowna, BC V1Y 2A9



Kerry Ning Leong

A COMMISSIONER FOR TAKING  
AFFIDAVITS WITHIN  
BRITISH COLUMBIA



District of: British Columbia  
Division No. 04 - Vernon  
Court No.  
Estate No.

FORM 78 -- Continued

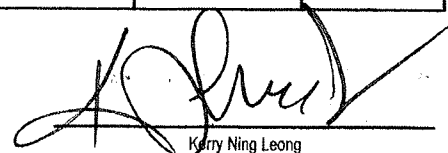
List "A"  
Unsecured Creditors

Arthon Contractors Inc.

| No. | Name of creditor                                    | Address   | Unsecured claim | Balance of claim | Total claim   |
|-----|---|---|-----------------|------------------|---------------|
| 1   | 0797721 BC Ltd                                      | 2340 Somerset Court<br>West Kelowna BC V1Z 3L5        | 420.00          | 0.00             | 420.00        |
| 2   | Aardvark Pavement Marking Services (0647354 BC Ltd) | PO Box 27031 Willow Park PO<br>Kelowna BC V1X 7L7     | 5,020.96        | 0.00             | 5,020.96      |
| 3   | Accu-Sweep Services                                 | 282D Campion St<br>Kelowna BC V1X 7S8                 | 409.50          | 0.00             | 409.50        |
| 4   | Ace Ina   | 1400-25 York St<br>Toronto ON M5J 2V5                 | 3,125.52        | 0.00             | 3,125.52      |
| 5   | AG Appel  | 1145 Gordon Dr<br>Kelowna BC V1Y 3E3                  | 2,319.20        | 0.00             | 2,319.20      |
| 6   | Air Masters Heating & Air Conditioning              | 446 Trumpeter Rd<br>Kelowna BC V1W 4L5                | 873.07          | 0.00             | 873.07        |
| 7   | Akita Safety Inc                                    | 1506 Kate St<br>Enderby BC V0E 1V2                    | 6,137.25        | 0.00             | 6,137.25      |
| 8   | All Safe Traffic Control                            | Box 1082<br>Peachland BC V0H 1X0                      | 77.83           | 0.00             | 77.83         |
| 9   | Aplin & Martin Consultants                          | 454 Leon Ave<br>Kelowna BC V1Y 6J3                    | 3,658.81        | 0.00             | 3,658.81      |
| 10  | Arthon Equipment Ltd.                               | #9 - 1790 KLO Road<br>Kelowna BC V1W 3P6              | 10,994,239.64   | 0.00             | 10,994,239.64 |
| 11  | Arthon Industries Limited                           | #9 - 1790 KLO Road<br>Kelowna BC V1W 3P6              | 0.00            | 3,139,779.99     | 3,139,779.99  |
| 12  | Austin Powder Ltd                                   | Box 1230<br>Calgary AB T2P 2K9                        | 119,517.69      | 0.00             | 119,517.69    |
| 13  | BC Road Builders                                    | Suite 307-8678 Greenall Ave<br>Burnaby BC V5J 3M6     | 1,572.10        | 0.00             | 1,572.10      |
| 14  | Big Iron Hydrovac Services (599837 BC Ltd)          | 770-37th St SE<br>Salmon Arm BC V1E 3M2               | 2,294.25        | 0.00             | 2,294.25      |
| 15  | Bon Voyage Motor Inn                                | 4222 Highway 16 West<br>Prince George BC V2N 5N7      | 483.00          | 0.00             | 483.00        |
| 16  | Bruce Charles                                       | Kelowna<br>BC   | 25.00           | 0.00             | 25.00         |
| 17  | Callidus Capital Corp.                              | 77 King Street West, Suite 4320<br>Toronto ON M5K 1K2 | 0.00            | 1,700,000.00     | 1,700,000.00  |
| 18  | Canada Revenue Agency                               | 9755 King George Boulevard<br>Surrey BC V3T 5E1       | 390,000.00      | 1,729,104.27     | 2,119,104.27  |
| 19  | Canada Safety Equipment Ltd                         | 1340 St.Paul St<br>Kelowna BC V1Y 2E1                 | 327.59          | 0.00             | 327.59        |
| 20  | Canadian Springs (Div. of Aqualterra Corp Ltd)      | PO Box 4514, Stn A<br>Toronto ON M5W 4L7              | 300.97          | 0.00             | 300.97        |
| 21  | Cancadd Imaging Solutions Ltd                       | 120-1715 Dickson Ave<br>Kelowna BC V1Y 9G6            | 88.30           | 0.00             | 88.30         |
| 22  | Canruss Paramedic Oil Services Ltd                  | 2248 Linfield Dr<br>Kamloops BC V1S 0B8               | 70,297.50       | 0.00             | 70,297.50     |
| 23  | Cansel  | 3751 Napier St<br>Burnaby BC V5C 3E4                  | 140.46          | 0.00             | 140.46        |
| 24  | Caro Analytical Services                            | 102-3677 Highway 97 N<br>Kelowna BC V1X 5C3           | 1,086.75        | 0.00             | 1,086.75      |

27-Jun-2014

Date

  
Kerry Ning Leong

District of: British Columbia  
 Division No. 04 - Vernon  
 Court No.  
 Estate No.

FORM 78 -- Continued

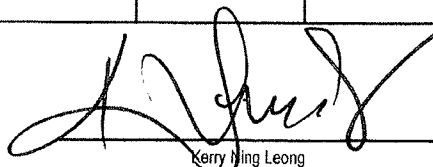
List "A"  
 Unsecured Creditors

Arthon Contractors Inc.

| No. | Name of creditor              | Address  | Unsecured claim | Balance of claim | Total claim |
|-----|-------------------------------|--|-----------------|------------------|-------------|
| 25  | Carswell (Thompson Reuters)   | PO Box 1991, Station B<br>Toronto ON M5T 3G1                 | 109.16          | 0.00             | 109.16      |
| 26  | Cary's Custom Cuts            | Box 99<br>Beaverdell BC V1H 1A0                              | 607.81          | 0.00             | 607.81      |
| 27  | Cat's Heavy Haul Ltd          | 113-437 Martin St, Suite 274<br>Penticton BC V2A 5L1         | 843.15          | 0.00             | 843.15      |
| 28  | CGL Contracting               | 6545 Scott Rd<br>Vernon BC V1H 1N7                           | 19,019.28       | 0.00             | 19,019.28   |
| 29  | City of Kelowna               | 1435 Water St<br>Kelowna BC V1Y 1J4                          | 899.51          | 0.00             | 899.51      |
| 30  | Coutts Pulver LLP             | 1710 One Bentall Ctr, 505 Burrard St<br>Vancouver BC V7X 1M6 | 1,238.42        | 0.00             | 1,238.42    |
| 31  | Cruiser Contracting           | 4159 McLain Rd<br>Kelowna BC V1W 4E1                         | 5,388.10        | 0.00             | 5,388.10    |
| 32  | Daudet Creek Contracting Ltd. | PO Box 1991, Station B<br>Kitimat BC V8C 2G7                 | 8,754.38        | 0.00             | 8,754.38    |
| 33  | Doak Shirreff LLP             | 200-537 Leon Ave<br>Kelowna BC V1Y 2A9                       | 1,527.61        | 0.00             | 1,527.61    |
| 34  | Doug Stevens Ltd              | 23-4520 Gallagher's Lookout<br>Kelowna BC V1W 3Z8            | 436,869.24      | 0.00             | 436,869.24  |
| 35  | Dunwell Innovations           | 4060 Todd Rd<br>Kelowna BC V1W 4B3                           | 33,542.25       | 0.00             | 33,542.25   |
| 36  | DWB Consulting                | 1579-9th Ave<br>Prince George BC V2L 3E8                     | 208.60          | 0.00             | 208.60      |
| 37  | Emco                          | 2343 Dominion Rd<br>Westbank BC V1Z 2Y4                      | 8,640.57        | 0.00             | 8,640.57    |
| 38  | Empire Life                   | 259 King St E<br>Kingslon ON K7L 3A8                         | 15,815.70       | 0.00             | 15,815.70   |
| 39  | Employment Standard Branch    | #102-1690 Powick Road<br>Kelowna BC V1X 7G5                  | 25.00           | 0.00             | 25.00       |
| 40  | Encon Group Inc.              | #500 - 1400 Blair Place<br>Ottawa ON K1J 9B8                 | 0.00            | 25.00            | 25.00       |
| 41  | Farmer Mechanical             | 10650 Seaton Rd<br>Lake Country BC V4V 1K4                   | 1,122.00        | 0.00             | 1,122.00    |
| 42  | Frost Lake Logging            | 35-556 North Nechako Rd<br>Prince George BC V2K 1A1          | 59,997.00       | 0.00             | 59,997.00   |
| 43  | GB Construction               | 600 Royal View Crt<br>Kelowna BC V1Y 9K5                     | 61,186.26       | 0.00             | 61,186.26   |
| 44  | Glacier Communications        | PO Box 1967<br>Revelstoke BC V0E 2S0                         | 35.91           | 0.00             | 35.91       |
| 45  | H&J Ready Mix                 | Box 9297<br>Revelstoke BC V0E 3K0                            | 2,601.07        | 0.00             | 2,601.07    |
| 46  | Har Ver B Ent                 | 1716 Pennask Terrace<br>Kamloops BC V2B 7N8                  | 94,679.55       | 0.00             | 94,679.55   |
| 47  | Heritage Office Furnishings   | 2310 Enterprise Way<br>Kelowna BC V1X 4H7                    | 274.40          | 0.00             | 274.40      |
| 48  | HSBC Bank Canada              | 885 West Georgia Street<br>Vancouver BC V6C 3G1              | 0.00            | 25.00            | 25.00       |

27-Jun-2014

Date

  
 Kerry Ming Leong

District of: British Columbia  
Division No. 04 - Vernon  
Court No.  
Estate No.

FORM 78 -- Continued

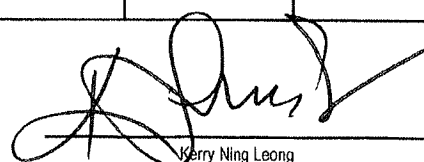
List "A"  
Unsecured Creditors

Arthon Contractors Inc.

| No. | Name of creditor                 | Address  | Unsecured claim | Balance of claim | Total claim |
|-----|----------------------------------|--|-----------------|------------------|-------------|
| 49  | Inprotect Systems                | 200-20351 Duncan Way<br>Langley BC V3A 7N3               | 7,050.78        | 0.00             | 7,050.78    |
| 50  | Intact Insurance Company         | #1100 - 999 West Hastings Street<br>Vancouver BC V6C 2W2 | 0.00            | 400,000.00       | 400,000.00  |
| 51  | Interior Land Reclamation        | 9071 Shanks Rd<br>Winfield BC V4V 1M4                    | 819.20          | 0.00             | 819.20      |
| 52  | Interior Portables               | 235 Neave Rd<br>Kelowna BC V1V 2L9                       | 436.80          | 0.00             | 436.80      |
| 53  | J Oviatt Contracting Ltd         | PO Box 1991, Station B<br>Kilimat BC V8C 2G7             | 1,132.43        | 0.00             | 1,132.43    |
| 54  | Jack Nolet Hot Shot              | 35149 Morgan Way<br>Abbotsford BC V2S 5T7                | 770.00          | 0.00             | 770.00      |
| 55  | Jura Transport                   | PO Box 586<br>Princeton BC V0X 1W0                       | 3,813.08        | 0.00             | 3,813.08    |
| 56  | K&W Trucking                     | PO Box 1991, Station B<br>Revelstoke BC V0E 2S0          | 6,034.88        | 0.00             | 6,034.88    |
| 57  | Kelowna Redi-Mix                 | 1131 Ellis St<br>Kelowna BC V1Y 1Z6                      | 1,281.38        | 0.00             | 1,281.38    |
| 58  | Kennedy Holdings                 | 3466 Hall Rd<br>Kelowna BC V1W 9T2                       | 603.75          | 0.00             | 603.75      |
| 59  | Kon Kast                         | 1313 Innovation Dr<br>Kelowna BC V1V 3B3                 | 4,964.65        | 0.00             | 4,964.65    |
| 60  | Lakeside Plastics                | 5421-46 Ave SE<br>Salmon Arm BC V1E 1X2                  | 2,531.77        | 0.00             | 2,531.77    |
| 61  | LNB Construction Inc             | Box 370, 3581 Lauder Ave<br>Merritt BC V1K 1B8           | 17,134.43       | 0.00             | 17,134.43   |
| 62  | Lower Nicola Indian Band         | 181 Nawishaskin Lane<br>Merritt BC V1K 0A7               | 31,950.04       | 0.00             | 31,950.04   |
| 63  | M Thomas Contracting             | Box 428<br>Princeton BC V0X 1W0                          | 502.39          | 0.00             | 502.39      |
| 64  | Mac's Auto Parts                 | Box 538 - 193 Vermillion Ave<br>Princeton BC V0X 1W0     | 172.31          | 0.00             | 172.31      |
| 65  | McLean & Armstrong               | 300-1497 Marine Dr<br>West Vancouver BC V7T 1B8          | 36,570.01       | 0.00             | 36,570.01   |
| 66  | Mickey's Backhoe                 | Box 2847<br>Revelstoke BC V0E 2S0                        | 4,961.25        | 0.00             | 4,961.25    |
| 67  | Minister of Finance              | PO Box 9445 Stn Prov Govt<br>Victoria BC V8W 9V5         | 4,964.09        | 0.00             | 4,964.09    |
| 68  | MNP LLP                          | Suite 600, 1628 Dickson Ave<br>Kelowna BC V1Y 9X1        | 16,831.50       | 0.00             | 16,831.50   |
| 69  | Napa Auto Parts Westbank (0754)  | 102-2662 Compass Crt<br>Westbank BC V1Z 3P3              | 639.13          | 0.00             | 639.13      |
| 70  | Neelco Builders                  | PO Box 4005 Yarrow Stn. Main<br>Chilliwack BC V2R 5H8    | 54,204.96       | 0.00             | 54,204.96   |
| 71  | North West Survey & Design       | 4986 Airport Way<br>Kelowna BC V0E 2S3                   | 15,180.34       | 0.00             | 15,180.34   |
| 72  | Northland Properties Corporation | 310-1755 West Broadway<br>Vancouver BC V6J 4S5           | 56,576.02       | 0.00             | 56,576.02   |

27-Jun-2014

Date

  
Kerry Ning Leong

District of: British Columbia  
 Division No. 04 - Vernon  
 Court No.  
 Estate No.

FORM 78 -- Continued

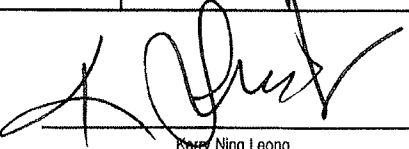
List "A"  
 Unsecured Creditors

Arthon Contractors Inc.

| No. | Name of creditor                    | Address   | Unsecured claim | Balance of claim | Total claim |
|-----|-------------------------------------|---|-----------------|------------------|-------------|
| 73  | NuTech Fire & Safety                | 4-953 Laval Cres<br>Kamloops BC V2C 5P4                       | 1,766.08        | 0.00             | 1,766.08    |
| 74  | Okanagan Survey & Design            | 15883 Barkley Rd<br>Lake Country BC V4V 1B4                   | 1,134.00        | 0.00             | 1,134.00    |
| 75  | Pacific CoastCom Communications Inc | 109-3855 Henning Dr<br>Burnaby BC V5C 6P3                     | 276.57          | 0.00             | 276.57      |
| 76  | Princeton Inn & Suites              | Box 1555, 169 Highway 3<br>Princeton BC V0X 1W0               | 18,136.87       | 0.00             | 18,136.87   |
| 77  | R Smith Contracting                 | 1830 Shannon Lake Rd<br>Westbank BC V4T 1V5                   | 11,162.51       | 0.00             | 11,162.51   |
| 78  | Rebel Boom                          | PO Box 1785<br>Revelstoke BC V0E 2S0                          | 301.88          | 0.00             | 301.88      |
| 79  | Revelstoke Builders Supply          | 201 Campbell Ave, Box 140<br>Revelstoke BC V0E 2S0            | 29.08           | 0.00             | 29.08       |
| 80  | Revelstoke Equipment Rentals        | PO Box 320<br>Revelstoke BC V0E 2S0                           | 3,578.27        | 0.00             | 3,578.27    |
| 81  | Revenue Services of BC (MSP)        | PO Box 9482 Stn Prov Govt<br>Victoria BC V8W 9W6              | 47,575.74       | 0.00             | 47,575.74   |
| 82  | RG Garbers Contracting              | 3862 Glenway Rd<br>Westbank BC V4T 1C9                        | 1,670.12        | 0.00             | 1,670.12    |
| 83  | Right Weigh Scales Ltd              | 460 Lougheed Rd<br>Kelowna BC V1X 7R8                         | 732.20          | 0.00             | 732.20      |
| 84  | RL Walker Contracting Ltd           | 8195 Bench Row Rd<br>Vernon BC V1H 1H3                        | 2,131.50        | 0.00             | 2,131.50    |
| 85  | Roadway Traffic Products            | 10141 - 201 St<br>Langley BC V1M 3Y5                          | 1,249.41        | 0.00             | 1,249.41    |
| 86  | Rona Revy Inc                       | 19550 - 92nd Ave<br>Surrey BC V4N 4G7                         | 152.75          | 0.00             | 152.75      |
| 87  | Roynat Inc.                         | Suite 1500, Metrolower 1, 4710 Kingsway<br>Burnaby BC V5H 4M2 | 0.00            | 31,684.48        | 31,684.48   |
| 88  | Sentry Traffic Control              | PO Box 1924<br>Revelstoke BC V0E 2S0                          | 3,725.79        | 0.00             | 3,725.79    |
| 89  | SK Welding                          | 5400 McCulloch Rd<br>Kelowna BC V1W 4G1                       | 235.20          | 0.00             | 235.20      |
| 90  | Source Graphics & Print Co Ltd      | 1050 Leathead Rd<br>Kelowna BC V1X 2K1                        | 1,561.28        | 0.00             | 1,561.28    |
| 91  | Spartan Metal Processing Ltd        | 351 Tilley Rd<br>Lake Country BC V4V 2K5                      | 750.40          | 0.00             | 750.40      |
| 92  | Staber Contracting Ltd              | 9246 Kokanee Rd<br>Vernon BC V1H 1K4                          | 24,159.43       | 0.00             | 24,159.43   |
| 93  | Super 8 Motel (Merritt)             | 3561 Voght St<br>Merritt BC V1K 1C5                           | 5,736.36        | 0.00             | 5,736.36    |
| 94  | Superior Propane                    | Box 2875 Station Main<br>Calgary AB T2P 5G1                   | 290.70          | 0.00             | 290.70      |
| 95  | Sure Haul                           | PO Box 870, 1801 Boruch Rd<br>Revelstoke BC V0E 2S0           | 212.52          | 0.00             | 212.52      |
| 96  | Sutor Group                         | 355-118th Ave SE, Suite 200<br>Bellevue WA 98005 USA          | 287.50          | 0.00             | 287.50      |

27-Jun-2014

Date

  
 Kerry Ning Leong

District of: British Columbia  
 Division No. 04 - Vernon  
 Court No.  
 Estate No.

FORM 78 -- Continued

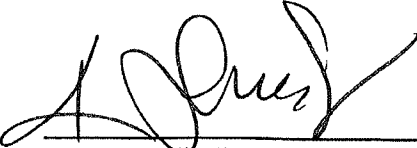
List "A"  
 Unsecured Creditors

Arthon Contractors Inc.

| No.    | Name of creditor                     | Address  | Unsecured claim | Balance of claim | Total claim   |
|--------|--------------------------------------|--|-----------------|------------------|---------------|
| 97     | Tridon Communications                | Box 1598 - 103 Caribou St<br>Banff AB T1L 1B5    | 26.25           | 0.00             | 26.25         |
| 98     | Triton Environmental                 | 8971 Beckwith Rd<br>Richmond BC V6X 1V4          | 630.00          | 0.00             | 630.00        |
| 99     | Twin Rivers Development              | 5048 Banzer Ave<br>Prince George BC V2K 4H2      | 6,588.96        | 0.00             | 6,588.96      |
| 100    | Valley Blacktop                      | Box 9297<br>Revelstoke BC V0E 3K0                | 212,130.80      | 0.00             | 212,130.80    |
| 101    | Valley Curbing Ltd                   | 102-1358 St. Paul St<br>Kelowna BC V1Y 2E1       | 1,603.10        | 0.00             | 1,603.10      |
| 102    | Western Explosives                   | 6890 Lickman Rd<br>Chilliwack BC V2R 4A9         | 92,105.01       | 0.00             | 92,105.01     |
| 103    | Westkey Graphics                     | 8315 Riverbend Crt<br>Burnaby BC V3N 5E7         | 347.39          | 0.00             | 347.39        |
| 104    | Westlake Paving                      | 2455 McDougall Rd<br>Kelowna BC V1Z 2L6          | 102,625.78      | 0.00             | 102,625.78    |
| 105    | Wilson M Beck Insurance Services Inc | 107 - 2040 Springfield Rd<br>Kelowna BC V1Y 9N7  | 27,888.00       | 0.00             | 27,888.00     |
| 106    | Winn Rentals                         | 910 McCurdy Rd<br>Kelowna BC V1X 2P7             | 3,214.11        | 0.00             | 3,214.11      |
| 107    | Wolseley Canada Inc                  | 3780 - 98 St<br>Edmonton AB T6E 6B4              | 3,161.15        | 0.00             | 3,161.15      |
| 108    | Work Safe BC                         | PO Box 9600 Stn Terminal<br>Vancouver BC V6B 5J5 | 84,325.15       | 0.00             | 84,325.15     |
| 109    | Yuros Trucking                       | 750 Ford Rd<br>Kelowna BC V1X 3E2                | 7,195.50        | 0.00             | 7,195.50      |
| Total: |                                      |  | 13,293,622.91   | 7,000,618.74     | 20,294,241.65 |

27-Jun-2014

Date

  
 Kerry Ning Leong

District of: British Columbia  
Division No. 04 - Vernon  
Court No.  
Estate No.

FORM 78 -- Continued

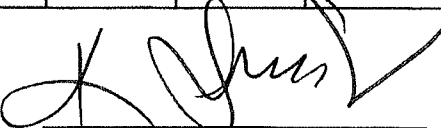
List "B"  
Secured Creditors

Arthon Contractors Inc.

| No.    | Name of creditor          | Address  | Amount of claim | Particulars of security  | When given | Estimated value of security                | Estimated surplus from security | Balance of claim |
|--------|---------------------------|--|-----------------|--|------------|--|---------------------------------|------------------|
| 1      | Arthon Industries Limited | #9 - 1790 KLO Road<br>Kelowna BC V1W 3P6                         | 3,139,779.99    | Business Assets - Machinery<br>- Computer Equipment<br><br>Business Assets - Machinery<br>- Equipment<br><br>Debts Due - Business - Trade<br>A/R |            | 0.00<br><br>0.00<br><br>0.00               |                                 | 3,139,779.99     |
| 2      | Callidus Capital Corp.    | 77 King Street West, Suite<br>4320<br>Toronto ON M5K 1K2         | 1,700,000.00    | Business Assets - Machinery<br>- Computer Equipment<br><br>Business Assets - Machinery<br>- Equipment<br><br>Debts Due - Business - Trade<br>A/R |            | 0.00<br><br>0.00<br><br>0.00               |                                 | 1,700,000.00     |
| 3      | Canada Revenue Agency     | 9755 King George<br>Boulevard<br>Surrey BC V3T 5E1               | 1,799,631.19    | Business Assets - Machinery<br>- Computer Equipment<br><br>Business Assets - Machinery<br>- Equipment<br><br>Debts Due - Business - Trade<br>A/R |            | 9,581.70<br><br>37,675.78<br><br>23,269.44 |                                 | 1,729,104.27     |
| 4      | Encon Group Inc.          | #500 - 1400 Blair Place<br>Ottawa ON K1J 9B8                     | 25.00           | Business Assets - Machinery<br>- Equipment   |            | 0.00                                       |                                 | 25.00            |
| 5      | HSBC Bank Canada          | 885 West Georgia Street<br>Vancouver BC V6C 3G1                  | 25.00           | Business Assets - Machinery<br>- Computer Equipment<br><br>Business Assets - Machinery<br>- Equipment<br><br>Debts Due - Business - Trade<br>A/R |            | 0.00<br><br>0.00<br><br>0.00               |                                 | 25.00            |
| 6      | Intact Insurance Company  | #1100 - 999 West<br>Hastings Street<br>Vancouver BC V6C 2W2      | 400,000.00      | Business Assets - Machinery<br>- Computer Equipment<br><br>Business Assets - Machinery<br>- Equipment<br><br>Debts Due - Business - Trade<br>A/R |            | 0.00<br><br>0.00<br><br>0.00               |                                 | 400,000.00       |
| 7      | Roynat Inc.               | Suite 1500, Metrotower 1,<br>4710 Kingsway<br>Burnaby BC V5H 4M2 | 31,684.48       | Business Assets - Machinery<br>- Computer Equipment<br><br>Business Assets - Machinery<br>- Equipment<br><br>Debts Due - Business - Trade<br>A/R |            | 0.00<br><br>0.00<br><br>0.00               |                                 | 31,684.48        |
| Total: |                           |  | 7,071,145.66    |  |            | 70,526.92                                  | 0.00                            | 7,000,618.74     |

27-Jun-2014

Date

  
Kerry Ning Leong

District of: British Columbia  
Division No. 04 - Vernon  
Court No.  
Estate No.

FORM 78 -- Continued

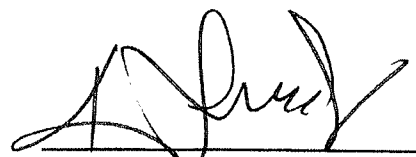
List "C"  
Preferred Creditors for Wages, Rent, etc.

Arthon Contractors Inc.

| No.    | Name of creditor | Address and occupation | Nature of claim | Period during which claim accrued | Amount of claim | Amount payable in full | Difference ranking for dividend |
|--------|------------------|------------------------|-----------------|-----------------------------------|-----------------|------------------------|---------------------------------|
| Total: |                  |                        |                 |                                   | 0.00            | 0.00                   | 0.00                            |

27-Jun-2014

Date

  
Kerry Ning Leong

District of: British Columbia  
Division No. 04 - Vernon  
Court No.  
Estate No.

FORM 78 -- Continued

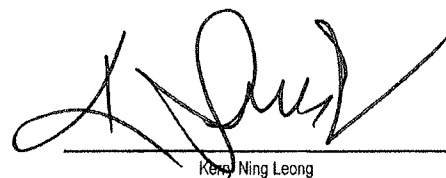
List "D"  
Contingent or Other Liabilities

Arthon Contractors Inc.

| No.    | Name of creditor<br>or claimant | Address<br>and occupation                             | Amount of<br>liability or claim | Amount<br>expected to<br>rank for dividend | Date when liability<br>incurred | Nature of liability |
|--------|---------------------------------|---|---------------------------------|--|---------------------------------|---------------------|
| 1      | Callidus Capital Corp.          | 77 King Street West, Suite 4320<br>Toronto ON M5K 1K2 | 50,300,000.00                   | 0.00                                       |                                 |                     |
| Total: |                                 |   | 50,300,000.00                   | 0.00                                       |                                 |                     |

27-Jun-2014

Date

  
Ken Ning Leong



District of: British Columbia  
Division No. 04 - Vernon  
Court No.  
Estate No.

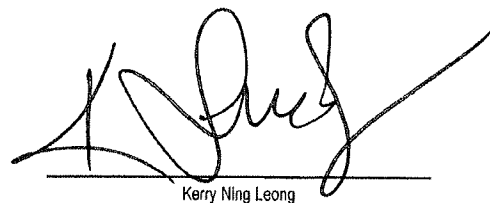
FORM 78 -- Continued

List "E"  
Debts Due to the Bankrupt  
Arthon Contractors Inc.

| No.    | Name of debtor | Address and occupation | Nature of debt | Amount of debt (good, doubtful, bad)    | Folio of ledgers or other book where particulars to be found | When contracted | Estimated to produce | Particulars of any securities held for debt |
|--------|----------------|------------------------|----------------|---|--|-----------------|----------------------|---|
| 1      | Trade A/R      | Various<br>Various     | Trade A/R      | 23,269.44<br>2,715,000.00<br>457,750.05 | A/R Subledger  | 26-Jun-2014     | 23,269.44            | None  |
| Total: |                |                        |                | 23,269.44<br>2,715,000.00<br>457,750.05 |  |                 | 23,269.44            |   |

27-Jun-2014

Date

  
Kerry Ning Leong

District of: British Columbia  
Division No. 04 - Vernon  
Court No.  
Estate No.

FORM 78 -- Continued

List "F"

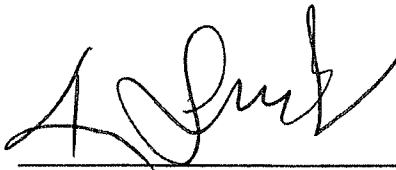
Bills of Exchange, Promissory Notes, Lien Notes, Chattel  
Mortgages, etc., Available as Assets

Arthon Contractors Inc.

| No.    | Name of all promissory,<br>acceptors, endorsers,<br>mortgagors, and guarantors | Address | Occupation | Amount of bill<br>or note, etc. | Date when due | Estimated to<br>produce | Particulars of any property<br>held as security for<br>payment of bill or note, etc. |
|--------|--|---------|------------|---------------------------------|---------------|-------------------------|--|
| Total: |  |         |            | 0.00                            |               | 0.00                    |  |

27-Jun-2014

Date

  
Kerry Ning Leong

District of: British Columbia  
Division No. 04 - Vernon  
Court No.  
Estate No.

FORM 78 -- Continued

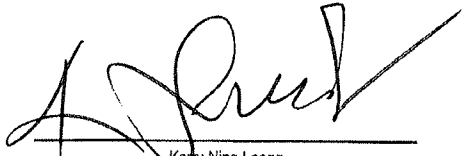
List "G"  
Real Property or Immovables Owned by Bankrupt

Arthon Contractors Inc.

| Description of property | Nature of bankrupt interest | In whose name does title stand | Total value | Particulars of mortgages, hypothecs, or other encumbrances (name, address, amount) | Equity or surplus |
|-------------------------|-----------------------------|--------------------------------|-------------|--|-------------------|
| Total:                  |                             |                                | 0.00        |  | 0.00              |

27-Jun-2014

Date

  
Kerry Ning Leong

District of: British Columbia  
Division No. 04 - Vernon  
Court No.  
Estate No.

FORM 78 – Concluded

List "H"  
Property

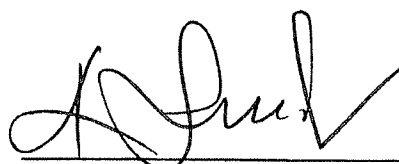
Arthon Contractors Inc.

FULL STATEMENT OF PROPERTY

| Nature of property                       | Location | Details of property | Original cost | Estimated to produce |
|--|----------|---------------------|---------------|----------------------|
| (a) Stock-in-trade                       |          |                     | 0.00          | 0.00                 |
| (b) Trade fixtures, etc.                 |          |                     | 0.00          | 0.00                 |
| (c) Cash in financial institutions       |          |                     | 0.00          | 0.00                 |
| (d) Cash on hand                         |          |                     | 0.00          | 0.00                 |
| (e) Livestock                            |          |                     | 0.00          | 0.00                 |
| (f) Machinery, equipment and plant       |          | Computer Equipment  | 0.00          | 9,581.70             |
|  |          | Equipment           | 0.00          | 37,675.78            |
| (g) Furniture                            |          |                     | 0.00          | 0.00                 |
| (h) Life insurance policies, RRSPs, etc. |          |                     | 0.00          | 0.00                 |
| (i) Securities                           |          |                     | 0.00          | 0.00                 |
| (j) Interests under wills, etc.          |          |                     | 0.00          | 0.00                 |
| (k) Vehicles                             |          |                     | 0.00          | 0.00                 |
| (l) Taxes                                |          |                     | 0.00          | 0.00                 |
| (m) Other                                |          |                     | 0.00          | 0.00                 |
|  |          |                     | <b>Total:</b> | <b>47,257.48</b>     |

27-Jun-2014

Date

  
Kerry Ning Leong

Court No.

File No.

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In the matter of the bankruptcy of  
Arthon Contractors Inc.  
of the city of Kelowna, in the Province of British  
Columbia

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Form 78 (Bill C-12)  
Statement of affairs (Business bankruptcy)

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Alvarez & Marsal Canada Inc. - Trustee  
Per:

---

Tom Powell  
Commerce Place  
Suite 1680, 400 Burrard Street  
Vancouver BC V6C 3A6  
Phone: (604) 638-7440 Fax: (604) 638-7441