

Court File Number: CV15-10978-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL COURT**

BETWEEN:

THE TORONTO-DOMINION BANK

Applicant

- and -

BEAVERTON LUMBER INC.

Respondent

APPLICATION RECORD

(Application Returnable: June 1, 2015)

LEE BOWDEN NIGHTINGALE LLP

Barristers and Solicitors
3700 Steeles Avenue West
Suite 300
Vaughan, Ontario
L4L 8K8

Gregory W. Bowden (LSUC 31765V)

Tel (905) 264-6678
Fax (905) 264-6679

Solicitors for the Plaintiff

TO: **ALBERT GELMAN INC.,
AS TRUSTEE IN BANKRUPTCY
FOR BEAVERTON LUMBER INC.**
c/o Joe Albert
100 Simcoe Street, Suite 125
Toronto, Ontario
M5H 3G2

AND TO: **CANADA REVENUE AGENCY**
1 Front Street West
Toronto, Ontario
M5J 2X6

AND TO: **CORPORATION OF THE
TOWNSHIP OF BROCK**
1 Cameron Street East
P.O. Box 10
Cannington, Ontario
LOE 1E0

AND TO: **NATIONAL LEASING GROUP INC.**
1558 Willson Place
Winnipeg, Manitoba
R3T 0Y4

AND TO: **HOME HARDWARE STORES LIMITED**
34 Henry Street
St. Jacobs, Ontario
NOB 2N0

INDEX

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL COURT**

B E T W E E N:

THE TORONTO-DOMINION BANK

Applicant

- and -

BEAVERTON LUMBER INC.

Respondent

INDEX

TAB	PAGE #	DOCUMENT
1		Notice of Application, returnable June 1, 2015
2	1-2	Affidavit of Dennis Zamanis, sworn May 25, 2015
A	3-16	Exhibit "A" - Notice of Bankruptcy
B	17-19	Exhibit "B" - Notice of Appointment
C	20-36	Exhibit "C" - PPSA Search
D	37-38	Exhibit "D" - Statement from Albert Gelman Inc.
E	39-61F	Exhibit "E" - Loan Agreement
F	62-65	Exhibit "F" - Consent of Albert Gelman Inc.

TAB ONE

Cv15-10978-0001
Court File Number:

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL COURT**

BETWEEN:

THE TORONTO-DOMINION BANK

Applicant

- and -

BEAVERTON LUMBER INC.

Respondent



NOTICE OF APPLICATION

TO THE RESPONDENT:

A LEGAL PROCEEDING HAS COMMENCED by the applicant. The claim made by the applicant appears on the following pages.

THIS APPLICATION will come on for a hearing on the **1st day of June, 2015** at **9:30 a.m.**, at **330 University Avenue, Seventh Floor, Toronto, Ontario.**

IF YOU WISH TO OPPOSE THIS APPLICATION, to receive notice of any step in the application or to be served with any documents in the application, you or an Ontario lawyer acting for you must forthwith prepare a notice of appearance in Form 38A prescribed by the Rules of Civil Procedure serve it on the applicant's lawyer or, where the applicant does not have a lawyer, serve it on the applicant, and file it, with proof of service, in this court office, and you or your lawyer must appear at the hearing.

IF YOU WISH TO PRESENT AFFIDAVIT OR OTHER DOCUMENTARY EVIDENCE TO THE COURT OR TO EXAMINE OR CROSS-EXAMINE WITNESSES ON THE APPLICATION, you or your lawyer must, in addition to serving your notice of appearance, serve a copy of the evidence on the applicant's lawyer or, where the applicant does not have a lawyer, serve it on the applicant, and file it, with proof of service, in the court office where the application is to be heard as soon as possible, but at least four days before the hearing.

IF YOU FAIL TO APPEAR AT THE HEARING, JUDGMENT MAY BE GIVEN IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU. IF YOU WISH TO OPPOSE THIS APPLICATION BUT ARE UNABLE TO PAY LEGAL FEES, LEGAL AID MAY BE AVAILABLE TO YOU BY CONTACTING A LOCAL LEGAL AID OFFICE.

Date: May 26, 2015

Issued by:


Local Registrar

A. Anissimova
Registrar

Address of the Court Office:
330 University Avenue
7th Floor
Toronto, Ontario
M5G 1R7

TO: **ALBERT GELMAN INC.,
AS TRUSTEE IN BANKRUPTCY
FOR BEAVERTON LUMBER INC.**
c/o Joe Albert
100 Simcoe Street, Suite 125
Toronto, Ontario
M5H 3G2

AND TO: **CANADA REVENUE AGENCY**
1 Front Street West
Toronto, Ontario
M5J 2X6

AND TO: **CORPORATION OF THE
TOWNSHIP OF BROCK**
1 Cameron Street East
P.O. Box 10
Cannington, Ontario
LOE 1E0

AND TO: **NATIONAL LEASING GROUP INC.**
1558 Willson Place
Winnipeg, Manitoba
R3T 0Y4

AND TO: **HOME HARDWARE STORES LIMITED**
34 Henry Street
St. Jacobs, Ontario
NOB 2N0

APPLICATION

1. THE APPLICANT MAKES APPLICATION FOR:

- a) An Order appointing Albert Geiman Inc. to be receiver of the property and assets of the Respondent;
- b) such further and other relief as to this Honourable Court seems just.

2. THE GROUNDS FOR THE APPLICATION ARE:

- a) The Respondent is indebted to the Applicant pursuant to an operating loan, a demand loan and a visa debt. The Respondent is in default of its obligations. On August 22, 2014, the Applicant made demand requiring that the Respondent pay the full amount outstanding which as of that date was \$819,461.02. No payment was made after the demand.
- b) Section 101 of *The Courts of Justice Act* and s. 243 of *The Bankruptcy and Insolvency Act*;
- c) Rule 41.02 of the *Rules of Civil Procedure*; and
- d) Such further and other grounds as counsel may advise.

3. THE FOLLOWING DOCUMENTARY EVIDENCE WILL BE USED AT THE HEARING OF THE APPLICATION:

- a) The Affidavit of Dennis Zamanis, sworn May 25, 2015, and the exhibits referred to therein; and

- b) such further and other documentary evidence as counsel may provide and this Honourable Court will permit.

Date: May 26, 2015

LEE BOWDEN NIGHTINGALE LLP
Barristers and Solicitors
3700 Steeles Avenue West
Suite 300
Vaughan, Ontario
L4L 8K8

Gregory W. Bowden (LSUC 31765V)
Tel (905) 264-6678
Fax (905) 264-6679

Solicitors for the Plaintiff

THE TORONTO-DOMINION BANK
Applicant

v.

BEAVERTON LUMBER INC.
Respondent

Court File Number: CV15-10978-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL COURT**

Proceeding commenced at Toronto

Notice of Application

LEE, BOWDEN, NIGHTINGALE LLP
Barristers and Solicitors
3700 Steeles Ave. W., Suite 300
Vaughan, Ontario
L4L 8K8

Gregory W. Bowden (LSUC 31765V)
Phone: (905) 264-6678
Fax: (905) 264-6679

Lawyer for the Applicant

TAB TWO

Court File Number:

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL COURT**

B E T W E E N:

THE TORONTO-DOMINION BANK

Applicant

- and -

BEAVERTON LUMBER INC.

Respondent

AFFIDAVIT OF DENNIS ZAMANIS

I, Dennis Zamanis, employed at the City of Toronto, MAKE OATH AND SAY AS FOLLOWS:

1. I am employed at The Toronto-Dominion Bank ("TD"). I have carriage of the file involving Beaverton Lumber Inc. (the "Respondent"), and as such have knowledge of the following facts.
2. The Respondent carries on business as a Home Hardware franchise in Beaverton, Ontario.
3. The Respondent made an assignment in bankruptcy on March 19, 2015. Attached and marked as **Exhibit "A"** to my Affidavit is a copy of the Notice of Bankruptcy.
4. The Trustee in Bankruptcy is Albert Gelman Inc.

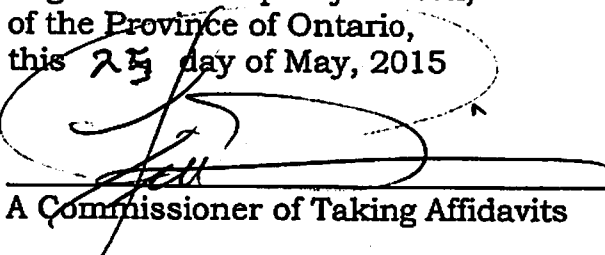
5. Albert Gelman Inc. was appointed a receiver by the Applicant on or about February 23, 2015. Attached to my Affidavit and marked as **Exhibit "B"** is a true copy of the Notice of Appointment.

6. The Respondent owns land at 488 Mara Road, Beaverton, Ontario (the "land"). In addition to the secured creditors listed in the PPSA search attached to this affidavit as **Exhibit "C"**, the Respondent also has secured creditors who have registered liens on title to the land, as set out in the statement from Albert Galman Inc., a true copy of which is attached hereto and marked as **Exhibit "D"**.

7. Attached to this Affidavit and marked as **Exhibit "E"** is a copy of the Loan Agreement between the parties, as amended. The Respondent is in default of the facilities set out therein.

8. The Applicant requests that this court appoint Albert Gelman Inc. as receiver of the Respondent. Albert Gelman Inc. has consented to being appointed as a receiver by this Court. A true copy of the consent executed by Albert Gelman Inc. is attached to this Affidavit and marked as **Exhibit "F"**.

SWORN BEFORE ME at the
City of Markham, in the
Regional Municipality of York,
of the Province of Ontario,
this 25 day of May, 2015

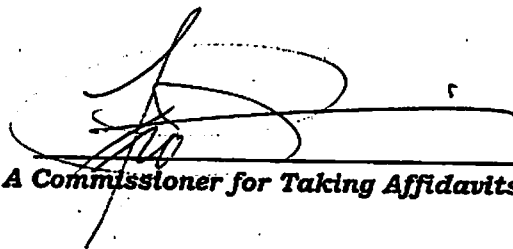

A Commissioner of Taking Affidavits

Francis Michael DiNino,
a Commissioner, etc.,
Province of Ontario,
for the Toronto-Dominion Bank.
Expires May 13, 2017.


DENNIS ZAMANIS

TAB A

***This is Exhibit "A" referred to in the Affidavit
of Dennis Zamanis, sworn before me this
25 day of May, 2015.***



A handwritten signature in black ink, appearing to read 'F. Dinino', is written over a horizontal line. The signature is stylized and cursive.

A Commissioner for Taking Affidavits, Etc.

**Francis Michael DINino,
a Commissioner, etc.,
Province of Ontario,
for the Toronto-Dominion Bank.
Expires May 13, 2017.**

ALBERT GELMAN

District of: Ontario
Division No. 10 - Peterborough
Court No. 31-1972380
Estate No. 31-1972380

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

Original Amended

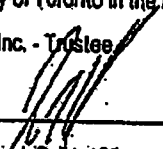
In the matter of the bankruptcy of
Beaverton Lumber Inc.
of the village of Beaverton, in the Province of Ontario

Take notice that:

1. Beaverton Lumber Inc. filed an assignment on the 18th day of March 2015, and the undersigned, Albert Gelman Inc., was appointed as trustee of the estate of the bankrupt by the official receiver, 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 9th day of April 2015, at 10:00 AM, at the Richmond Hill office of Albert Gelman Inc., at 85 West Wilmot Street, Unit 1, Richmond Hill, Ontario, L4B 1K7.
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 Statement of Affairs, including 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 Toronto in the Province of Ontario, this 19th day of March 2015.

Albert Gelman Inc. - Trustee
Per:



Joe Albert
100 Simcoe Street, Suite 125
Toronto ON M5H 3G2
Phone: (416) 504-1650 Fax: (416) 504-1655

Albert Gelman Inc. - 100 Simcoe Street, Suite 125, Toronto, Ontario M5H 3G2 - Tel: 416 504 1650 - Fax: 416 504 1655 - albertgelman.com

District of: Ontario
Division No. 10 - Peterborough
Court No. 31-1972380
Estate No. 31-1972380

FORM 31 / 36
Proof of Claim / Proxy
in the matter of the bankruptcy of
Beaverton Lumber Inc.
of the village of Beaverton, in the Province of Ontario

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

In the matter of the bankruptcy of Beaverton Lumber Inc. of the village of Beaverton in the Province of Ontario and the claim of _____, creditor.

I, _____, of the city 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.

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 18th day of March 2015, and still is, indebted to the creditor in the sum of \$ _____, as specified in the statement of account (or affidavit or solemn declaration) 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 of 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/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 _____

Individual Creditor _____

Witness _____

Name of Corporate Creditor _____

Per _____
Name and Title of Signing Officer

Return To:

Phone Number: _____
Fax Number: _____
E-mail Address: _____

Albert Gelman Inc. - Trustee

100 Simcoe Street, Suite 125
Toronto ON M5H 3G2
Phone: (416) 504-1650 Fax: (416) 504-1655
E-mail: proofofclaim@albertgelman.com

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(7) 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 29(1) of the Act provides severe penalties for making any false claim, proof, declaration or statement of account.

District of: Ontario
 Division No. 10 - Peterborough
 Court No. 31-1972380
 Estate No. 31-1972380

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
 Beaverton Lumber Inc.
 of the village of Beaverton, in the Province of Ontario

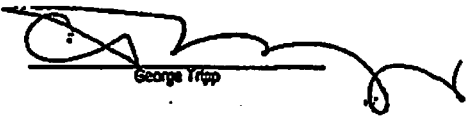
To the bankrupt:
 You are required to carefully and accurately complete this form and the applicable attachments showing the state of your affairs on the date of the bankruptcy, on the 18th day of March 2015. When completed, this form and the applicable attachments will constitute the Statement of Affairs and must be verified by oath or solemn declaration.

LIABILITIES (as stated and estimated by the officer)	ASSETS (as stated and estimated by the officer)
1. Unsecured creditors as per list "A"	1. Inventory
359,992.16	340,000.00
Balance of secured claims as per list "B"	2. Trade fixtures, etc.
0.00	0.00
Total unsecured creditors	3. Accounts receivable and other receivables, as per list "E"
359,992.16	Good
2. Secured creditors as per list "B"	15,000.00
1,257,768.00	Doubtful
3. Preferred creditors as per list "C"	42,000.00
3,393.29	Bad
4. Contingent, trust claims or other liabilities as per list "D"	0.00
estimated to be reclaimable for	Estimated to produce
0.00	15,000.00
Total liabilities	4. Bills of exchange, promissory notes, etc., as per list "F"
1,631,153.45	54,607.00
Surplus	5. Deposits in financial institutions
43,594.55	0.00
	6. Cash
	0.00
	7. Livestock
	0.00
	8. Machinery, equipment and plant
	20,000.00
	9. Real property or immovable as per list "G"
	1,050,000.00
	10. Furniture
	0.00
	11. RRSPs, RRFs, life insurance, etc.
	0.00
	12. Securities (shares, bonds, debentures, etc.)
	89,887.00
	13. Interests under will
	0.00
	14. Vehicles
	20,500.00
	15. Other property, as per list "H"
	84,764.00
	If bankrupt is a corporation, add:
	Amount of subscribed capital
	6.00
	Amount paid on capital
	6.00
	Balance subscribed and unpaid
	0.00
	Estimated to produce
	0.00
	Total assets
	1,674,748.00
	Deficiency
	NIL

I, George Tripp, of the village of Beaverton in the Province of Ontario, 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 18th day of March 2015 and I 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 Toronto in the Province of Ontario, on this 18th day of March 2015.

Joe Albert, Commissioner of Oaths
 For the Province of Ontario
 Expires Feb. 17, 2017


 George Tripp

District of: Ontario
 Division No. 03 - Barrie
 Court No.
 Estate No.

FORM 78 - Continued

List "A"
 Unsecured Creditors
 Beaverton Lumber Inc.

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
1	Acceo Solutions Inc. 200499	Print Master Division 61100-75 Queen Street Montreal QC H3C 2N8	1,077.03	0.00	1,077.03
2	Auskey Lumber Limited 2088538	C1830 Cameron Street PO Box 3 Carrington ON L0E 1E0	3,237.00	0.00	3,237.00
3	Bell Canada F-88 - Business Attr. Insolvency Department	1 Carrefour Alexandre-Graham-Bell, Aile E3 Verdun QC H3E 3E3	314.29	0.00	314.29
4	Calvin Everson	308 King Street Beaverton ON L0K 1A0	7,459.31	0.00	7,459.31
5	Carquest Auto Parts 172602	428 Mara Rd. PO Box 799 Beaverton ON L0K 1A0	54.67	0.00	54.67
6	Cutting Edge Countertops Limited 69568-011	68 Mary St W, PO Box 1 Lindsay ON K9V 2N6	115.26	0.00	115.26
7	Dynamix Productions Inc. 45193	5-82 Fewcett Road Cobham ON V3K 6V5	166.28	0.00	166.28
8	Enbridge Gas Distribution - Ontario Attr. Back Office Collections Department 103505228122	PO Box 650 Scarborough ON M1K 5E3	1,751.94	0.00	1,751.94
9	Hawlin, Tom Attr. Dianne Hawlin	B1495 Regional Road 15 Beaverton ON L0K 1A0	80,967.00	0.00	80,967.00
10	Klassen Bronze Ltd. Key Machine	30 Marvin Street New Hamburg ON N3A 4H8	1.00	0.00	1.00
11	Lake Simcoe Living 2013	Calspaw Media Inc. 92 Caplan Ave., Ste. 242 Barrie ON L4N 0Z7	449.74	0.00	449.74
12	Lany Umphrey	474 Simcoe Street Box 335 Beaverton ON L0K 1A0	2,783.57	0.00	2,783.57
13	LBMAO	391 Matheson Blvd East, Unit A Mississauga ON L4Z 2H2	310.75	0.00	310.75
14	Mathew Soper	312 County Road 41 Kirkfield ON K0M 2B0	3,400.00	0.00	3,400.00
15	M&D Ontario Disposal 184254	24 Kitchener Street Orillia ON L3V 6Z9	311.88	0.00	311.88
16	National Leasing Group Inc. Attr. Bankruptcy Designate 2456178	1525 Buffalo Place Winnipeg MB R3T 1L9	1.00	0.00	1.00
17	Near North Supply Inc. M1500	191 Big Bay Point Road Barrie ON L4N 0M8	981.84	0.00	981.84
18	North American Leasing Inc. computer equipment and software	410 - 5 Donald Street Winnipeg MB R3L 2T4	1.00	0.00	1.00
19	Northern Business Equipment Inc. 31464	90 Colborne St West - Box 2270 Orillia ON L3V 6S1	135.60	0.00	135.60
20	Programmed Insurance Brokers Inc. 9381628	49 Industrial Dr. Egmont ON N0B 3B1	4,771.52	0.00	4,771.52
21	Rogers Communications Bankruptcies c/o FCT Default Solutions Attr. Insolvency Department	PO Box 2514 Station B London ON N6A 4G9	677.91	0.00	677.91

17-Mar-2015

Date


 George Tripp

District of: Ontario
 Division No. 03 - Barrie
 Court No.
 Estate No.

FORM 78 - Continued

List "A"
 Unsecured Creditors
 Beaverton Lumber Inc.

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
22	Safeguard Business Systems 07F3-02	PO Box 834 Midland ON L4R 4P4	1,003.33	0.00	1,003.33
23	Sesco 711393	39 Commerce Rd Lindsay ON K9V 5Y3	1.00	0.00	1.00
24	Shany Cameron	PO Box 306 Woodville ON K0M 2T0	2,600.00	0.00	2,600.00
25	Sonepar Canada Inc.	303 - 989 Derry Rd E Mississauga ON L5T 2J8	273.09	0.00	273.09
26	Tammie Hall	559 George Street Beaverton ON L0K 1A0	2,250.00	0.00	2,250.00
27	TD Canada Trust Visa Attn: Natalie Bertucci, Credit Administration Services (CAS)	4720 Tahoe Boulevard, 3rd Floor Mississauga ON L4W 5P2	6,800.00	0.00	6,800.00
28	Technical Standards and Safety Authority Attn: Nasra Abdalla 25803	3300 Bloor Street West 14th Floor Centre Tower Etobicoke ON M9X 2X4	110.00	0.00	110.00
29	Telzon Inc. 51064	PO Box 627, Station Main Barrie ON L4M 4V1	715.21	0.00	715.21
30	Tripp, Barbara	544 Highland Crescent Beaverton ON L0K 1A0	117,029.00	0.00	117,029.00
31	Tripp, George	544 Highland Crescent Beaverton ON L0K 1A0	126,667.00	0.00	126,667.00
32	Veridian Connections Inc. Attn: Jackie Hone 5117715101	55 Taunton Road East Ajax ON L1T 3V3	589.80	0.00	589.80
33	Vic Gonill	R.R. #2 Beaverton ON L0K 1A0	880.00	0.00	880.00
34	Watson Building Supplies BEAVER	2 - 50 Royal Group Crescent Woodbridge ON L4H 1X9	624.98	0.00	624.98
35	Welcomes Wagon Ltd Attn: Ram Durga 230353	10-3761 Victoria Park Avenue Scarborough ON M1W 3S3	206.90	0.00	206.90
36	Workplace Safety and Insurance Board Attn: c/o Collection Services 7688179	200 Front St W Toronto ON M5V 3J1	1,273.26	0.00	1,273.26
Total:			369,992.16	0.00	369,992.16

17-Mar-2015

Date


 George Tripp

District of: Ontario
 Division No. 03 - Barrie
 Court No.
 Estate No.

FORM 78 -- Continued

List "B"
 Secured Creditors

Beaverton Lumber 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	Corporation of the Township of Brock 1839-020-020-03400-0000	1 Cameron Street East, P.O. Box 10 Carrington ON L0E 1E0	130,000.00	Real Property or Immovable - Building and Land - Beaverton - 488 Mara Road		130,000.00		
2	CRA - Canada Revenue Agency - Tax - Ontario Attn: c/o London Taxes Services Office Division Regional Intake Centre for Inscr 89787 9078 RP0001	451 Talbot St., 3rd Floor, PO Box 5548 London ON N6A 4R3	18,081.00	Business Assets - Stock in Trade - Inventory		18,081.00		
3	CRA - Canada Revenue Agency - Tax - Ontario Attn: c/o London Taxes Services Office Division Regional Intake Centre for Inscr 89787 9078 RT0001	451 Talbot St., 3rd Floor, PO Box 5548 London ON N6A 4R3	107,365.00	Real Property or Immovable - Building and Land - Beaverton - 488 Mara Road		107,365.00		
4	Home Hardware Stores Limited Attn: Gord Mackay	34 Henry Street West - St Jacobs ON N0B 2N0	215,322.00	Promissory Notes - Business - Home Hardware Stores Limited Securities - Shares Promissory Notes - Business - Home Hardware Stores Limited Real Property or Immovable - Building and Land - Beaverton - 488 Mara Road		54,607.00 75,961.00 84,754.00 0.00	13,926.00	
5	The Toronto-Dominion Bank Attn: H. Stephen Lee	c/o Lee, Bowden, Nightingale LLP 3700 Steeles Avenue West, Suite 300 Vaughan ON L4L 8K8	300,000.00	Business Assets - Machinery - Machinery & Equipment Motor Vehicles - Automobile - 1990 - Ford - F850 - 1FDRK84ABLVA09324 Motor Vehicles - Automobile - 2008 - Ford - F450 - 1FDXF47Y38EC86310 Debts Due - Business - Trade Accounts Receivable Business Assets - Stock in Trade - Inventory		20,000.00 2,000.00 18,500.00 15,000.00 244,500.00	77,419.00	
6	The Toronto-Dominion Bank Attn: Steven Lee	c/o Lee, Bowden, Nightingale LLP 3700 Steeles Avenue West, Suite 300 Vaughan ON L4L 8K8	487,000.00	Real Property or Immovable - Building and Land - Beaverton - 488 Mara Road		487,000.00	325,635.00	
Total:			1,257,768.00			1,257,768.00	416,980.00	0.00

17-Mar-2015

Date


 George Trapp

District of: Ontario
Division No. 03 - Barrie
Court No.
Estate No.

FORM 78 - Continued

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

Beaverton Lumber 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
1	Calvin Everson	308 King Street Beaverton ON L0K 1A0			1,040.00	0.00	1,040.00
2	Lary Umphrey	474 Simcoe Street Box 335 Beaverton ON L0K 1A0			1,440.00	0.00	1,440.00
3	Mathew Soper	312 County Road 41 Kirkfield ON K0M 2B0			879.41	0.00	879.41
4	Vic Gortil	R.R. #2 Beaverton ON L0K 1A0			33.88	0.00	33.88
Total:					3,393.29	0.00	3,393.29

17-Mar-2015

Date


George Tripp

District of: Ontario
Division No. 03 - Barrie
Court No.
Estate No.

FORM 78 - Continued

List "D"
Contingent or Other Liabilities

Beaverton Lumber Inc.

No.	Name of creditor or claimant	Address and occupation	Amount of liability or claim	Amount expected to rank for dividend	Date when liability incurred	Nature of liability
			0.00	0.00		
		Total	0.00	0.00		

17-Mar-2015

Date


George Tripp

District of: Ontario
Division No. 03 - Barrie
Court No.
Estate No.

FORM 78 - Continued

List 'E'
Debts Due to the Bankrupt

Beaverton Lumber 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 Accounts Receivable		Trade Accounts Receivable	15,000.00 42,000.00 0.00			15,000.00	
			Total	15,000.00 42,000.00 0.00			15,000.00	

17-Mar-2015

Date


George Tripp

District of: Ontario
 Division No. 10 - Peterborough
 Court No. 31-1972380
 Estate No. 31-1972380

FORM 78 -- Continued

List "F"

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

Beaverton Lumber Inc.

No.	Name of all promissory, acceptors, endorsees, mortgagors, and guarantors	Address	Occupation	Amount of bill or note, etc.	Date when due	Estimated to produce	Particulars of any property held as security for payment of bill or note, etc.
1	Home Hardware Stores Limited	34 Henry Street West St. Jacobs ON N4B 2W0		54,607.00	22-Feb-2020	54,607.00	n/a
Total:				54,607.00		54,607.00	

18-Mar-2015

Date


 George Tapp

District of: Ontario
 Division No. 03 - Barrie
 Court No.
 Estate No.

FORM 78 - Continued

List "G"
 Real Property or Immovables Owned by Bankrupt
 Beaverton Lumber 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
Building and Land - Beaverton - 488 Mara Road Land \$207,845 Building \$506,212 Dep'n \$-413,911	Part Ownership	Beaverton Lumber Inc.	1,050,000.00	CRA - Canada Revenue Agency - Tax - Ontario 451 Talbot St., 3rd Floor, PO Box 5548 London ON N6A 4R3 107,365.00 Home Hardware Stores Limited 34 Henry Street West St Jacobs ON N0B 2N0 215,322.00 Corporation of the Township of Brock 1 Cameron Street East, P.O. Box 10 Cannington ON L0E 1E0 130,000.00 The Toronto-Dominion Bank c/o Lee, Bowden, Nightingale LLP 3700 Steeles Avenue West, Suite 300 Vaughan ON L4L 8K8 487,000.00	325,635.00
Total:			1,050,000.00		325,635.00

17-Mar-2015

Date


 George Tripp

District of: Ontario
 Division No. 03 - Barrie
 Court No.
 Estate No.

FORM 78 - Concluded

List 71
 Property

Beaverton Lumber Inc.

FULL STATEMENT OF PROPERTY

Nature of property	Location	Details of property	Original cost	Estimated to produce
(a) Stock-in-trade	488 Mara Road, Beaverton, Ontario	Inventory	393,000.00	340,000.00
(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	488 Mara Road, Beaverton, ON	Machinery & Equipment	7,109.00	20,000.00
(g) Furniture			0.00	0.00
(h) Life insurance policies, RRSPs, etc.			0.00	0.00
(i) Securities		Shares	89,887.00	89,887.00
(j) Interests under wills, etc.			0.00	0.00
(k) Vehicles		Automobile - 2008 - Ford - F450 - 1FDXF47Y38EC86310 Automobile - 1990 - Ford - F850 - 1FDRK84A6LVA09324	0.00 0.00	18,500.00 2,000.00
(l) Taxes			0.00	0.00
(m) Other		Book Debts - Misc. Book Debts	84,754.00	84,754.00
			Total	555,141.00

17-Mar-2015

Date


 George Tripp

TAB B

***This is Exhibit "B" referred to in the Affidavit
of Dennis Zamanis, sworn before me this
25 day of May, 2015.***



A handwritten signature in black ink, appearing to read 'F. Dinino', is written over a horizontal line. The signature is enclosed within a large, hand-drawn oval.

A Commissioner for Taking Affidavits, Etc.

**Francis Michael DINino,
a Commissioner, etc.,
Province of Ontario,
for the Toronto-Dominion Bank.
Expires May 13, 2017.**



Commercial Banking

**TD Commercial Banking
Financial Restructuring Group
3140 Dufferin Street
Toronto, Ontario M6A 2T1**

**TO: Albert Gelman Inc.
100 Simcoe Street, Suite 125
Toronto, Ontario
M5H 3G2
Attn: Joe Albert, CPA, CIRP, DIFA, Trustee**

RE: Beaverton Lumber Inc. (the "Company")

The Toronto-Dominion Bank ("TD"), as holder of a General Security Agreement dated August 25, 1995 (hereinafter called the "Security") given by the Company hereby appoints Albert Gelman Inc. (the "Receiver") as Receiver and Manager of the Company pursuant to the terms of the said Security with such powers as are provided in the Security and by law, including the power:

1. to take possession of all the property and undertaking of the Company;
2. to carry on or concur in carrying on the business of the Company; and
3. to sell or otherwise dispose of the property and undertaking of the Company pursuant to the power of sale provisions contained in the Security and the applicable law.

Pursuant to the terms of the Security, you are deemed to be the agent of the Company and the Company shall be responsible for your acts, defaults, remuneration and expenses and TD shall not be in any way responsible for your misconduct or negligence.





Commercial Banking

TD Commercial Banking
Financial Restructuring Group
3140 Dufferin Street
Toronto, Ontario M6A 2T1

DATED at **TORONTO**, this **23** day of **FEBRUARY**, 20**15**.

THE TORONTO-DOMINION BANK

Per: *Opamakis*
I have the authority to bind the bank

Albert Gelman Inc. hereby consents to act as Receiver and Manager of the Company in accordance with the terms and conditions above.

DATED at _____, this _____ day of _____, 20 _____.

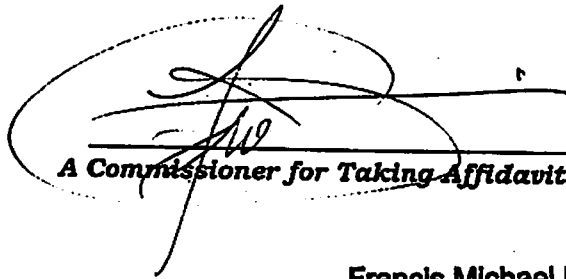
ALBERT GELMAN INC.

Per: _____
I have authority to bind the Corporation



TAB C

**This is Exhibit "C" referred to in the Affidavit
of Dennis Zamanis, sworn before me this
25 day of May, 2015.**



A handwritten signature in black ink, consisting of a large, stylized 'F' and 'M' followed by 'DININO', written over a horizontal line.

A Commissioner for Taking Affidavits, Etc.

**Francis Michael DINino,
a Commissioner, etc.,
Province of Ontario,
for the Toronto-Dominion Bank.
Expires May 13, 2017.**

PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
SEARCH RESULTS

Date Search Conducted: 12/2/2014
File Currency Date: 12/01/2014
Family(ies): 5
Page(s): 15

SEARCH : Business Debtor : BEAVERTON LUMBER INC.

The attached report has been created based on the data received by Cyberbahn, a Thomson Reuters business from the Province of Ontario, Ministry of Government Services. No liability is assumed by Cyberbahn regarding its correctness, timeliness, completeness or the interpretation and use of the report. Use of the Cyberbahn service, including this report is subject to the terms and conditions of Cyberbahn's subscription agreement.

PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
SEARCH RESULTS

Date Search Conducted: 12/2/2014
File Currency Date: 12/01/2014
Family(ies): 5
Page(s): 15

SEARCH : Business Debtor : BEAVERTON LUMBER INC.

FAMILY : 1 OF 5 ENQUIRY PAGE : 1 OF 15
SEARCH : BD : BEAVERTON LUMBER INC.

00 FILE NUMBER : 053499258 EXPIRY DATE : 29AUG 2015 STATUS :
01 CAUTION FILING : PAGE : 01 OF 01 MV SCHEDULE ATTACHED :
REG NUM : 19950829 1141 0046 3147 REG TYP: P PPSA REG PERIOD: 05
02 IND DOB : IND NAME:
03 BUS NAME: BEAVERTON LUMBER INC

04 ADDRESS : 488 MARA ROAD OCN :
CITY : BEAVERTON PROV: ONT POSTAL CODE: L0K 1A0
05 IND DOB : IND NAME:
06 BUS NAME:

07 ADDRESS : OCN :
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :
THE TORONTO-DOMINION BANK

09 ADDRESS : 82 MISSISSAGA STREET EAST
CITY : ORILLIA PROV: ONT POSTAL CODE: L3V 6J6
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE

10	YEAR MAKE	MODEL	V.I.N.
11	1990 FORD	F800	1FDRK84A6LVA09324
12	1986 FORD	F600	1FDNF60H0GVA52461

GENERAL COLLATERAL DESCRIPTION

13 GENERAL SECURITY AGREEMENT

14

15

16 AGENT: BRANDON MILLER MCGRATH

17 ADDRESS : 17 CAMERON STREET WEST
CITY : CANNINGTON PROV: ONT POSTAL CODE: L0E 1E0

FAMILY : 1 OF 5
SEARCH : BD : BEAVERTON LUMBER INC.

ENQUIRY PAGE : 2 OF 15

PAGE TOT FILE NUMBER 053499258
REGISTRATION NUM REG TYPE
01 CAUTION : 01 OF 001 MV SCHED: 20000721 1438 1530 5939
21 REFERENCE FILE NUMBER : 053499258
22 AMEND PAGE: NO PAGE: X CHANGE: B RENEWAL REN YEARS: 5 CORR PER:
23 REFERENCE DEBTOR/ IND NAME:
24 TRANSFEROR: BUS NAME: BEAVERTON LUMBER INC

25 OTHER CHANGE:

26 REASON:

27 /DESCR:

28 :

02/05 IND/TRANSFEREE:

03/06 BUS NAME/TRFEE:

04/07 ADDRESS:

OCN:

CITY:

PROV:

POSTAL CODE:

29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :

CITY :

PROV :

POSTAL CODE :

CONS.

MV

DATE OF

NO FIXED

GOODS INVTRY EQUIP ACCTS OTHER

INCL

AMOUNT

MATURITY OR

MAT DATE

10

11

12

13

14

15

16 NAME : CANADIAN SECURITIES REGISTRATION SYSTEMS

17 ADDRESS : SUITE 180-13571 COMMERCE PARKWAY

CITY : RICHMOND

PROV : BC

POSTAL CODE : V6V2L1

Page 2

FAMILY : 1 OF 5
SEARCH : BD : BEAVERTON LUMBER INC.

ENQUIRY PAGE : 3 OF 15

FILE NUMBER 053499258
REGISTRATION NUM REG TYPE
20031205 1949 1531 5505
PAGE TOT
01 CAUTION : 01 OF 001 MV SCHED:
21 REFERENCE FILE NUMBER : 053499258
22 AMEND PAGE: NO PAGE: X CHANGE: D ASSGNMT REN YEARS: CORR PER:
23 REFERENCE DEBTOR/ IND NAME:
24 TRANSFEROR: BUS NAME: BEAVERTON LUMBER INC

25 OTHER CHANGE:
26 REASON:
27 /DESCR:
28 :
02/05 IND/TRANSFEREE:
03/06 BUS NAME/TRFEE:

04/07 ADDRESS: OCN:
CITY: PROV: POSTAL CODE:

29 ASSIGNOR:
THE TORONTO-DOMINION BANK - CLOSED TO 05962 3471
08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :
THE TORONTO-DOMINION BANK - 39 PETER ST N 05962 CAS 3471

09 ADDRESS : 39 PETER ST N
CITY : ORILLIA PROV : ON POSTAL CODE : L3V 4Y8
CONS. MV DATE OF NO FIXED
GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE

10
11
12
13
14
15

16 NAME : CANADIAN SECURITIES REGISTRATION SYSTEMS

17 ADDRESS : 4126 NORLAND AVENUE
CITY : BURNABY PROV : BC POSTAL CODE : V5G 3S8

Page 3

FAMILY : 1 OF 5
SEARCH : BD : BEAVERTON LUMBER INC.

ENQUIRY PAGE : 4 OF 15

PAGE TOT FILE NUMBER 053499258
REGISTRATION NUM REG TYPE
01 CAUTION : 01 OF 001 MV SCHED: 20050627 1949 1531 0790
21 REFERENCE FILE NUMBER : 053499258
22 AMEND PAGE: NO PAGE: X CHANGE: B RENEWAL REN YEARS: 5 CORR PER:
23 REFERENCE DEBTOR/ IND NAME:
24 TRANSFEROR: BUS NAME: BEAVERTON LUMBER INC

25 OTHER CHANGE:
26 REASON:
27 /DESCR:
28 :
02/05 IND/TRANSFEE:
03/06 BUS NAME/TRFEE:

04/07 ADDRESS: OCN:
CITY: PROV: POSTAL CODE:
29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :
CITY : PROV : POSTAL CODE :
CONS. MV DATE OF NO FIXED
GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE

10
11
12
13
14
15

16 NAME : CANADIAN SECURITIES REGISTRATION SYSTEMS

17 ADDRESS : 4126 NORLAND AVENUE
CITY : BURNABY

PROV : BC POSTAL CODE : V5G 3S8

Page 4

FAMILY : 1 OF 5
SEARCH : BD : BEAVERTON LUMBER INC.

ENQUIRY PAGE : 5 OF 15

PAGE TOT FILE NUMBER 053499258
01 CAUTION : 01 OF 001 MV SCHED: REGISTRATION NUM REG TYPE
21 REFERENCE FILE NUMBER : 053499258 20100617 1451 1530 0404
22 AMEND PAGE: NO PAGE: X CHANGE: B RENEWAL REN YEARS: 5 CORR PER:
23 REFERENCE DEBTOR/ IND NAME:
24 TRANSFEROR: BUS NAME: BEAVERTON LUMBER INC

25 OTHER CHANGE:
26 REASON:
27 /DESCR:
28 :
02/05 IND/TRANSFEREE:
03/06 BUS NAME/TRFEE:

04/07 ADDRESS: OCN:
CITY: PROV: POSTAL CODE:
29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :
CITY : PROV : POSTAL CODE :
CONS. MV DATE OF NO FIXED
GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE

10
11
12
13
14
15

16 NAME : CANADIAN SECURITIES REGISTRATION SYSTEMS
17 ADDRESS : 4126 NORLAND AVENUE
CITY : BURNABY PROV : BC POSTAL CODE : V5G 3S8

Page 5

FAMILY : 2 OF 5
SEARCH : BD : BEAVERTON LUMBER INC.

ENQUIRY PAGE : 6 OF 15

00 FILE NUMBER : 652379895 EXPIRY DATE : 30MAR 2015 STATUS :
01 CAUTION FILING : PAGE : 001 OF 2 MV SCHEDULE ATTACHED :
REG NUM : 20090330 1433 6005 2332 REG TYP: P PPSA REG PERIOD: 06
02 IND DOB : IND NAME:
03 BUS NAME: BEAVERTON LUMBER INC.

04 ADDRESS : PO BOX 860-488 MARA ROAD OCN :
CITY : BEAVERTON PROV: ON POSTAL CODE: L0K 1A0
05 IND DOB : IND NAME:
06 BUS NAME:

07 ADDRESS : OCN :
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :
NATIONAL LEASING GROUP INC. L# 2456178

09 ADDRESS : 1558 WILLSON PL
CITY : WINNIPEG PROV: MB POSTAL CODE: R3T 0Y4
CONS. MV DATE OF OR NO FIXED
GOODS INVTY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE

10 X
YEAR MAKE MODEL V.I.N.

11
12

GENERAL COLLATERAL DESCRIPTION

13 ALL TELEPHONE SYSTEMS OF EVERY NATURE OR KIND DESCRIBED IN LEASE
14 NUMBER 2456178 BETWEEN EQUILEASE CORP., AS ORIGINAL LESSOR AND THE
15 DEBTOR, AS LESSEE, WHICH LEASE WAS ASSIGNED BY THE ORIGINAL LESSOR TO
16 AGENT:

17 ADDRESS :
CITY : PROV: POSTAL CODE:

FAMILY : 2 OF 5
SEARCH : ED : BEAVERTON LUMBER INC.

ENQUIRY PAGE : 7 OF 15

00 FILE NUMBER : 652379895 EXPIRY DATE : 30MAR 2015 STATUS :
01 CAUTION FILING : PAGE : 002 OF 2 MV SCHEDULE ATTACHED :
REG NUM : 20090330 1433 6005 2332 REG TYP: REG PERIOD:
02 IND DOB : IND NAME:
03 BUS NAME:
04 ADDRESS : OCN :
CITY : PROV: POSTAL CODE:
05 IND DOB : IND NAME:
06 BUS NAME:
07 ADDRESS : OCN :
CITY : PROV: POSTAL CODE:
08 SECURED PARTY/LIEN CLAIMANT :
09 ADDRESS :
CITY : PROV: POSTAL CODE:
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10
YEAR MAKE MODEL V.I.N.
11
12
GENERAL COLLATERAL DESCRIPTION
13 THE SECURED PARTY, AS AMENDED FROM TIME TO TIME, TOGETHER WITH ALL
14 ATTACHMENTS, ACCESSORIES AND SUBSTITUTIONS.
15
16 AGENT:
17 ADDRESS :
CITY : PROV: POSTAL CODE:

Page 7

FAMILY : 3 OF 5
SEARCH : BD : BEAVERTON LUMBER INC.

ENQUIRY PAGE : 8 OF 15

00 FILE NUMBER : 660209562 EXPIRY DATE : 31MAR 2015 STATUS :
01 CAUTION FILING : PAGE : 001 OF 1 MV SCHEDULE ATTACHED :
REG NUM : 20100331 1547 1200 1398 REG TYP: P PPSA REG PERIOD: 05
02 IND DOB : IND NAME:
03 BUS NAME: 2232283 ONTARIO INC.

04 ADDRESS : 544 HIGHLAND CRESCENT OCN :
CITY : BEAVERTON PROV: ON POSTAL CODE: L0K 1A0
05 IND DOB : IND NAME:
06 BUS NAME:

07 ADDRESS : OCN :
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :
THE TORONTO-DOMINION BANK

09 ADDRESS : 39 PETER STREET NORTH
CITY : ORILLIA

PROV: ON POSTAL CODE: L3V 4Y8

CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE

10	X	X	X	X	X				
YEAR MAKE						MODEL		V.I.N.	

11
12

GENERAL COLLATERAL DESCRIPTION

13
14
15

16 AGENT: HACKER GIGNAC RICE LLP

17 ADDRESS : 241 WEST STREET NORTH
CITY : ORILLIA

PROV: ON POSTAL CODE: L3V 5C9

Page 8

FAMILY : 3 OF 5
SEARCH : BD : BEAVERTON LUMBER INC.

ENQUIRY PAGE : 9 OF 15

FILE NUMBER 660209562
REGISTRATION NUM REG TYPE
20100412 1442 1200 1401
PAGE TOT
01 CAUTION : 001 OF 1 MV SCHED:
21 REFERENCE FILE NUMBER : 660209562
22 AMEND PAGE: NO PAGE: CHANGE: D ASSGNMT REN YEARS: CORR PER:
23 REFERENCE DEBTOR/ IND NAME:
24 TRANSFEROR: BUS NAME: 2232283 ONTARIO INC.

25 OTHER CHANGE:
26 REASON:
27 /DESCR:
28 :
02/05 IND/TRANSFEREE:
03/06 BUS NAME/TRFEE:

04/07 ADDRESS: OCN:
CITY: PROV: POSTAL CODE:
29 ASSIGNOR:

2232283 ONTARIO INC.
08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :
BEAVERTON LUMBER INC.

09 ADDRESS : 488 MARA ROAD
CITY : BEAVERTON PROV : ON POSTAL CODE : L0K 1A0
CONS. MV DATE OF NO FIXED
GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE

10
11
12
13
14
15

16 NAME : HACKER GIGNAC RICE LLP
17 ADDRESS : 241 WEST STREET NORTH
CITY : ORILLIA PROV : ON POSTAL CODE : L3V 5C9

Page 9

FAMILY : 3 OF 5
SEARCH : BD : BEAVERTON LUMBER INC.

ENQUIRY PAGE : 10 OF 15

FILE NUMBER 660209562

PAGE TOT REGISTRATION NUM REG TYPE
01 CAUTION : 001 OF 1 MV SCHED: 20100412 1708 1200 1402
21 REFERENCE FILE NUMBER : 660209562
22 AMEND PAGE: NO PAGE: CHANGE: A AMNDMNT REN YEARS: CORR PER:
23 REFERENCE DEBTOR/ IND NAME:
24 TRANSFEROR: BUS NAME: 2232283 ONTARIO INC.
25 OTHER CHANGE:
26 REASON: AMEND DEBTOR NAME BY REASON OF AMALGAMATION AND CONFIRM SECURED
27 /DESCR: PARTY AS THE TORONTO-DOMINION BANK. REGISTRATION 20100412 1442 1200
28 : 1401 ASSIGNMENT BY SECURED PARTY IS AN ERROR.
02/05 IND/TRANSFEREE:
03/06 BUS NAME/TRFEE: BEAVERTON LUMBER INC.

OCN:

04/07 ADDRESS: 488 MARA ROAD
CITY: BEAVERTON PROV: ON POSTAL CODE: L0K 1A0
29 ASSIGNOR:

BEAVERTON LUMBER INC.

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :
THE TORONTO-DOMINION BANK

09 ADDRESS : 39 PETER STREET NORTH
CITY : ORILLIA

PROV : ON POSTAL CODE : L3V 4Y8

CONS. MV DATE OF NO FIXED
GOODS INVTY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE

10
11
12
13
14
15

16 NAME : HACKER GIGNAC RICE LLP.

17 ADDRESS : 241 WEST STREET NORTH
CITY : ORILLIA

PROV : ON POSTAL CODE : L3V 5C9

Page 10

FAMILY : 4 OF 5
SEARCH : BD : BEAVERTON LUMBER INC.

ENQUIRY PAGE : 11 OF 15

00 FILE NUMBER : 660509982 EXPIRY DATE : 13APR 2020 STATUS :
01 CAUTION FILING : PAGE : 001 OF 1 MV SCHEDULE ATTACHED :
REG NUM : 20100413 1119 2704 0384 REG TYP: P PPSA REG PERIOD: 10
02 IND DOB : IND NAME:
03 BUS NAME: BEAVERTON LUMBER INC.

04 ADDRESS : 488 MARA ROAD, R.R. #3 OCN :
CITY : BEAVERTON PROV: ON POSTAL CODE: LOK 1A0

05 IND DOB : IND NAME:
06 BUS NAME: BEAVERTON HOME BUILDING CENTRE

07 ADDRESS : 488 MARA ROAD, R.R. #3 OCN :
CITY : BEAVERTON PROV: ON POSTAL CODE: LOK 1A0

08 SECURED PARTY/LIEN CLAIMANT :
HOME HARDWARE STORES LIMITED

09 ADDRESS : 34 HENRY STREET
CITY : ST. JACOBS

PROV: ON POSTAL CODE: NOB 2N0
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10 X X X X X X X X
YEAR MAKE MODEL V.I.N.

11

12

GENERAL COLLATERAL DESCRIPTION

13

14

15

16 AGENT: HOME HARDWARE STORES LIMITED (LEGAL DEPARTMENT)

17 ADDRESS : 34 HENRY STREET

CITY : ST. JACOBS PROV: ON POSTAL CODE: NOB 2N0

FAMILY : 5 OF 5
SEARCH : BD : BEAVERTON LUMBER INC.

ENQUIRY PAGE : 12 OF 15

00 FILE NUMBER : 876865257 EXPIRY DATE : 05OCT 2016 STATUS :
01 CAUTION FILING : PAGE : 01 OF 001 MV SCHEDULE ATTACHED :
REG NUM : 20011005 1753 1531 9820 REG TYP: P PPSA REG PERIOD: 5
02 IND DOB : 26OCT1952 IND NAME: GEORGE H TRIPP
03 BUS NAME:

04 ADDRESS : 488 MARA RD OCN :
CITY : BEAVERTON PROV: ON POSTAL CODE: L0K 1A0
05 IND DOB : IND NAME:
06 BUS NAME: BEAVERTON LUMBER INC

07 ADDRESS : 488 MARA RD OCN :
CITY : BEAVERTON PROV: ON POSTAL CODE: L0K 1A0

08 SECURED PARTY/LIEN CLAIMANT :
THE TORONTO-DOMINION BANK - ORILLIA 31682 CAS 3471

09 ADDRESS : 82 MISSISSAGA ST E & PETER ST POB 248
CITY : ORILLIA PROV: ON POSTAL CODE: L3V 6J6
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE

10 YEAR MAKE X X MODEL V.I.N.

11
12

GENERAL COLLATERAL DESCRIPTION

13
14
15

16 AGENT: CANADIAN SECURITIES REGISTRATION SYSTEMS

17 ADDRESS : SUITE 180-13571 COMMERCE PARKWAY
CITY : RICHMOND PROV: BC POSTAL CODE: V6V2L1

FAMILY : 5 OF 5
SEARCH : BD : BEAVERTON LUMBER INC.

ENQUIRY PAGE : 13 OF 15

PAGE TOT : FILE NUMBER 876865257
REGISTRATION NUM REG TYPE
01 CAUTION : 01 OF 001 MV SCHED: 20031205 1949 1531 5497
21 REFERENCE FILE NUMBER : 876865257
22 AMEND PAGE: NO PAGE: X CHANGE: D ASSGNMT REN YEARS: CORR PER:
23 REFERENCE DEBTOR/ IND NAME: GEORGE H TRIPP
24 TRANSFEROR: BUS NAME:

25 OTHER CHANGE:
26 REASON:
27 /DESCR:
28 :
02/05 IND/TRANSFEREE:
03/06 BUS NAME/TRFEE:

04/07 ADDRESS: OCN:
CITY: PROV: POSTAL CODE:

29 ASSIGNOR:
THE TORONTO-DOMINION BANK - ORILLIA 31682 CAS 3471

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :
THE TORONTO-DOMINION BANK - 39 PETER ST N 05962 CAS 3471

09 ADDRESS : 39 PETER ST N
CITY : ORILLIA PROV : ON POSTAL CODE : L3V 4Y8
CONS. MV DATE OF NO FIXED
GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE

10
11
12
13
14
15

16 NAME : CANADIAN SECURITIES REGISTRATION SYSTEMS

17 ADDRESS : 4126 NORLAND AVENUE
CITY : BURNABY PROV : BC POSTAL CODE : V5G 3S8

Page 13

FAMILY : 5 OF 5
SEARCH : BD : BEAVERTON LUMBER INC.

ENQUIRY PAGE : 14 OF 15

PAGE TOT FILE NUMBER 876865257
REGISTRATION NUM REG TYPE
01 CAUTION : 01 OF 001 MV SCHED: 20060919 1452 1530 2546
21 REFERENCE FILE NUMBER : 876865257
22 AMEND PAGE: NO PAGE: X CHANGE: B RENEWAL REN YEARS: 5 CORR PER:
23 REFERENCE DEBTOR/ IND NAME: GEORGE H TRIPP
24 TRANSFEROR: BUS NAME:

25 OTHER CHANGE:
26 REASON:
27 /DESCR:
28 :
02/05 IND/TRANSFEE:
03/06 BUS NAME/TRFEE:

04/07 ADDRESS: OCN:
CITY: PROV: POSTAL CODE:
29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :
CITY : PROV : POSTAL CODE :
CONS. MV DATE OF NO FIXED
GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE

10
11
12
13
14
15

16 NAME : CANADIAN SECURITIES REGISTRATION SYSTEMS

17 ADDRESS : 4126 NORLAND AVENUE

CITY : BURNABY PROV : BC POSTAL CODE : V5G 3S8

Page 14

FAMILY : 5 OF 5
SEARCH : BD : BEAVERTON LUMBER INC.

ENQUIRY PAGE : 15 OF 15

PAGE TOT FILE NUMBER 876865257
REGISTRATION NUM REG TYPE
01 CAUTION : 01 OF 001 MV SCHED: 20110810 1451 1530 5413
21 REFERENCE FILE NUMBER : 876865257
22 AMEND PAGE: NO PAGE: X CHANGE: B RENEWAL REN YEARS: 5 CORR PER:
23 REFERENCE DEBTOR/ IND NAME: GEORGE H TRIPP
24 TRANSFEROR: BUS NAME:

25 OTHER CHANGE:
26 REASON:
27 /DESCR:
28 :
02/05 IND/TRANSFEREE:
03/06 BUS NAME/TRFEE:

04/07 ADDRESS: OCN:
CITY: PROV: POSTAL CODE:
29 ASSIGNOR:

08 SECURED PARTY/LIEN CLAIMANT/ASSIGNEE :

09 ADDRESS :
CITY : PROV : POSTAL CODE :
CCNS. MV DATE OF NO FIXED
GOODS INVTRY EQUIP ACCTS OTHER INCL AMOUNT MATURITY OR MAT DATE

10
11
12
13
14
15

16 NAME : CANADIAN SECURITIES REGISTRATION SYSTEMS

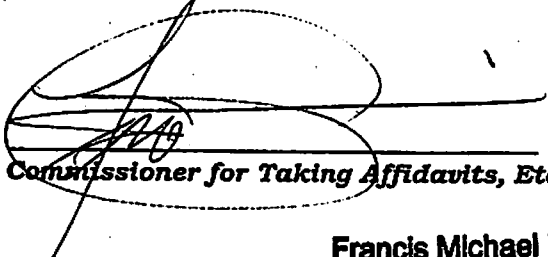
17 ADDRESS : 4126 NORLAND AVENUE

CITY : BURNABY PROV : BC POSTAL CODE : V5G 3S8

Page 15

TAB D

***This is Exhibit "D" referred to in the Affidavit
of Dennis Zamanis, sworn before me this
25 day of May, 2015.***


A Commissioner for Taking Affidavits, Etc.

**Francis Michael DiNino,
a Commissioner, etc.,
Province of Ontario,
for the Toronto-Dominion Bank.
Expires May 13, 2017.**

**In the Matter of the Bankruptcy of Beaverton Lumber Inc.
 Calculation of Secured Claims Ranking against 488 Mara Road, Beaverton Property (the "Property")
 Estimated as at April 20, 2015**

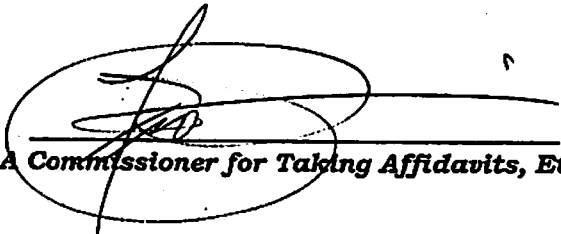
		<u>Notes</u>
Township of Brock - property taxes owing as at Mar 10/15	\$ 132,902.32	(1)
Toronto Dominion Bank:		
Demand Loan as at Apr 9/15	\$ 490,580.57	(2)
Operating Loan as at Apr 9/15	306,053.07	(2)
Visa	7,056.28	(2)
Legal costs	18,018.16	(2)
Less: Estimated Net Realization from inventory	<u>(230,000.00)</u> 591,708.08	(5)
Canada Revenue Agency - HST Registration Mar 19/14	\$ 107,365.25	(3)
Canada Revenue Agency - accrued interest (est'd @6%)	<u>7,000.00</u> \$ 114,365.25	(4)
Home Hardware Stores Limited	<u>-</u>	
Total Secured Creditor Claims	838,975.65	

Notes:

- (1) Per letter received by the Receiver from the Corporation of the Township of Brock dated Mar 10/15.
- (2) Per Notice of Sale Under Mortgage issued Apr 9/15.
- (3) Based on the Trustee's discussions with the CRA on Apr 9/15 a lien was registered against the Property on Mar 19/14 in the amount of \$107,365.25 (the "CRA Lien").
- (4) Based on call with Jude Dias Apr 20/15. Per Diem interest of \$16.18 will accumulate until the property is sold.
- (5) See Interim Receipts and Disbursements schedule attached.

TAB E

***This is Exhibit "E" referred to in the Affidavit
of Dennis Zamanis, sworn before me this
25 day of May, 2015.***



A Commissioner for Taking Affidavits, Etc.

**Francis Michael DiNino,
a Commissioner, etc.,
Province of Ontario,
for the Toronto-Dominion Bank.
Expires May 13, 2017.**



Commercial Banking

Central Ontario Commercial Banking Group
33 Collier Street, 2nd Floor
Barrie, Ontario
L4M 1G5

Telephone No.: 705-727-4725
Fax No.: 705-726-3532

01/11/2010

Beaverton Lumber Inc.

Po Box 860
488 Mara Rd
Beaverton, ON
L0K 1A0

Attention: George H Tripp

Dear George H Tripp,

We are pleased to offer the Borrower the following credit facilities (the "Facilities"), subject to the following terms and conditions.

BORROWER

Beaverton Lumber Inc. (the "Borrower")

LENDER

The Toronto-Dominion Bank (the "Bank"), through its
Central Ontario Commercial Banking Group, in Barrie, Ontario.

CREDIT LIMIT

- 1) The lesser of:
 - i) CDN\$300,000, AND
 - ii) the TOTAL of (A) 75% of the Accounts Receivable less any accounts outstanding more than 90 days, less related receivables, plus credit card accounts receivable plus (B) 80% of Home Sourced Inventory at cost plus (C) 33% of non-Home Sourced inventory at cost.

Shortfalls up to CDN \$50,000 permitted based on available collateral mortgage security coverage until October 1st, 2010.

- 2) CDN \$648,001

**TYPE OF CREDIT
AND BORROWING
OPTIONS**

- 1) **Operating Loan** available at the Borrower's option by way of:
 - Prime Rate Based Loans in CDN\$ ("Prime Based Loans")
- 2) **Committed Reducing Term Facility** available at the Borrower's option by way of:
 - Fixed Rate Term Loan in CDN\$
 - Floating Rate Term Loan available by way of:
 - Prime Rate Based Loans in CDN\$ ("Prime Based Loans")

PURPOSE

- 1) To finance working capital
- 2) To finance purchase of Tom Hawtin's 50% stake in Beaverton Lumber, take-out existing term loans, and fund up to \$50,000 in sundry costs related to the conversion to Home Hardware and the change in ownership. Secured by collateral mortgage on Beaverton Lumber's building.

TENOR

- 1) Uncommitted
- 2) Committed

**CONTRACTUAL
TERM**

- 1) No term
- 2) As set out in the Rate and Payment Terms Notice applicable to that Term Loan

**RATE TERM
(FIXED RATE
TERM LOAN)**

- 2) Fixed rate: As set out in the Rate and Payment Terms Notice applicable to that Term Loan, but never to exceed the Contractual Term Maturity Date
Floating rate: No term

AMORTIZATION

- 2) 15 years (to July 5th, 2025)

**INTEREST RATES
AND FEES**

Advances shall bear interest and fees as follows:

- 1) **Operating Loan:**
 - Prime Based Loans: Prime Rate + 1.00% per annum
- 2) **Committed Reducing Term Facility:**
 - Fixed Rate Term Loans: As determined by the Bank, in its sole discretion, for the Rate Term selected by the Borrower, and as set out in the Rate and Payment Terms Notice applicable to that Fixed Rate Term Loan.
 - Floating Rate Term Loans available by way of:
 - Prime Based Loans: Prime Rate + 1.25% per annum

For all Facilities, interest payments will be made in accordance with Schedule "A" attached hereto unless otherwise stated in this Letter or in the Rate and Payment Terms Notice applicable for a particular drawdown. Information on interest rate and fee definitions, interest rate calculations and payment is set out in the Schedule "A" attached hereto.

ADMINISTRATION FEE

\$150 per month.

RENEWAL FEE

\$750 per annum.

DRAWDOWN

- 1) On a revolving basis.
- 2) Fully drawn. Amounts repaid may not be redrawn.

Notice periods, minimum amounts of draws, interest periods and contract maturity for LIBOR Loans, terms for Banker's Acceptances and other similar details are set out in the Schedule "A" attached hereto.

BUSINESS CREDIT SERVICE

The Borrower will have access to the Operating Loan (Facility 1) via Loan Account Number 0596 - 9353468 (the "Loan Account") up to the Credit Limit of the Operating Loan by withdrawing funds from the Borrower's Current Account Number 3168- 0353468 (the "Current Account"). The Borrower agrees that each advance from the Loan Account will be in an amount equal to \$10,000 (the "Transfer Amount") or a multiple thereof.

The Borrower agrees that:

- a) all other overdraft privileges which have governed the Borrower's Current Account are hereby canceled.
- b) all outstanding overdraft amounts under any such other agreements are now included in indebtedness under this Agreement.

The Bank may, but is not required to, automatically advance the Transfer Amount or a multiple thereof or any other amount from the Loan Account to the Current Account in order to cover the debits made to the Current Account if the amount in the Current Account is insufficient to cover the debits. The Bank may, but is not required to, automatically and without notice apply the funds in the Current Account in amounts equal to the Transfer Amount or any multiple thereof or any other amount to repay the outstanding amount in the Loan Account.

REPAYMENT AND REDUCTION OF AMOUNT OF CREDIT FACILITY

- 1) On demand. If the Bank demands repayment, the Borrower will pay to the Bank all amounts outstanding under the Operating Loan, including without limitation, the amount of all unmatured B/As and LIBOR Loans and the amount of all drawn and undrawn L/Gs and L/Cs. All costs to the Bank and all loss suffered by the Bank in re-employing the amounts so repaid will be paid by the Borrower.

- 2) All amounts outstanding will be repaid on or before the Contractual Term Maturity Date. The drawdown will be repaid in equal monthly payments. The details of repayment and interest rate applicable to such drawdown will be set out in the "Rate and Payment Terms Notice" applicable to that drawdown. Any amounts repaid may not be reborrowed.

PREPAYMENT

- 2) The Borrower has not selected the 10% Prepayment Option and accordingly, Fixed Rate Term Loans under this Facility may be prepaid in accordance with Section 4c) of Schedule A.

Should the Borrower select the 10% Prepayment Option at future renewal, Fixed Rate Term Loans under this Facility may then be prepaid in accordance with Section 4a) and 4b) of Schedule A.

SECURITY

The following security shall be provided, shall, unless otherwise indicated, support all present and future indebtedness and liability of the Borrower and the grantor of the security to the Bank including without limitation indebtedness and liability under guarantees, foreign exchange contracts, cash management products, and derivative contracts, shall be registered in first position, and shall be on the Bank's standard form, supported by resolutions and solicitor's opinion, all acceptable to the Bank:

- a) General Security Agreement with Director's Resolution and Solicitor's Letter of Opinion, with a specific charges on assets listed under 'Schedule A' of the Agreement and attached for reference.
- b) Assignment of Fire Insurance on Building, Inventory & Equipment;
- c) Unlimited Guarantee of George Tripp
- d) Unlimited Guarantee of Barbara Tripp
- e) TD Credit Insurance on the life of George Tripp for \$500,000
- f) TD Credit Insurance on the life of Barbara Tripp for \$500,000
- g) Registered Postponement of Shareholder Loan executed by George Tripp;
- g) Collateral Mortgage registered in 1st position in the amount of \$750,000 on the property located at 488 Mara Road, Beaverton, Ontario, together with all relevant supporting documentation, including assignment of fire/liability insurance;
- h) Subordination and Priorities Agreement between Home Hardware Stores Limited, TD Bank, and Beaverton Lumber Inc.

All persons and entities required to provide a guarantee shall be referred to in this Agreement individually as a "Surety" and/or "Guarantor" and collectively as the "Guarantors";

All of the above security and guarantees shall be referred to collectively in this Agreement as "Bank Security".

DISBURSEMENT CONDITIONS

The obligation of the Bank to permit any drawdown hereunder is subject to the Standard Disbursement Conditions contained in Schedule "A" and the following additional drawdown conditions:

Delivery to the Bank of the following, all of which must be satisfactory to the Bank:

- a) An executed copy of the Home Hardware Dealer Agreement.

- b) An Inventory Repurchase Agreement executed with Home Hardware Stores Limited.
- c) A Subordination & Priorities Agreement with Home Hardware Store Limited.
- d) Evidence that all outstanding debts to Tim-Br Marts Ltd. and any of its related companies have been paid.

**REPRESENTATIONS
AND WARRANTIES**

All representations and warranties shall be deemed to be continually repeated so long as any amounts remain outstanding and unpaid under this Agreement or so long as any commitment under this Agreement remains in effect. The Borrower makes the Standard Representations and Warranties set out in Schedule "A".

**POSITIVE
COVENANTS**

So long as any amounts remain outstanding and unpaid under this Agreement or so long as any commitment under this Agreement remains in effect, the Borrower will and will ensure that its subsidiaries and each of the Guarantors will observe the Standard Positive Covenants set out in Schedule "A" and in addition will:

- a) The Borrower must provide the Bank with minimum Review Engagement financial statements within 90 days of each fiscal year end.
- b) The borrower must provide to the Bank proof that property taxes are up-to-date within 90 days of each fiscal year end.
- c) The Borrower must provide to the Bank inventory lists for Home and non-Home sourced inventory together with aged A/R within 20 days of month end.
- d) The borrower must provide in house financial statements within 45 days of each quarter end.

**NEGATIVE
COVENANTS**

So long as any amounts remain outstanding and unpaid under this Agreement or so long as any commitment under this Agreement remains in effect, the Borrower will and will ensure that its subsidiaries and each of the Guarantors will observe the Standard Negative Covenants set out in Schedule "A". In addition the Borrower will not and will ensure that its subsidiaries and each of the Guarantors will not:

- a) Provide any security to Tom Hawtin or suffer any liens from that party in relation to loans made to him while he was a shareholder.
- b) Incur or suffer any further encumbrance(s) against mortgaged properties pledged as Bank Security.
- c) Incur any further debt.

PERMITTED LIENS

Permitted Liens as referred to in Schedule "A" are:

Purchase Money Security Interests in equipment which Purchase Money Security Interests exist on the date of this Agreement ("Existing PMSIs") which are known to the Bank and all future Purchase Money Security Interests on equipment acquired to replace the equipment under Existing PMSIs, provided that the cost of such replacement equipment may not exceed the cost of the equipment subject to the Existing PMSI by more than 10%.

AND

Lien in favour of Home Hardware Stores Limited, as set-out in a Subordination & Priorities Agreement acceptable to the Bank.

**FINANCIAL
COVENANTS**

The Borrower agrees at all times to:

- a) maintain a Debt Service Coverage ratio of not less than 1.25:1.

The *Debt Service Coverage* ratio to be calculated annually as follows:

$$\frac{\text{EBITDA} - \text{Capital Expenditures} - \text{Disbursements}}{\text{Principal} + \text{Interest}}$$

EBITDA is defined as Earnings Before Interest, Income Taxes, Depreciation, and Amortization.

Disbursements are defined as all capital distributions and advances of funds not occurring in the Borrower's normal operations, including but not limited to: dividends, advances to shareholders, advances to related parties, and redemption or repurchase of shares. *Disbursements* do not include obligatory principal payments already accounted for in the Debt Service Coverage Calculation.

**EVENTS OF
DEFAULT**

The Bank may accelerate the payment of principal and interest under any committed credit facility hereunder and cancel any undrawn portion of any committed credit facility hereunder, at any time after the occurrence of any one of the Standard Events of Default contained in Schedule "A" attached hereto and after any one of the following additional Events of Default:

1. The termination of any Dealer Agreement to which the customer is a party (termination of a Tim-Br-Mart/Homecare agreement is permitted).
2. The termination or revocation of any Inventory or Asset Buy-Back/Repurchase Agreement provided to TD as security for the Customer's indebtedness under this Agreement.
3. Non-compliance with or variance from the terms set out in the finalized Purchase & Sale agreement provided to the Bank.

Note: Home Hardware Stores Limited to be advised of any Material events of default, and to be provided with any other notices that are provided to guarantors.

**ANCILLARY
FACILITIES**

As at the date of this Agreement, the following uncommitted ancillary products are made available. These products may be subject to other agreements.

- 1) TD Visa Business card (or cards) for an aggregate amount of \$15,000.

**AVAILABILITY OF
OPERATING LOAN**

The Operating Loan is uncommitted, made available at the Bank's discretion, and is not automatically available upon satisfaction of the terms and conditions, conditions precedent, or financial tests set out herein.

The occurrence of an Event of Default is not a precondition to the Bank's right to accelerate repayment and cancel the availability of the Operating Loan.

SCHEDULE "A" -
STANDARD
TERMS AND
CONDITIONS

Schedule "A" sets out the Standard Terms and Conditions ("Standard Terms and Conditions") which apply to these credit facilities. The Standard Terms and Conditions, including the defined terms set out therein, form part of this Agreement, unless this letter states specifically that one or more of the Standard Terms and Conditions do not apply or are modified.

We trust you will find these facilities helpful in meeting your ongoing financing requirements. We ask that if you wish to accept this offer of financing (which includes the Standard Terms and Conditions), please do so by signing and returning the attached duplicate copy of this letter to the undersigned. This offer will expire if not accepted in writing and received by the Bank on or before November 30th, 2010.

Yours truly,

THE TORONTO-DOMINION BANK




Jeff Alsop
Analyst, Commercial Banking



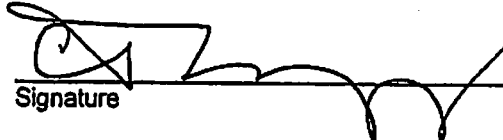
Peter Hanke
Manager, Commercial Credit

TO THE TORONTO-DOMINION BANK:

Beaverton Lumber Inc. hereby accepts the foregoing offer this 18 day of November, 2010. The Borrower confirms that, except as may be set out above, the credit facility(ies) detailed herein shall not be used by or on behalf of any third party.


Signature

Barbara Tripp
Secretary Treasurer
Print Name & Position


Signature

GEORGE TRIPP
PRESIDENT
Print Name & Position

cc. Guarantor(s)

The Bank is providing the guarantor(s) with a copy of this letter as a courtesy only. The delivery of a copy of this letter does not create any obligation of the Bank to provide the guarantor(s) with notice of any changes to the credit facilities, including without limitation, changes to the terms and conditions, increases or decreases in the amount of the credit facilities, the establishment of new credit facilities or otherwise. The Bank may, or may not, at its option, provide the guarantor(s) with such information, provided that the Bank will provide such information upon the written request of the guarantor.

SCHEDULE A
STANDARD TERMS AND CONDITIONS

1. INTEREST RATE DEFINITIONS

Prime Rate means the rate of interest per annum (based on a 365 day year) established and reported by the Bank to the Bank of Canada from time to time as the reference rate of interest for determination of interest rates that the Bank charges to customers of varying degrees of creditworthiness in Canada for Canadian dollar loans made by it in Canada.

The Stamping Fee rate per annum for CDN\$ B/As is based on a 365 day year and the Stamping Fee is calculated on the Face Amount of each B/A presented to the Bank for acceptance. The Stamping Fee rate per annum for US\$ B/As is based on a 360 day year and the Stamping Fee is calculated on the Face Amount of each B/A presented to the Bank for acceptance.

LIBOR means the rate of interest per annum (based on a 360 day year) as determined by the Bank (rounded upwards, if necessary to the nearest whole multiple of 1/16th of 1%) at which the Bank may make available United States dollars which are obtained by the Bank in the Interbank Euro Currency Market, London, England at approximately 11:00 a.m. (Toronto time) on the second Business Day before the first day of, and in an amount similar to, and for the period similar to the interest period of, such advance.

USBR means the rate of interest per annum (based on a 365 day year) established by the Bank from time to time as the reference rate of interest for the determination of interest rates that the Bank charges to customers of varying degrees of creditworthiness for US dollar loans made by it in Canada.

Any interest rate based on a period less than a year expressed as an annual rate for the purposes of the Interest Act (Canada) is equivalent to such determined rate multiplied by the actual number of days in the calendar year in which the same is to be ascertained and divided by the number of days in the period upon which it was based.

2. INTEREST CALCULATION AND PAYMENT

Interest on Prime Based Loans and USBR Loans is calculated daily (including February 29 in a leap year) and payable monthly in arrears based on the number of days the subject loan is outstanding unless otherwise provided in the Rate and Payment Terms Notice. Interest is charged on February 29 in a leap year.

The Stamping Fee is calculated based on the amount and the term of the B/A and payable upon acceptance by the Bank of the B/A. The net proceeds received by the Borrower on a B/A advance will be equal to the Face Amount of the B/A discounted at the Bank's then prevailing B/A discount rate for CDN\$ B/As or US\$ B/As as the case may be, for the specified term of the B/A less the B/A Stamping Fee.

Interest on LIBOR Loans is calculated and payable on the earlier of contract maturity or quarterly in arrears, for the number of days in the LIBOR interest period.

L/C and L/G fees are payable at the time set out in the Letter of Credit Indemnity Agreement applicable to the issued L/C or L/G.

Interest on Fixed Rate Term Loans is compounded monthly and payable monthly in arrears unless otherwise provided in the Rate and Payment Terms Notice.

Interest is payable both before and after maturity or demand, default and judgment.

Each payment under this Agreement shall be applied first in payment of costs and expenses, then interest and fees and the balance, if any, shall be applied in reduction of principal.

For loans not secured by real property, all overdue amounts of principal and interest and all amounts outstanding in excess of the Credit Limit shall bear interest from the date on which the same became due or from when the excess was incurred, as the case may be, until the date of payment or until the date the excess is repaid at 21% per annum, or such lower interest rate if the Bank agrees to a lower interest rate in writing. Nothing in this clause shall be deemed to authorize the Borrower to incur loans in excess of the Credit Limit.

3. DRAWDOWN PROVISIONS

Prime Based and USBR Loans

There is no minimum amount of drawdown by way of Prime Based Loans and USBR Loans, except as stated in the section of the Agreement titled "Business Credit Services Agreement", if that section of the Agreement has not been deleted. The Borrower shall provide the Bank with 3 Business Days' notice of a requested Prime Based Loan or USBR Loan over \$1,000,000.

B/As

The Borrower shall advise the Bank of the requested term or maturity date for B/As issued hereunder. The Bank shall have the discretion to restrict the term or maturity dates of B/As. In no event shall the term of the B/A exceed the Contractual Term Maturity Date. The minimum amount of a drawdown by way of B/As is \$1,000,000 and in multiples of \$100,000 thereafter. The Borrower shall provide the Bank with 3 Business Days' notice of a requested B/A drawdown.

The Borrower shall pay to the Bank the full amount of the B/A at the maturity date of the B/A.

The Borrower appoints the Bank as its attorney to and authorizes the Bank to (i) complete, sign, endorse, negotiate and deliver B/As on behalf of the Borrower in handwritten form, or by facsimile or mechanical signature or otherwise, (ii) accept such B/As, and (iii) purchase, discount, and/or negotiate B/As.

LIBOR

The Borrower shall advise the Bank of the requested LIBOR contract maturity period. The Bank shall have the discretion to restrict the LIBOR contract maturity. In no event shall the term of the LIBOR contract exceed the Contractual Term Maturity Date. The minimum amount of a drawdown by way of a LIBOR Loan is \$1,000,000, and shall be in multiples of \$100,000 thereafter. The Borrower will provide the Bank with 3 Business Days' notice of a requested LIBOR Loan.

L/C and/or L/G

The Bank shall have the discretion to restrict the maturity date of L/Gs or L/Cs.

B/A - Prime Conversion

The Borrower will provide the Bank with at least 3 Business Days' notice of its intention either to convert a B/A to a Prime Based Loan or vice versa, failing which, the Bank may decline to accept such additional B/As or may charge interest on the amount of Prime Based Loans resulting from maturity of B/As at the rate of 115% of the rate applicable to Prime Based Loans for the 3 Business Day period immediately following such maturity. Thereafter, the rate shall revert to the rate applicable to Prime Based Loans.

Cash Management

The Bank may, and the Borrower hereby authorizes the Bank to, drawdown under the Operating Loan to satisfy any obligations of the Borrower to the Bank in connection with any cash management service provided by the Bank to the Borrower. The Bank may drawdown under the Operating Loan even if the drawdown results in amounts outstanding in excess of the Credit Limit.

Notice

Prior to each drawdown and at least 10 days prior to each Rate Term Maturity, the Borrower will advise the Bank of its selection of drawdown options from those made available by the Bank. The Bank will, after each

drawdown, other than drawdowns by way of BA, LIBOR Loan or under the operating loan, send a Rate and Payment Terms Notice to the Borrower.

4. PREPAYMENT

Fixed Rate Term Loans

10% Prepayment Option Chosen:

- (a) Once, each calendar year, ("Year"), the Borrower may, provided that an Event of Default has not occurred, prepay in one lump sum, an amount of principal outstanding under a Fixed Rate Term Loan not exceeding 10% of the original amount of the Fixed Rate Term Loan, upon payment of all interest accrued to the date of prepayment without paying any prepayment charge. If the prepayment privilege is not used in one Year, it cannot be carried forward and used in a later Year.
- (b) Provided that an Event of Default has not occurred, the Borrower may prepay more than 10% of the original amount of a Fixed Rate Term Loan in any Year, upon payment of all interest accrued to the date of prepayment and an amount equal to the greater of:
 - i) three months' interest on the amount of the prepayment (the amount of prepayment is the amount of prepayment exceeding the 10% limit described in Section 4(a)) using the interest rate applicable to the Fixed Rate Term Loan being prepaid; and
 - ii) the Interest Rate Differential, being the amount by which:
 - a. the total amount of interest on the amount of the prepayment (the amount of prepayment is the amount of prepayment exceeding the 10% limit described in Section 4(a)) using the interest rate applicable to the Fixed Rate Term Loan being prepaid calculated for the period of time from the prepayment date until the Rate Term Maturity Date for the Fixed Rate Term Loan being prepaid (the "Remaining Term"), exceeds
 - b. the total amount of interest on the amount of the prepayment (the amount of prepayment is the amount of prepayment exceeding the 10% limit described in Section 4(a)) using the interest rate applicable to a fixed rate term loan that the Bank would make to a borrower for a comparable facility on the prepayment date, calculated for the Remaining Term.

10% Prepayment Option Not Chosen.

- (c) The Borrower may, provided that an Event of Default has not occurred, prepay all or any part of the principal then outstanding under a Fixed Rate Term Loan upon payment of all interest accrued to the date of prepayment and an amount equal to the greater of:
 - i) three months' interest on the amount of the prepayment using the interest rate applicable to the Fixed Rate Term Loan being prepaid; and
 - ii) the Interest Rate Differential, being the amount by which:

- a. the total amount of interest on the amount of the prepayment using the interest rate applicable to the Fixed Rate Term Loan being prepaid calculated for the period of time from the prepayment date until the Rate Term Maturity Date for the Fixed Rate Term Loan being prepaid (the "Remaining Term"), exceeds
- b. the total amount of interest on the amount of the prepayment using the interest rate applicable to a fixed rate term loan that the Bank would make to a borrower for a comparable facility on the prepayment date, calculated for the Remaining Term.

Floating Rate Term Loans

The Borrower may prepay the whole or any part of the principal outstanding under a Floating Rate Term Loan, at any time without the payment of prepayment charges.

5. STANDARD DISBURSEMENT CONDITIONS

The obligation of the Bank to permit any drawdowns hereunder at any time is subject to the following conditions precedent:

- a) The Bank shall have received the following documents which shall be in form and substance satisfactory to the Bank:
 - i) A copy of a duly executed resolution of the Board of Directors of the Borrower empowering the Borrower to enter into this Agreement;
 - ii) A copy of any necessary government approvals authorizing the Borrower to enter into this Agreement;
 - iii) All of the Bank Security and supporting resolutions and solicitors' letter of opinion required hereunder;
 - iv) The Borrower's compliance certificate certifying compliance with all terms and conditions hereunder;
 - v) all operation of account documentation; and
 - vi) For drawdowns under the Facility by way of L/C or L/G, the Bank's standard form Letter of Credit Indemnity Agreement
- b) The representations and warranties contained in this Agreement are correct.
- c) No event has occurred and is continuing which constitutes an Event of Default or would constitute an Event of Default, but for the requirement that notice be given or time elapse or both.
- d) The Bank has received the arrangement fee payable hereunder (if any) and the Borrower has paid all legal and other expenses incurred by the Bank in connection with the Agreement or the Bank Security.

6. STANDARD REPRESENTATIONS AND WARRANTIES

The Borrower hereby represents and warrants, which representations and warranties shall be deemed to be continually repeated so long as any amounts remain outstanding and unpaid under this Agreement or so long as any commitment under this Agreement remains in effect, that:

- a) The Borrower is a duly incorporated corporation, a limited partnership, partnership, or sole proprietorship, duly organized, validly existing and in good standing under the laws of the jurisdiction where the Branch/Centre is located and each other jurisdiction where the Borrower has property or assets or carries on business and the Borrower has adequate corporate power and authority to carry on its business, own property, borrow monies and enter into agreements therefore, execute and deliver the Agreement, the Bank Security, and documents required hereunder, and observe and perform the terms and provisions of this Agreement.

- b) There are no laws, statutes or regulations applicable to or binding upon the Borrower and no provisions in its charter documents or in any by-laws, resolutions, contracts, agreements, or arrangements which would be contravened, breached, violated as a result of the execution, delivery, performance, observance, of any terms of this Agreement.
- c) No Event of Default has occurred nor has any event occurred which, with the passage of time or the giving of notice, would constitute an Event of Default under this Agreement or which would constitute a default under any other agreement.
- d) There are no actions, suits or proceedings, including appeals or applications for review, or any knowledge of pending actions, suits, or proceedings against the Borrower and its subsidiaries, before any court or administrative agency which would result in any material adverse change in the property, assets, financial condition, business or operations of the Borrower.
- e) All material authorizations, approvals, consents, licenses, exemptions, filings, registrations and other requirements of governmental, judicial and public bodies and authorities required to carry on its business have been or will be obtained or effected and are or will be in full force and effect.
- f) The financial statements and forecasts delivered to the Bank fairly present the present financial position of the Borrower, and have been prepared by the Borrower and its auditors in accordance with Canadian Generally Accepted Accounting Principles consistently applied.
- g) All of the remittances required to be made by the Borrower to the federal government and all provincial and municipal governments have been made, are currently up to date and there are no outstanding arrears. Without limiting the foregoing, all employee source deductions (including income taxes, Employment Insurance and Canada Pension Plan), sales taxes (both provincial and federal), corporate income taxes, corporate capital taxes, payroll taxes and Workers' Compensation dues are currently paid and up to date.

7. STANDARD POSITIVE COVENANTS

So long as any amounts remain outstanding and unpaid under this Agreement or so long as any commitment under this Agreement remains in effect, the Borrower will, and will ensure that its subsidiaries and each of the Guarantors will:

- a) Pay all amounts of principal, interest and fees on the dates, times and place specified herein, under the Rate and Payment Terms Notice, and under any other agreement between the Bank and the Borrower.
- b) Advise the Bank of any change in the amount and the terms of any credit arrangement made with other lenders or any action taken by another lender to recover amounts outstanding with such other lender.
- c) Advise promptly after the happening of any event which will result in a material adverse change in the financial condition, business, operations, or prospects of the Borrower or the occurrence of any Event of Default or default under this Agreement or under any other agreement for borrowed money.
- d) Do all things necessary to maintain in good standing its corporate existence and preserve and keep all material agreements, rights, franchises, licenses, operations, contracts or other arrangements in full force and effect.
- e) Take all necessary actions to ensure that the Bank Security and its obligations hereunder will rank ahead of all other indebtedness of and all other security granted by the Borrower.
- f) Pay all taxes, assessments and government charges unless such taxes, assessments, or charges are being contested in good faith and appropriate reserves shall be made with funds set aside in a separate trust fund.
- g) Provide the Bank with information and financial data as it may request from time to time.
- h) Maintain property, plant and equipment in good repair and working condition.
- i) Inform the Bank of any actual or probable litigation and furnish the Bank with copies of details of any litigation or other proceedings, which might affect the financial condition, business, operations, or prospects of the Borrower.
- j) Provide such additional security and documentation as may be required from time to time by the Bank or its solicitors.

- k) Continue to carry on the business currently being carried on by the Borrower its subsidiaries and each of the Guarantors at the date hereof.
- l) Maintain adequate insurance on all of its assets, undertakings, and business risks.
- m) Permit the Bank or its authorized representatives full and reasonable access to its premises, business, financial and computer records and allow the duplication or extraction of pertinent information therefrom and
- n) Comply with all applicable laws.

8. STANDARD NEGATIVE COVENANTS

So long as any amounts remain outstanding and unpaid under this Agreement or so long as any commitment under this Agreement remains in effect, the Borrower will not and will ensure that its subsidiaries and each of the Guarantors will not:

- a) Create, incur, assume, or suffer to exist, any mortgage, deed of trust, pledge, lien, security interest, assignment, charge, or encumbrance (including without limitation, any conditional sale, or other title retention agreement, or finance lease) of any nature, upon or with respect to any of its assets or undertakings, now owned or hereafter acquired, except for those Permitted Liens, if any, set out in the Letter.
- b) Create, incur, assume or suffer to exist any other indebtedness for borrowed money (except for indebtedness resulting from Permitted Liens, if any) or guarantee or act as surety or agree to indemnify the debts of any other Person.
- c) Merge or consolidate with any other Person, or acquire all or substantially all of the shares, assets or business of any other Person.
- d) Sell, lease, assign, transfer, convey or otherwise dispose of any of its now owned or hereafter acquired assets (including, without limitation, shares of stock and indebtedness of subsidiaries, receivables and leasehold interests), except for inventory disposed of in the ordinary course of business.
- e) Terminate or enter into a surrender of any lease of any property mortgaged under the Bank Security.
- f) Cease to carry on the business currently being carried on by each of the Borrower, its subsidiaries, and the Guarantors at the date hereof.
- g) Permit any change of ownership or change in the capital structure of the Borrower.

9. ENVIRONMENTAL

The Borrower represents and warrants (which representation and warranty shall continue throughout the term of this Agreement) that the business of the Borrower, its subsidiaries and each of the Guarantors is being operated in compliance with applicable laws and regulations respecting the discharge, omission, spill or disposal of any hazardous materials and that any and all enforcement actions in respect thereto have been clearly conveyed to the Bank.

The Borrower shall, at the request of the Bank from time to time, and at the Borrower's expense, obtain and provide to the Bank an environmental audit or inspection report of the property from auditors or inspectors acceptable to the Bank.

The Borrower hereby indemnifies the Bank, its officers, directors, employees, agents and shareholders, and agrees to hold each of them harmless from all loss, claims, damages and expenses (including legal and audit expenses) which may be suffered or incurred in connection with the indebtedness under this Agreement or in connection with the Bank Security.

10. STANDARD EVENTS OF DEFAULT

The Bank may accelerate the payment of principal and interest under any committed credit facility hereunder and cancel any undrawn portion of any committed credit facility hereunder, at any time after the occurrence of any one of the following Events of Default:

- a) Non-payment of principal outstanding under this Agreement when due or non-payment of interest or fees outstanding under this Agreement within 3 Business Days of when due.

- b) If any representation, warranty or statement made hereunder or made in connection with the execution and delivery of this Agreement or the Bank Security is false or misleading at any time.
- c) If any representation or warranty made or information provided by the Guarantor to the Bank from time to time, including without limitation, under or in connection with the Personal Financial Statement and Privacy Agreement provided by the Guarantor, is false or misleading at any time.
- d) If there is a breach or non-performance or non-observance of any term or condition of this Agreement or the Bank Security and, if such default is capable of being remedied, the default continues unremedied for 5 Business Days after the occurrence.
- e) If the Borrower, any one of its subsidiaries, or, if any of the Guarantors makes a general assignment for the benefit of creditors, files or presents a petition, makes a proposal or commits any act of bankruptcy, or if any action is taken for the winding up, liquidation or the appointment of a liquidator, trustee in bankruptcy, custodian, curator, sequestrator, receiver or any other officer with similar powers or if a judgment or order shall be entered by any court approving a petition for reorganization, arrangement or composition of or in respect of the Borrower, any of its subsidiaries, or any of the Guarantors or if the Borrower, any of its subsidiaries, or any of the Guarantors is insolvent or declared bankrupt.
- f) If there exists a voluntary or involuntary suspension of business of the Borrower, any of its subsidiaries, or any of the Guarantors.
- g) If action is taken by an encumbrancer against the Borrower, any of its subsidiaries, or any of the Guarantors to take possession of property or enforce proceedings against any assets.
- h) If any final judgment for the payment of monies is made against the Borrower, any of its subsidiaries, or any of the Guarantors and it is not discharged within 30 days from the imposition of such judgment.
- i) If there exists an event, the effect of which with lapse of time or the giving of notice, will constitute an event of default or a default under any other agreement for borrowed money in excess of the Cross Default Threshold entered into by the Borrower, any of its subsidiaries, or any of the Guarantors.
- j) If the Borrower, any one of its subsidiaries, or any of the Guarantors default under any other present or future agreement with the Bank or any of the Bank's subsidiaries, including without limitation, any other loan agreement, forward foreign exchange transactions, interest rate and currency and/or commodity swaps.
- k) If the Bank Security is not enforceable or if any party to the Bank Security shall dispute or deny any liability or any of its obligations under the Bank Security, or if any Guarantor terminates a guarantee in respect of future advances.
- l) If, in the Bank's determination, a material adverse change occurs in the financial condition, business operations or prospects of the Borrower, any of the Borrower's subsidiaries, or any of the Guarantors.

11. ACCELERATION

If the Bank accelerates the payment of principal and interest hereunder, the Borrower shall immediately pay to the Bank all amounts outstanding hereunder, including without limitation, the amount of unmatured B/As and LIBOR Loans and the amount of all drawn and undrawn L/Gs and L/Cs. All cost to the Bank of unwinding LIBOR Loans and all loss suffered by the Bank in re-employing amounts repaid will be paid by the Borrower.

The Bank may demand the payment of principal and interest under the Operating Loan (and any other uncommitted facility) hereunder and cancel any undrawn portion of the Operating Loan (and any other uncommitted facility) hereunder, at any time whether or not an Event of Default has occurred.

12. CURRENCY INDEMNITY

US\$ loans must be repaid with US\$ and CDN\$ loans must be repaid with CDN\$ and the Borrower shall indemnify the Bank for any loss suffered by the Bank if US\$ loans are repaid with CDN\$ or vice versa, whether such payment is made pursuant to an order of a court or otherwise.

13. TAXATION ON PAYMENTS

All payments made by the Borrower to the Bank will be made free and clear of all present and future taxes (excluding the Bank's income taxes), withholdings or deductions of whatever nature. If these taxes, withholdings or deductions are required by applicable law and are made, the Borrower, shall, as a separate and independent obligation, pay to the Bank all additional amounts as shall fully indemnify the Bank from any such taxes, withholdings or deductions.

14. REPRESENTATION

No representation or warranty or other statement made by the Bank concerning any of the credit facilities shall be binding on the Bank unless made by it in writing as a specific amendment to this Agreement.

15. CHANGING THE AGREEMENT

- a) The Bank may, from time to time, unilaterally change the provisions of this Agreement where (i) the provisions of the Agreement relate to the Operating Loan (and any other uncommitted facility) or (ii) such change is for the benefit of the Borrower, or made at the Borrower's request, including without limitation, decreases to fees or interest payable hereunder or (iii) where such change makes compliance with this Agreement less onerous to the Borrower, including without limitation, release of security. These changes can be made by the Bank providing written notice to the Borrower of such changes in the form of a specific waiver or a document constituting an amending agreement. The Borrower is not required to execute such waiver or amending agreement, unless the Bank requests the Borrower to sign such waiver or amending agreement. A change in the Prime Rate and USBR is not an amendment to the terms of this Agreement that requires notification to be provided to the Borrower.
- b) Changes to the Agreement, other than as described in a) above, including changes to covenants and fees payable by the Borrower, are required to be agreed to by the Bank and the Borrower in writing, by the Bank and the Borrower each signing an amending agreement.
- c) The Bank is not required to notify a Guarantor of any change in the Agreement, including any increase in the Credit Limit.

16. ADDED COST

If the introduction of or any change in any present or future law, regulation, treaty, official or unofficial directive, or regulatory requirement, (whether or not having the force of law) or in the interpretation or application thereof, relates to:

- i) the imposition or exemption of taxation of payments due to the Bank or on reserves or deemed reserves in respect of the undrawn portion of any Facility or loan made available hereunder; or,
- ii) any reserve, special deposit, regulatory or similar requirement against assets, deposits, or loans or other acquisition of funds for loans by the Bank; or,
- iii) the amount of capital required or expected to be maintained by the Bank as a result of the existence of the advances or the commitment made hereunder;

and the result of such occurrence is, in the sole determination of the Bank, to increase the cost of the Bank or to reduce the income received or receivable by the Bank hereunder, the Borrower shall, on demand by the Bank, pay to the Bank that amount which the Bank estimates will compensate it for such additional cost or reduction in income and the Bank's estimate shall be conclusive, absent manifest error.

17. EXPENSES

The Borrower shall pay, within 5 Business Days following notification, all fees and expenses (including but not limited to all legal fees) incurred by the Bank in connection with the preparation, registration and ongoing administration of this Agreement and the Bank Security and with the enforcement of the Bank's rights and remedies under this Agreement and the Bank Security whether or not any amounts are advanced under the Agreement. These fees and expenses shall include, but not be limited, to all outside counsel fees and expenses and all in-house legal fees and expenses, if in-house counsel are used, and all outside professional advisory fees and expenses. The Borrower shall pay interest on unpaid amounts due pursuant to this paragraph at the All-In Rate plus 2% per annum.

Without limiting the generality of Section 24, the Bank or its agent, is authorized to debit any of the Borrower's accounts with the amount of the fees and expenses owed by the Borrower hereunder, including the registration fee in connection with the Bank Security, even if that debiting creates an overdraft in any such account. If there are insufficient funds in the Borrower's accounts to reimburse the Bank or its agent for payment of the fees and expenses owed by the Borrower hereunder, the amount debited to the Borrower's accounts shall be deemed to be a Prime Based Loan under the Operating Loan.

The Borrower will, if requested by the Bank, sign a Pre-Authorized Payment Authorization in a format acceptable to the Bank to permit the Bank's agent to debit the Borrower's accounts as contemplated in this Section.

18. NON WAIVER

Any failure by the Bank to object to or take action with respect to a breach of this Agreement or any Bank Security or upon the occurrence of an Event of Default shall not constitute a waiver of the Bank's right to take action at a later date on that breach. No course of conduct by the Bank will give rise to any reasonable expectation which is in any way inconsistent with the terms and conditions of this Agreement and the Bank Security or the Bank's rights thereunder.

19. EVIDENCE OF INDEBTEDNESS

The Bank shall record on its records the amount of all loans made hereunder, payments made in respect thereto, and all other amounts becoming due to the Bank under this Agreement. The Bank's records constitute, in the absence of manifest error, conclusive evidence of the indebtedness of the Borrower to the Bank pursuant to this Agreement.

The Borrower will sign the Bank's standard form Letter of Credit Indemnity Agreement for all L/Cs and L/Gs issued by the Bank.

With respect to chattel mortgages taken as Bank Security, this Agreement is the Promissory Note referred to in same chattel mortgage, and the indebtedness incurred hereunder is the true indebtedness secured by the chattel mortgage.

20. ENTIRE AGREEMENTS

This Agreement replaces any previous letter agreements dealing specifically with terms and conditions of the credit facilities described in the Letter. Agreements relating to other credit facilities made available by the Bank continue to apply for those other credit facilities. This Agreement, and if applicable, the Letter of Credit Indemnity Agreement, are the entire agreements relating to the Facilities described in this Agreement.

21. ASSIGNMENT

The Bank may assign or grant participation in all or part of this Agreement or in any loan made hereunder without notice to and without the Borrower's consent.

The Borrower may not assign or transfer all or any part of its rights or obligations under this Agreement.

22. RELEASE OF INFORMATION

The Borrower hereby irrevocably authorizes and directs the Borrower's accountant, (the "Accountant") to deliver all financial statements and other financial information concerning the Borrower to the Bank and agrees that the Bank and the Accountant may communicate directly with each other.

23. FX CLOSE OUT

The Borrower hereby acknowledges and agrees that in the event any of the following occur: (i) Default by the Borrower under any forward foreign exchange contract ("FX Contract"); (ii) Default by the Borrower in payment of monies owing by it to anyone, including the Bank; (iii) Default in the performance of any other obligation of the Borrower under any agreement to which it is subject; or (iv) the Borrower is adjudged to be or voluntarily becomes bankrupt or insolvent or admits in writing to its inability to pay its debts as they come due or has a receiver

appointed over its assets, the Bank shall be entitled without advance notice to the Borrower to close out and terminate all of the outstanding FX Contracts entered into hereunder, using normal commercial practices employed by the Bank, to determine the gain or loss for each terminated FX contract. The Bank shall then be entitled to calculate a net termination value for all of the terminated FX Contracts which shall be the net sum of all the losses and gains arising from the termination of the FX Contracts which net sum shall be the "Close Out Value" of the terminated FX Contracts. The Borrower acknowledges that it shall be required to forthwith pay any positive Close Out Value owing to the Bank and the Bank shall be required to pay any negative Close Out Value owing to the Borrower, subject to any rights of set-off to which the Bank is entitled or subject.

24. SET-OFF

In addition to and not in limitation of any rights now or hereafter granted under applicable law, the Bank may at any time and from time to time without notice to the Borrower or any other Person, any notice being expressly waived by the Borrower, set-off and compensate and apply any and all deposits, general or special, time or demand, provisional or final, matured or unmatured, in any currency, and any other indebtedness or amount payable by the Bank (irrespective of the place of payment or booking office of the obligation), to or for the credit of or for the Borrower's account, including without limitation, any amount owed by the Bank to the Borrower under any FX Contract or other treasury or derivative product, against and on account of the indebtedness and liability under this Agreement notwithstanding that any of them are contingent or unmatured or in a different currency than the indebtedness and liability under this Agreement.

When applying a deposit or other obligation in a different currency than the indebtedness and liability under this Agreement to the indebtedness and liability under this Agreement, the Bank will convert the deposit or other obligation to the currency of the indebtedness and liability under this Agreement using the Bank's noon spot rate of exchange for the conversion of such currency.

25. LIMITATION ACT

The Borrower and the Bank hereby agree that the limitation period for commencement of any court action or proceeding against the Borrower with respect to demand loans shall be six (6) years rather than the period of time that is set out in the applicable limitation legislation.

26. MISCELLANEOUS

- i) The Borrower has received a signed copy of this Agreement;
- ii) If more than one Person, firm or corporation signs this Agreement as the Borrower, each party is jointly and severally liable hereunder, and the Bank may require payment of all amounts payable under this Agreement from any one of them, or a portion from each, but the Bank is released from any of its obligations by performing that obligation to any one of them. Each Borrower hereby acknowledges that each Borrower is an agent of each other Borrower and payment by any Borrower hereunder shall be deemed to be payment by the Borrower making the payment and by each other Borrower. Each payment, including interest payments, made will constitute an acknowledgement of the indebtedness and liability hereunder by each Borrower;
- iii) Accounting terms will (to the extent not defined in this Agreement) be interpreted in accordance with accounting principles established from time to time by the Canadian Institute of Chartered Accountants (or any successor) consistently applied, and all financial statements and information provided to the Bank will be prepared in accordance with those principles;
- iv) This Agreement is governed by the law of the Province or Territory where the Branch/Centre is located.
- v) Unless stated otherwise, all amounts referred to herein are in Canadian dollars

27. DEFINITIONS

Capitalized Terms used in this Agreement shall have the following meanings:

"All-In Rate" means the greater of the Interest Rate that the Borrower pays for Prime Based Loans (which for greater certainty includes the percent per annum added to the Prime Rate) or the highest fixed rate paid for Fixed Rate Term Loans.

"Agreement" means the agreement between the Bank and the Borrower set out in the Letter and this Schedule "A" - Standard Terms and Conditions.

"Business Day" means any day (other than a Saturday or Sunday) that the Branch/Centre is open for business.

"Branch/Centre" means The Toronto-Dominion Bank branch or banking centre noted on the first page of the Letter, or such other branch or centre as may from time to time be designated by the Bank.

"Contractual Term Maturity Date" means the last day of the Contractual Term period. If the Letter does not set out a specific Contractual Term period but rather refers to a period of time up to which the Contractual Term Maturity Date can occur, the Bank and the Borrower must agree on a Contractual Term Maturity Date before first drawdown, which Contractual Term Maturity Date will be set out in the Rate and Payments Terms Notice.

"Cross Default Threshold" means the cross default threshold set out in the Letter. If no such cross default threshold is set out in the Letter it will be deemed to be zero.

"Face Amount" means, in respect of:

- (i) a B/A, the amount payable to the holder thereof on its maturity;
- (ii) A L/C or L/G, the maximum amount payable to the beneficiary specified therein or any other Person to whom payments may be required to be made pursuant to such L/C or L/G.

"Fixed Rate Term Loan" means any drawdown in Canadian dollars under a Credit Facility at an interest rate which is fixed for a Rate Term at such rate as is determined by the Bank as its sole discretion.

"Inventory Value" means, at any time of determination, the total value (based on the lower of cost or market) of the Borrower's inventories that are subject to the Bank Security (other than (i) those inventories supplied by trade creditors who at that time have not been fully paid and would have a right to repossess all or part of such inventories if the Borrower were then either bankrupt or in receivership, (ii) those inventories comprising work in process and (iii) those inventories that the Bank may from time to time designate in its sole discretion) minus the total amount of any claims, liens or encumbrances on those inventories having or purporting to have priority over the Bank.

"Letter" means the letter from the Bank to the Borrower to which this Schedule "A" - Standard Terms and Conditions is attached.

"Letter of Credit" or "L/C" means a documentary letter of credit or similar instrument in form and substance satisfactory to the Bank.

"Letter of Guarantee" or "L/G" means a stand-by letter of guarantee or similar instrument in form and substance satisfactory to the Bank.

"Person" includes any individual, sole proprietorship, corporation, partnership, joint venture, trust, unincorporated association, association, institution, entity, party, or government (whether national, federal, provincial, state, municipal, city, county, or otherwise and including any instrumentality, division, agency, body, or department thereof).

"Purchase Money Security Interest" means a security interest on equipment which is granted to a lender or to the seller of such equipment in order to secure the purchase price of such equipment or a loan to acquire such equipment, provided that the amount secured by the security interest does not exceed the cost of the equipment, the Borrower provides written notice to the Bank prior to the creation of the security interest, and the creditor under the security interest has, if requested by the Bank, entered into an inter-creditor agreement with the Bank, in a format acceptable to the Bank.

"Rate Term" means that period of time as selected by the Borrower from the options offered to it by the Bank, during which a Fixed Rate Term Loan will bear a particular interest rate. If no Rate Term is selected, the Borrower will be deemed to have selected a Rate Term of 1 year.

"Rate Term Maturity" means the last day of a Rate Term which day may never exceed the Contractual Term Maturity Date.

"Rate and Payment Terms Notice" means the notice sent by the Bank setting out the interest rate and payment terms for a particular drawdown.

"Receivable Value" means, at any time of determination, the total value of those of the Borrower's trade accounts receivable that are subject to the Bank Security other than (i) those accounts then outstanding for 90 days, (ii) those accounts owing by Persons, firms or corporations affiliated with the Borrower, (iii) those accounts that the Bank may from time to time designate in its sole discretion, (iv) those accounts subject to any claim, liens, or encumbrance having or purporting to have priority over the Bank, (v) those accounts which are subject to a claim of set-off by the obligor under such account, MINUS the total amount of all claims, liens, or encumbrances on those receivables having or purporting to have priority over the Bank.

"Receivables/Inventory Summary" means a summary of the Borrower's trade account receivables and inventories, in form as the Bank may require and certified by a senior officer/representative of the Borrower.

"US\$ Equivalent" means, on any date, the equivalent amount in United States Dollars after giving effect to a conversion of a specified amount of Canadian Dollars to United States Dollars at the Bank's noon spot rate of exchange for Canadian Dollars to United States Dollars established by the Bank for the day in question.

0596



Commercial Banking

Central Ontario Commercial Banking Group
33 Collier St.
2nd Floor
Barrie, ON
L4M 1G5

Telephone No.: (705) 727-4725
Fax No.: (705) 726-3532

March 14, 2011

Beaverton Lumber Inc.
PO Box 860
488 Mara Rd
Beaverton, ON
L0K 1A0

Attention: George H Tripp

Dear George H Tripp,

The following amending agreement (the "Amending Agreement") amends the terms and conditions of the credit facilities (the "Facilities") provided to the Borrower pursuant to the Agreement dated November 1, 2010:

BORROWER Beaverton Lumber Inc. (the "Borrower")

LENDER The Toronto-Dominion Bank (the "Bank"), through its
Central Ontario Commercial Banking Group branch, in Barrie, ON.

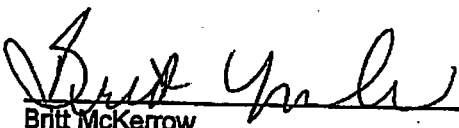
CREDIT LIMIT 1) CDN \$300,000 with \$20,000 bulge
For total of \$320,000 from March 9, 2011 to April 08, 2011

ARRANGEMENT FEE The Borrower has paid or will pay prior to any drawdown hereunder a non-refundable arrangement fee of \$500.

Unless otherwise stated, the amendments outlined above are in addition to the Terms and Conditions of the existing Agreement. All other terms and conditions remain unchanged. We ask that you acknowledge your agreement to these amendments by signing and returning the attached duplicate copy of this Amending Agreement to the undersigned. The amendments will not come into force unless the duplicate of this Amending Agreement is received by the Bank on or before March 31, 2011.

Yours truly,

THE TORONTO-DOMINION BANK

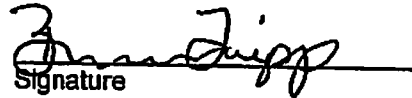

Britt McKerrow
Account Manager


Ian Montford
Manager, Commercial Credit

TO THE TORONTO-DOMINION BANK:

Beaverton Lumber Inc. hereby accepts the foregoing offer this 15 day of March, 2011. The Borrower confirms that, except as may be set out above, the credit facility(ies) detailed herein shall not be used by or on behalf of any third party.


Signature


Signature

GEORGE TRIPP President
Print Name & Position

Barbara Tripp Owner
Print Name & Position



Commercial Banking

Central Ontario Commercial Banking Group
33 Collier St.
2nd Floor
Barrie, ON
L4M 1G5

Telephone No.: (705) 896-0372
Fax No.: (705) 726-3532

5910

01/11/2011

Beaverton Lumber Inc.

PO Box 860
488 Mara Rd
Beaverton, ON
L0K 1A0

Attention: George H Tripp

Dear George H Tripp,

The following amending agreement (the "Amending Agreement") amends the terms and conditions of the credit facilities (the "Facilities") provided to the Borrower pursuant to the Agreement dated November 1, 2010 and the subsequent Amending Agreement(s) dated March 14, 2011:

BORROWER

Beaverton Lumber Inc. (the "Borrower")

LENDER

The Toronto-Dominion Bank (the "Bank"), through its
Central Ontario Commercial Banking Group branch, in Barrie, ON.

**INTEREST RATES
AND FEES**

Advances shall bear interest and fees as follows:

1) **Operating Loan:**

- Prime Based Loans: Prime Rate + 1.25% per annum

**ADMINISTRATION
FEE**

\$200 per month.

RENEWAL FEE

\$1000 per annum.

**SCHEDULE "A" -
STANDARD
TERMS AND
CONDITIONS**

Schedule "A" sets out the Standard Terms and Conditions ("Standard Terms and Conditions") which apply to these credit facilities. The Standard Terms and Conditions, including the defined terms set out therein, form part of this Agreement, unless this letter states specifically that one or more of the Standard Terms and Conditions do not apply or are modified.


We ask that the Borrower acknowledge agreement to these amendments by signing and returning the attached duplicate copy of this Amending Agreement to the undersigned on or before November 30, 2011.

Yours truly,

THE TORONTO-DOMINION BANK



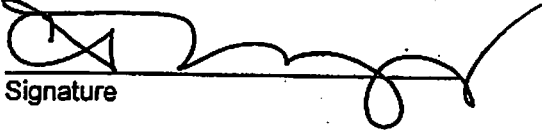
John Hamilton
Relationship Manager



Peter Hanke
Manager, Commercial Credit

TO THE TORONTO-DOMINION BANK:

Beaverton Lumber Inc. hereby accepts the foregoing offer this 26 day of Nov, 2022. The Borrower confirms that, except as may be set out above, the credit facility(ies) detailed herein shall not be used by or on behalf of any third party.


Signature

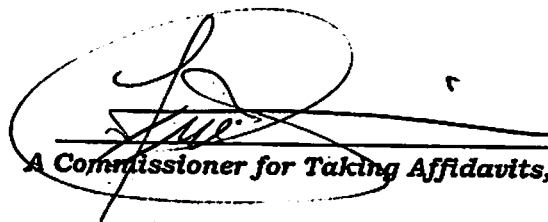
Signature

Print Name & Position

Print Name & Position

TAB F

***This is Exhibit "F" referred to in the Affidavit
of Dennis Zamanis, sworn before me this
28 day of May, 2015.***


A Commissioner for Taking Affidavits, Etc.

**Francis Michael DINino,
a Commissioner, etc.,
Province of Ontario,
for the Toronto-Dominion Bank.
Expires May 13, 2017.**



Commercial Banking

**TD Commercial Banking
Financial Restructuring Group
3140 Dufferin Street
Toronto, Ontario M6A 2T1**

**TO: Albert Gelman Inc.
100 Simcoe Street, Suite 125
Toronto, Ontario
M5H 3G2
Attn: Joe Albert, CPA, CIRP, DIFA, Trustee**

RE: Beaverton Lumber Inc. (the "Company")

The Toronto-Dominion Bank ("TD"), as holder of a General Security Agreement dated August 25, 1995 (hereinafter called the "Security") given by the Company hereby appoints Albert Gelman Inc. (the "Receiver") as Receiver and Manager of the Company pursuant to the terms of the said Security with such powers as are provided in the Security and by law, including the power:

1. to take possession of all the property and undertaking of the Company;
2. to carry on or concur in carrying on the business of the Company; and
3. to sell or otherwise dispose of the property and undertaking of the Company pursuant to the power of sale provisions contained in the Security and the applicable law.

Pursuant to the terms of the Security, you are deemed to be the agent of the Company and the Company shall be responsible for your acts, defaults, remuneration and expenses and TD shall not be in any way responsible for your misconduct or negligence.





Commercial Banking

TD Commercial Banking
Financial Restructuring Group
3140 Dufferin Street
Toronto, Ontario M6A 2T1

DATED at TORONTO, this 23 day of FEBRUARY, 2015.

THE TORONTO-DOMINION BANK

Per: *[Signature]*

I have the authority to bind the bank

Albert Gelman Inc. hereby consents to act as Receiver and Manager of the Company in accordance with the terms and conditions above.

DATED at Toronto, this 23 day of February, 2015.

ALBERT GELMAN INC.

Per: *[Signature]*

I have authority to bind the Corporation



Court File Number:

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL COURT**

BETWEEN:

THE TORONTO-DOMINION BANK

Applicant

- and -

BEAVERTON LUMBER INC.

Respondent

CONSENT TO APPOINTMENT

ALBERT GELMAN INC. hereby consents to be appointed by the court to act as receiver of the assets, undertakings and properties of **BEAVERTON LUMBER INC.**

ALBERT GELMAN INC.

Date: May 25, 2015



Per: **Joe Albert**

THE TORONTO-DOMINION BANK
Applicant

BEAVERTON LUMBER INC.
Respondent

v.

Court File Number: CV15-10978-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL COURT**

Proceeding commenced at Toronto

APPLICATION RECORD

LEE, BOWDEN, NIGHTINGALE LLP
Barristers and Solicitors
3700 Steeles Ave. W., Suite 300
Vaughan, Ontario
L4L 8K8

Gregory W. Bowden (LSUC 31765V)
Phone: (905) 264-6678
Fax: (905) 264-6679

Lawyer for the Applicant