

Form 87

NOTICE AND STATEMENT OF THE RECEIVER
 (Subsection 245(1) and 246(1))

THE RECEIVER GIVES NOTICE AND DECLARES THAT:

1. On the 4th day of September, 2012, the undersigned MACKAY & COMPANY LTD. was appointed as Receiver of all of the assets, undertakings and properties of Swiss Carpentry Inc. also known as Swiss Timber Construction Inc. (the "Company"), an insolvent person, that is described below:

| | <u>Net Book Value at December 31, 2011</u> | <u>Estimated Realizable Value</u> |
|--------------------------------|--|---------------------------------------|
| Inventory | \$326,738.95 | Unknown |
| Office Furniture and Equipment | \$27,151.42 | Unknown |
| Vehicles/Trailers | \$60,474.41 | Unknown |
| Equipment Machinery | \$189,693.07 | Unknown |
| Tools | \$2,836.00 | Unknown |

2. The undersigned was appointed as Receiver pursuant to the terms of a General Security Agreement held by HSBC Bank Canada as security for its advances to the Company.
3. The undersigned took control of the property described above to the extent it was identified and located on September 4, 2012.
4. The following information relates to the Receiver's appointment:

- a. Registered and records office address of insolvent person: 3009B-28th Street
Vernon, BC V1T 4Z7
- b. Principal line of business: Carpentry and timber frame construction
- c. Location of business: 1650 Shuswap Avenue
Lumby, BC V0E 2G0
- d. Amount owed by insolvent person to each creditor who holds a security on the property described above:

| | |
|------------------------|--------------|
| HSBC Bank Canada | \$736,000.00 |
| Cape Scott Marine Ltd. | Unknown |
| Chrysler Financial | Unknown |

- e. A listing of other creditors of the insolvent person including amounts owed and due by the insolvent person is attached as Appendix A.

f. Contact person for the Receiver:

Mr. Derek Lai, CMA, CIRP
MacKay & Company Ltd.
1100-1177 West Hastings Street
Vancouver, BC V6E 4T5
Tel: 604-697-5257
Fax: 604-687-5617


g. The intended plan of action of the Receiver is as follows:

- i. The books and records were not up to date and the Company did not maintain a perpetual accounting system. Accordingly, we are uncertain as to whether or not all of the assets and liabilities have been identified.
- ii. Identify and secure all inventory, vehicles and equipment of the estate which are unencumbered or subject to a security held by HSBC Bank Canada which includes the safeguarding of same.
- iii. Assess the value of the above noted assets.
- iv. Decide in consultation with HSBC Bank Canada of how best to maximize recovery which may include consigning the assets for auction or selling same to a third party.

DATED at Vancouver, BC, this 12th day of September, 2012.

MACKAY & COMPANY LTD., in its capacity as
Receiver of Swiss Carpentry Inc. (also known as Swiss Timber Construction Inc.)

per:



Derek Lai, CMA, CIRP
(Chartered Insolvency & Restructuring Professional)

- Creditor Mailing List -

Appendix A

In the matter of the receivership of
Swiss Carpentry Inc.
of the Village of Lumby, Province of British Columbia
MacKay & Company Ltd., Receiver

| Creditor Type | Name | Attention | Address | Claim \$ |
|---------------|--------------------------------|---------------------------------------|--|-----------|
| Secured | Cape Scot Marine Ltd. | | c/o 4th Floor 3205 - 32 Street Vernon BC V1T 2M4 | |
| | Chrysler Financial | | 1200 - 13131 Lake Fraser Dr. SE Calgary AB T2J 7E8 | |
| | HSBC Bank Canada | | Special Credit 400 - 888 Dunsmuir Street Vancouver BC V6C 3K4 | |
| Unsecured | Aldon Waste | | 1351 Shuswap Avenue Lumby BC V0E 2G0 | 1.00 |
| | Allan Francis Pringle LLP | | 3009B - 28 Street Vernon BC V1T 4Z7 | 445.19 |
| | Allan Francis Pringle LLP | | 3009B - 28 Street Vernon BC | 856.88 |
| | Armstrong Crane & Rigging Inc. | | PO Box 492 Vernon BC V1T 6M4 | 19,238.40 |
| | Avenue Machinery Corp. | | 7155 Meadowlark Road Vernon BC V1B 3R6 | 1.00 |
| | BANK OF NOVA SCOTIA | | D+H/Bankruptcyhighway.com PO Box 57100 Toronto ON M8Y 3Y2 | 1.00 |
| | Baron Insurance | | 109 - 4800 Anderson Way Vernon BC V1T 9V2 | 1.00 |
| | BC HYDRO | | c/o Credit Administration C01 - 6911 Southpoint Drive Burnaby BC V3N 4X8 | 809.58 |
| | BC HYDRO | | c/o Credit Administration C01 - 6911 Southpoint Drive Burnaby BC V3N 4X8 | 409.48 |
| | Benno Hegglin Timber Frames | | 11814 Torrent Drive Coquitlam BC V1B 1K1 | 5,261.76 |
| | BFI Canada Inc. | | 4 - 150 Champion Street Kelowna BC V1X 7S8 | 107.49 |
| | Blue Ox | | BC | 1.00 |
| | Boderline Lumber | | PO Box 2368 Grand Forks BC V1H 1H0 | 1.00 |
| | CANADA REVENUE AGENCY | Burnaby Fraser Tax Services Office | 9737 King George Hwy PO Box 9070 Stn Main Surrey BC V3T 5W6 | 10,865.82 |
| | CANADA REVENUE AGENCY | Burnaby Fraser Tax Services Office | 9737 King George Hwy PO Box 9070 Stn Main Surrey BC V3T 5W6 | 1.00 |
| | CBV Collection Services Ltd. | | 300 - 814 Richards Street Vancouver BC V6B 3A7 | 506.00 |
| | CBV Collection Services Ltd. | | 300 - 814 Richards Street Vancouver BC V6B 3A7 | 1.00 |
| | Cloverdale Paint Inc. | | Br 11, 2804 - 44 Avenue Vernon BC V1T 8H7 | 1.00 |
| | CNH Capital Canada Ltd. | | PO Box 2200 Stn M Calgary AB T2P 5N9 | 735.19 |

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|---------------|--|-----------------------------------|--|-----------|
| Unsecured | Dean Toop | | 6467 Learmouth Road Vernon BC V1B 3G3 | 1.00 |
| | Earl's | | BC | 1.00 |
| | Eric Deis Studio Inc. | | 302 - 2110 - 5th Avenue West Vancouver BC V5K 1S2 | 1.00 |
| | Esso | | BC | 1.00 |
| | Fisher's Hardware (1982) Ltd. | | 3300 Coldstream Avenue Vernon BC V1T 1X9 | 115.19 |
| | G&R Decorators (1989) Ltd. | | 2200 - 32 Avenue Vernon BC V1T 2K3 | 1,904.00 |
| | G&R Schurian | | BC | 1.00 |
| | Gilbert Parts Depot | | 1220A Waddington Dr. Vernon BC V1T 8T3 | 1.00 |
| | Heinz & Norine Baderstcher | | BC | 1.00 |
| | Heritage Log Structures | | 833 Mount Royal Dr. Kelowna BC V1Y 3M3 | 1.00 |
| | Home Building Centre | | 4601 27th Street Vernon BC B1T 4Y8 | 25,996.11 |
| | IFS Financial Services Inc. | | 1 - 250 Brownlow Avenue Dartmouth NB B3B 1W9 | 1,372.59 |
| | Information Technology Intergration Experts | | BC | 1.00 |
| | Irly Bird Building Centres | | Box 849 Lumby BC V0E 2G0 | 1,126.07 |
| | Kaloya Contracting | | 13515 Middle Bench rd. Oyama BC V4V 2B4 | 1.00 |
| | Kubota Lease | | BC | 1.00 |
| | Legacy Log & Timberworks | | BC | 1.00 |
| | M&K Ready Mix LTD. | | 650 Waddington Drive Vernon BC V1T 8T5 | 4,612.34 |
| | MANULIFE FINANCIAL | | Delivery Station GB-F PO Box 1653 Waterloo ON N2J 4W1 | 1.00 |
| | MBNA Canada Bank | | DRN Commerce Inc. PO Box 2514, Stn B London ON N6A 4G9 | 1.00 |
| | MEDICAL SERVICES PLAN DEBTS | Lorraine McKinnon, MSP Billing | Revenue Services of BC PO Box 9483, Stn Prov Govt Victoria BC V8W 9W6 | 1,017.00 |
| | MINISTRY OF FINANCE (PST) | | Corporate Relations - Collections PO Box 9445, Stn Prov Govt Victoria BC V8W 9V5 | 1.00 |
| | MJR Collection Services Limited | | 7033 Telford Way, Unit 17/18 Mississauga ON L5S 1V4 | |
| | Morgans Glass | | 4709 - 29 Street Vernon BC V1T 5C1 | 1.00 |
| | Nixon Wanger | | 301 - 2706 - 30 Avenue Vernon BC V1T 2B6 | 1.00 |
| | Okanagan Integrated Network Services, Inc. | | 798 Mabel Lake Road Lumby BC V0E 2G5 | 1,067.36 |

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| Creditor Type | Name | Attention | Address | Claim \$ |
|---------------|---|-----------------|---|-----------|
| Unsecured | Predator Concrete Pumping Ltd. | | PO Box 1507 Stn Main Vernon BC V1T 8C2 | 1.00 |
| | Primus Canada | | PO Box 4662 Stn A Toronto ON M5W 5H4 | 91.88 |
| | Quality Recreation | | 1905 - 28 Crescent Vernon BC V1T 1V1 | 1.00 |
| | R.A.P. Welding Ltd. | | Box 961 Lumby BC V0E 2G0 | 226.41 |
| | Rolf Von Andrian | | BC | 1.00 |
| | Ross MacDougall | | BC | 1.00 |
| | ROYAL BANK OF CANADA | | D+H/Bankruptcyhighway.com PO Box 57100 Toronto ON M8Y 3Y2 | 9,700.00 |
| | ROYAL BANK OF CANADA | | D+H/Bankruptcyhighway.com PO Box 57100 Toronto ON M8Y 3Y2 | 8,869.35 |
| | ROYAL BANK OF CANADA | | D+H/Bankruptcyhighway.com PO Box 57100 Toronto ON M8Y 3Y2 | 24,000.00 |
| | Saddle Up Magazine | | PO Box 371 Armstrong BC V0E 1B0 | 1.00 |
| | SHAW CABLESYSTEMS | Collections | Suite 900, Shaw Tower 1067 West Cordova Street Vancouver BC V6C 3T5 | 287.77 |
| | Sheena Walker | | BC | 1.00 |
| | Sladen Moore | | 3005 - 35 Avenue Vernon BC V1T 2S9 | 5,482.61 |
| | TD Auto Finance | | DRN Commerce Inc. PO Box 2514, Stn B London ON N6A 4G9 | 1.00 |
| | TELUS MOBILITY | Bankruptcy Desk | 1 - 4519 Canada Way Burnaby BC V5G 4S4 | 1.00 |
| | Terry's Automotive Service | | PO Box 917 1985 Shuwap Ave Lumby BC V0E 2G0 | 747.29 |
| | The Corporation of the Village of Lumby | | PO Box 430 Lumby BC V0E 2G0 | 62,841.42 |
| | Vernon Home Building Centre | | 4601 - 27 Street Vernon BC V1T 4Y8 | 25,996.11 |
| | Willems Forest Products | | 511 Upper Crestview Dr. Coldstream BC V1B 2X7 | 1.00 |
| | Williams Machinery | | 10240 Grace Rd. Surrey BC V3V 3V7 | 1.00 |
| | Windsor Plywood Vernon | | 4317 - 31 Street Vernon BC V1T 5J8 | 1,414.77 |
| | WORKERS' COMPENSATION BOARD | | PO Box 5350, Stn Terminal Vancouver BC V6B 5L5 | 1,151.68 |
| | Yellow Pages Group | | PO Box 11788 Succ. Centre Ville Montreal BC H3C 0C2 | 715.02 |