



This is the 1<sup>st</sup> affidavit of Huey Lee in this case and  
was made on March 16<sup>th</sup>, 2015

NO. 3152303  
VANCOUVER REGISTRY

**IN THE SUPREME COURT OF BRITISH COLUMBIA**

BETWEEN:

HSBC BANK CANADA

PLAINTIFF

AND:

CONTECH ENTERPRISES INC.  
BUSINESS DEVELOPMENT BANK OF CANADA  
LAUREL RAYANI  
CARY GREGORY  
JANET GREGORY  
JULIEN SELLGREN  
JANET SHANNON  
MARK GRAMBART  
BURMAN AND BURMAN CORP.  
MICHAEL BRENNER  
ANDERS TREIBERG  
ELISABETH TREIBERG  
MINZAR HOLDINGS LTD.  
0872951 B.C. LTD.  
FIRST WEST CREDIT UNION  
VEGHERB, LLC  
SADLER FARMS LTD.  
PAUL HOOPER  
MARIANNE HOOPER  
BC ADVANTAGE FUNDS (VCC) LTD.  
ECL HOLDINGS LTD.  
ST. PATRICK HOLDINGS LTD.  
BWF HOLDINGS LTD.  
DENMAN ISLAND CHOCOLATE LTD.

DEFENDANTS

**AFFIDAVIT**

I, HUEY LEE, of 2800 – 1055 Dunsmuir Street, in the City of Vancouver, Province of British  
Columbia, MAKE OATH AND SAY AS FOLLOWS:

1. I am a Certified Management Accountant, a Chartered Insolvency and Restructuring professional and a Senior Vice President at Deloitte Restructuring Inc., and as such I have personal knowledge of the matters herein deposed to except where stated to be upon information and belief in which case I believe them to be true.
2. I am authorized to make this Affidavit on behalf of Deloitte Restructuring Inc. (“**Deloitte**”).
3. Deloitte is a licensed trustee in bankruptcy.
4. Deloitte was the Proposal Trustee for Contech Enterprises Inc. (“**Contech**”), which Proposal was approved by the B.C. Supreme Court, but overturned by the B.C. Court of Appeal on March 6, 2015, resulting in the deemed bankruptcy of Contech as of that date.
5. By instrument (the “**Appointment**”) dated March, 2015, and accepted by Deloitte on March 11, 2015, the Plaintiff, HSBC Bank Canada (the “**Bank**”) appointed Deloitte as Receiver of all the personal property owned by Contech as described in the General Security Agreement dated September 29, 2011, which is the subject matter of this action.
6. Contech designs, manufactures and markets environmentally friendly products for the pet and garden industries and has approximately 30 employees in Canada. The assets of Contech are located in British Columbia, New Brunswick and the State of Michigan.
7. Deloitte has made a preliminary assessment of Contech’s business and estimates a shortfall to the Bank in a liquidation scenario involving immediate closure of the business. However, with an orderly wind down of business and limited operations over an approximate three (3) month period, our preliminary analysis suggests a likely payout of the Bank in full and a remaining surplus available for subsequent secured creditors. Accordingly, a court appointment of Deloitte as Receiver Manager is required to operate the business on a limited basis in the short term in order to maximize realization value over and above an immediate business closure and liquidation.



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**AND:**

**CONTECH ENTERPRISES INC.  
AND OTHERS**

**DEFENDANTS**

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**AFFIDAVIT #1 OF  
HUEY LEE**

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**BCG/KAP/74014-122442**



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