

**NOTICE OF RECEIVER AND  
RECEIVER'S STATEMENT  
(Subsection 245(1) and 246(1) of the  
*Bankruptcy and Insolvency Act*)**

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**IN THE MATTER OF THE RECEIVERSHIP OF CONTECH ENTERPRISES INC.**

**BACKGROUND**

Contech Enterprises Inc. ("Contech" or the "Company") was founded in 1987 and designs, manufactures and markets environmentally-friendly products for the pet and garden industries. The Company has approximately 30 employees in Canada. The head office of the Company is located at 115-19 Dallas Road, Victoria, British Columbia. The Company has production facilities, distribution centres and sales offices located in Delta, British Columbia; Perth-Andover, New Brunswick; Grand Rapids, Michigan, and Vista, California. The latter two locations are leased through the Company's wholly owned US subsidiary, Contech (U.S.) Inc.

Contech filed a proposal to its creditors ("Proposal") under *Part III, Division I of the Bankruptcy and Insolvency Act* ("BIA") with Deloitte Restructuring Inc. ("Deloitte"), on December 23, 2014. The Proposal was approved by the Supreme Court of British Columbia on January 27, 2015, but was overturned by the Court of Appeal for British Columbia on March 6, 2015, resulting in the immediate deemed bankruptcy of Contech. Deloitte was appointed as Trustee in Bankruptcy ("Trustee") of the Estate of Contech by the Official Receiver which is subject to affirmation by the creditors at the first meeting of creditors on March 26, 2015.

On March 11, 2015, Deloitte was privately appointed as Receiver ("Receiver") of Contech by HSBC Bank Canada ("HSBC") as a result of default of a General Security Agreement dated September 29, 2011, which was registered in the British Columbia *Personal Property Registry* under Base Registration No. 259740G, granted by Contech in favour of HSBC.

## DUAL APPOINTMENT AS TRUSTEE AND RECEIVER

As required under Section 13.4 of the BIA, Deloitte has retained independent legal counsel to provide an opinion on HSBC's security. The Trustee has been advised that HSBC's security is valid and enforceable as against a Trustee in Bankruptcy. The Receiver's remuneration will be funded by HSBC.

## ASSETS

On March 6, 2015, the Receiver took possession and control of Contech's assets. The estimated book value of these assets, based on Contech's records at March 6, 2015 are:

<u>Assets</u>	<u>Book Value</u>
Accounts Receivable	\$2,680,530
Prepaid Expenses/Deposits	851,383
Inventory	4,544,486
Property, Plant & Equipment	1,212,848
New Product Development	911,390
Intangible Assets	5,625,910
Other assets	62,864
<b>Total Assets</b>	<b>\$15,889,411</b>

## LIABILITIES

As at March 6, 2015, Contech's outstanding indebtedness was estimated at approximately \$14.2 million, which can be broken down as follows:

<u>Liabilities</u>	<u>Estimated Claim</u>
Secured Creditors	\$8,846,821
Unsecured Creditors	5,352,034
<b>Total Liabilities</b>	<b>\$14,198,855</b>

A listing of the creditors and amounts owed as at March 6, 2015 is attached as Appendix A.

## RECEIVER'S INTENDED PLAN OF ACTION

The Receiver has made a preliminary assessment of Contech's business and estimates a shortfall to HSBC in the event of an immediate closure of the business and a forced liquidation of the Company's assets. However, an orderly wind down of the business and limited operations concurrent with a sales process may result in a payout of HSBC in full and remaining funds for subsequent secured creditors. Accordingly, the Receiver intends to operate the business on a limited basis in the short term in order to maximize the realization value over and above an immediate business closure and forced liquidation.

On March 17, 2015, HSBC made an application to the the Supreme Court of British Columbia to appoint Deloitte as Receiver and Manager to operate and carry on the Company's business. The aforementioned application is to be heard on March 20, 2015

The Receiver does not anticipate that there will be any funds available for distribution to unsecured creditors.

#### **CONTACT INFORMATION**

The contact information for the Receiver is:

**Deloitte Restructuring Inc., Receiver of Contech Enterprises Inc.**

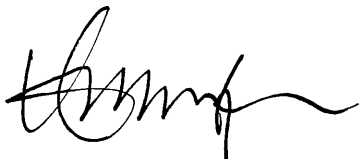
PO Box 49279, Four Bentall Centre,  
2800 - 1055 Dunsmuir Street  
Vancouver, BC, Canada  
V7X 1P4

**Attention: Allison Burton**

Tel/Direct 604-640-3007

Fax 604-602-1583

Dated at Vancouver, British Columbia this 19<sup>th</sup> day of March, 2015



**DELOITTE RESTRUCTURING INC.**

In its capacity as Trustee in Bankruptcy and Receiver of  
Contech Enterprises Inc. and not in its personal capacity.

**APPENDIX A**  
**IN THE MATTER OF THE RECEIVERSHIP OF CONTECH ENTERPRISES INC.**  
**CREDITOR LISTING**

<b>Secured Creditors</b>	<b>Estimated Claim</b>
0827951 B.C. Ltd. (Sylvia Friesen)	\$ 330,540
BC Advantage Funds (Frank Holler)	1,008,712
Brenner, Michael	116,734
Burman and Burman Corp.	111,500
Business Development Canada	85,220
BWF Holdings, Ltd (Bruce Friesen)	721,218
Cary Gregory	325,892
Dell Financial Services Canada Ltd. Attn: Tami Beall	12,857
Denman Island Chocolates	500,000
ECL Holdings Ltd	168,119
First West Capital	1,450,000
Fung, Joseph	75,339
Grambart, Mark	321,427
Hooper, Marianne	50,436
Hooper, Paul	50,436
HSBC	1,412,362
K'(Prime) Technologies Inc.	31,304
Minzar Holdings	624,822
Pacific Sprinklers Ltd.	79,829
Rayani, Laurel	150,000
Roynat Lease Finance - Toronto347767	6,898
Sadler Farms	100,000
Sellgren, Julien	220,360
Shannon, Janet	110,180
St. Patrick Holdings Ltd.	168,119
Torfinn Djukastein	181,263
Treiberg, Anders	55,090
Treiberg, Elisabeth	55,090
VegHerb LLC	323,074
	<b>\$ 8,846,821</b>

<b>Unsecured Creditors</b>	<b>Estimated Claim</b>
A B Dick Document Solutions	\$ 4,040
A. Better Trap, Inc.	872
ABF Freight System, Inc.	13,068
Advance Packaging Corporation	10,702
Advanced Fulfillment Inc.	21,120
Advent Label Applicator Co. (Advent Machine)	24
Agility Logistics Corp. (USD)	21,722
All American Pharmaceutical	59,642
Alligacom Inc.	1
American Plastics	18,081
Amex Bank of Canada	1
AP&G Co Inc.	11,003
Applied Imaging Netsmart fka Delios	6,385
Armour Transportation Systems	114
Atlantic Paste & Glue	11,926
Atlantica Diversified Transportation Systems	622

Notice of Receiver's Statement - Appendix A

Contech Enterprises

Page 2

Automated Packaging Systems	131
Automotive Village Ltd. CarQuest	74
Baixing Group Co. Ltd.	191
Barcode Service Inc.	363
Barefoot Graphic Design	315
BARELLI, JENNIFER	1
BC Hydro (7104 765)	470
BC Hydro (7104 768)	1,073
Benjamin Zahn Associates	488
Better World	945
BFI Canada *Namechange after 2015-04-01 see remarks	2,597
BILBIJA, ANA	1
Bilsi CAD	645
Biopacific Diagnostic Inc.	312
Bird and Bosch Pty Ltd	3,863
Bird and Bosch Pty LtdCommissions	15,970
Bird-X Inc.	907
Blackman Support Services Ltd.	13,558
Bolster America Inc.	1,205
Bolster Investments Inc. (CAD)	94
BOLSTER, JOSHUA	1
BOLSTER, KYRA C	1
BOLSTER, MIKAYLA	1
BORDEN, JOHN	1
Bouctouche Bay Industries Ltd.	21,692
BRADSTREET, MATTHEW	1
BRAYALL, DANA C	1
BREAU, JANE	1
Bright Image Corporation	54,824
Broadmoor Products, Inc.	700
Burman & Burman Corporation	44,068
BURNS, JUNE	1
Buyers Packaging Group Ltd.	134
C.H. Robinson Company (Canada) Ltd.	5,900
Canadian Intellectual Property Office CIPO	700
Caorda Solutions Inc	11,890
Capital City & Sidney Fire Equipment	137
Capital One	266
Carelinc	174
CARNES, BRANDAN	1
Carotrans International Inc.	15,570
CARSON, KRISTIN C	1
Cary Company, The	44
Category 1 Cleaning	909
Cavalier Packaging Company	20,364
CCOHS - Canadian Ctr for Occupational Health	4,714
CERRITENO, JULIO	1
CHEP Canada (4000161499 Van)	3
CHEP Canada Inc. (6143000150 PA)	807
CHEP USA (4000252023 GR)	120
Christie-Phoenix (CAD)	6,576
Christmas Mountain - CMMI	94
Chromatographic Specialties	320
Chuck Latham Associates, Inc.	5,464

Notice of Receiver's Statement - Appendix A

Contech Enterprises

Page 3

Clark's Auto Repair	239
CMS Solutions	36
Cobra Plastics, Inc.	1,093
Cole-Parmer Canada Inc.	245
Commerce Hub	2,210
Commercial Alcohols Ltd. (Greenfield Ethanol)	3,332
CONRAD, ANDREW C	1
CONRAD, LISA	1
Conteco Manufacturing Ltd.	4,820
Covey Basics	342
Crayola Properties, Inc.	51,338
Crown Lift Trucks (Crown Equipment)	173
CS Tech Mexico	131,818
Custom Air Conditioning Ltd.	17,215
Customer Refunds - CAD	9
Customer Refunds - USD	428
CYR, JOE	1
DANIELSON, JULIE	1
Day & Ross Inc. (CAD) Acct 012558	34,164
DELISLE, FORREST R	1
Delta, The Corporation of	222
DeWitt Barrels, Inc.	580
DHL Express USA, Inc.	108
Digi-Key Corporation	1,341
Distribution Acier Pointe-Claire Inc.	11,818
DOOLING, JAMIE	1
DSV Air & Sea, Inc. US (EWR)	5,548
Eastern Reach Company Ltd. (Meixin)	2,397,692
Eaton Brothers Corporation	35,532
Eclipse Creative Inc.	7,066
Ed's Hi-Lo Service, Inc	1,167
Empire Life Insurance Company	3,769
ENB Science LLC	1
ESCUDERO, DRUCILA	1
Euler Hermes Canada Services	25,295
EVERETT, JENNIFER A	1
Everett's Heating Ltd.	873
Express Services, Inc. (Grand Rapids)	156,103
F. P. Horak Company	696
F.A. Tool & Die	11,413
Fasken Martineau DuMoulin LLP	135,331
FedEx (CAD) 1327 (formerly incl 3001)	242
FedEx 1111-9445-9	38,265
FedEx 3001 Delta	84
Fedex 4161-9310-0	328
FedEx Freight	4,672
FedEx Freight 4161 5737 5	2,034
FFR, Inc.	1
Fibers of Kalamazoo, Inc	1,954
Fixall Electric Motor Service Inc.	199
Foremost Communications (Greystone Print Solutions)	378
Fortis BC	2,759
Fox Valley Containers inc.	29,916
GANS, SARA	1

Notice of Receiver's Statement - Appendix A

Contech Enterprises

Page 4

GARCHA, PARMINDER K	1
GEE, MARK A	1
Gemini Plastic Enterprises Inc.	4,901
GF Inc. (fka General Fasteners Ltd.)	104
Gibbons-Kearns Inc.	259
GIBSON, CHAD	1
Gilbert M. Rioux & Fils Ltee	4,336
GLT Packaging Corporation	12,461
GOMEZ, DEYVID	1
Grainger Industrial Supply	178
GRAMBART, MARK A	1
Grand Falls Pallets	3,062
Grand Rapids Metrology	410
Grand Rapids, City of	78
Great Lakes IPM	545
GreMedia Incorporated	3,920
Greyhound Courier Express	132
Gro Group Inc.	19,764
GTL Transportation Inc.	4,730
Guangzhou Dessen Advertising Material Company	101
Gui-yo Industrial Co. Ltd. (Gui Yo)	50,181
H3D	25,630
HALL, AARON	1
HANNA, NANCY R	1
HARKNESS, REGINA	1
HARRIS, MAUREEN Y	1
HARRISON JR, CECIL	1
HARRISON, CECILIA J	1
Hartford -VegHerb	176
HEB Grocery Company	5
Henry Schein Animal Health	4,137
Hercon Environmental Company	1,048
HICKMAN, ANDREW	1
Hillmer Marketing Inc.	757
Ho Tin Industrial Centre (Fabrica de Artigos..)	406,511
HOOPER, MARIANNE	1
HOTHI, MANJEET	1
HUERTA, DAMIANO	1
ICC Compliance Center Inc. (Kel-Ex)	481
IGC Show LLC	7,052
IIDA	149,104
Imagine That International, Inc.	13,609
IMPAK Corporation	19,226
Indwisco Limited	30,331
Insultab Inc.	323
International Pheromone System	4,219
IS2 Staffing Services Inc.	2,367
J Gordon Thomson	448
JL Sales & Marketing	6,883
JOHNSON, SHARILYN R.R.	1
JP Packaging	1
KAFKO International, Ltd.	1
KAMINSKI, BETH	1
KELLEY, RETA P	1

Notice of Receiver's Statement - Appendix A

Contech Enterprises

Page 5

KELLEY, TYSON	1
KELLY, MICHAEL	1
KOVACS, ERVIN	1
Koval Williamson	3,309
KPMG	69,247
LAFONTAINE, JEAN	1
Lane Powell Attorneys & Counselors	612
Lawn & Garden Performance Group LLC, The	10,637
Leason Ellis	19,494
Leech Tishman Fuscaldo & Lampl	2,132
Leroy's Auto Supplies Ltd. (Store 4851)	39
LTI Printing	9,569
Ludoma Services	4,326
MACE, KATRINA	1
Maritime Paper Limited (formerly Norampac)	3,389
MARTIN, JOSEPH F	1
MARTIN, PETER	1
MARTIN, SHERRY L	1
MARTINEZ, CECILIA	1
McCullough O'Connor Irwin	8,159
MCDUGALL, TRAVIS	1
McNALLY, NANCY	1
MCNALLY, TIMOTHY	1
MG Chemicals	1
Michcor Container Inc.	326
Middleton Printing	4,616
Midland Transport Limited	183
Milk Run, The	97
Miller Thomson LLP	22,063
Millman & Schwartz	5,046
MINNIE, EDWARD	1
MJS Packaging	11,459
Monk Office Supply	70
Morty Brown Associates	12
Myco Moldings Inc.	4,222
National Novelty Brush Company	3,064
Neudorff USA Inc.	6,230
NeuMatter (formally Pure Chem)	3,968
New Brunswick Technical Inspection Services	25
New Mexico Dept. of Agriculture	252
Nexeo Solutions - WIRE ONLY	65,717
NexGen Cosmetics	16,379
Nickel's Cartage	122
Nicola Lakeshore Estates Inc.	2,882
Nooski Limited	1,892
Norman G. Jensen Inc.	362
Northwest Sanitation Services Ltd.	343
Old Dominion Freight Line	1,867
Oxford Health Plan	2,920
Oyen Wiggs Green & Mutala	23,686
Pacific Sprinklers Ltd.	85
PADNOS	27,351
PEREZ, CARLOS	1
Performance Furnishings Int'l Ltd.	7,501



Notice of Receiver's Statement - Appendix A

Contech Enterprises

Page 6

Perth-Andover Building Centre Inc.	728
Perth-Andover Electric Light Commission	3,551
Perth-Andover Save Easy	151
PetZen Products	631
Pitney Bowes - Purchase Power - Postage Grand Rapids	2,772
PitneyWorks	2,114
Placon Corporation	1,526
Plummers Disposal Service	158
Poland Spring	180
Polynova Industries Inc.	1,387
Port Chester, Village of	12,396
Praxair Canada Inc.	4,601
Product Quest Mfg., LLC	712
Professional Sales - CLM Inc.	6,615
Progressive Messenger Ltd.	105
Prosys Packaging (Div of Reagent Chemical)	92
Providence	121,941
Purity Cylinder Gases Inc.	959
Quality Air Inc.	12,764
Quill.com	1,160
R&B Pelletier Industries Ltd.	2,159
R.A. Snyder Properties Inc (Lucas Properties)	1,798
R.S. Hughes (Sunnyvale)	1
RADICK, DAVID D	1
Radio Systems Corporation	12,253
REDFORD, MARALYN A	1
Reliance Technical Service Ltd.	2,006
Revenue Services of British Columbia (MSP)	1,890
RIAR, RAJWINDER K	1
RIDGELEY, JASON D	1
ROBERTSON, LYNSEY N	1
Rohrer Corporation	25,905
ROSS, KAREN M	1
RPM, Inc./Drymate	8,005
Russel Metals Inc.	3,450
RYAN, COLLEEN P	1
Saia Motor Freight Line Inc.	761
Same Day Delivery Inc.	5,848
SANCHEZ, JOSE	1
SAVARA, STEVEN	1
Schenker of Canada Ltd. (CAD)	240
SDV Logistics (Canada) Inc.	12,433
Sedgwick Claims Mgmt (Cambridge)	30
Sellpoints, Inc.	883
Setco Inc.	798
Shang Hwei Enterprise Company Ltd.	13
Shirley, Karen - PETTY CASH for Grand Rapids	844
SHIRLEY, KAREN L	1
Shred-it BC	211
Sigma-Aldrich - PST EXEMPT ONLY	1,078
Simon Fraser University (SFU) (orangewheatblossommidge)	25
SMITH, MICHAEL A	1
Source Atlantic Limited	1,636
Southern Imperial, Inc.	669

Notice of Receiver's Statement - Appendix A

Contech Enterprises

Page 7

SPS Commerce, Inc. C025220	7,755
Stevenson McKenna & Callanan	1,653
Stile Associates Ltd. (S.J. Stiles Associates)	120,718
Stimson Lumber Company	285
St-Onge Industrial Supplies Ltd.	112
SUTFIN, BRANDI	1
T&T Graphics Inc.	1,318
TAKACS, STEPHEN J	1
Tanglefoot Realty Inc.	7,750
TCI America	2,423
Team Marketing, LLC	315
TEC Canada	13,325
Techspray	22,147
Telus 237727516 2 (consolidated)	464
Terri Schulte Equestrian & Pet Products, L.L.C.	33
THOMSON, BRUCE	1
Tiger Drylac Canada Inc.	1
Time Warner Cable	804
TOMPKINS, BLAINE	1
Tonmar Janitorial Ltd.	1,518
Topping, Anthony	38,899
Total Quality Logistics (TQL)	6,560
Travers Tool Co., Inc.	10
Trece Incorporated	5,385
Trimseal Plastics Ltd.	404
Troke-GAP & Associates CAD	10,083
Trudell Holdings Inc.	796
Tully & Holland	315
Tumaini Controlled Release Technologies Inc.	4,542
Uline -- CAD	1,257
Uline -- USD	6,309
UPS (40F125)	280
UPS (R90W02 Montreal)	3,486
UPS Canada St.Laurent Acct OMDC00642	5,753
UPS Freight (USD) Shipper 07419084	5,033
UPS SCS St.Laurent Shipper 705458529	196
UPS Supply Chain (A111Z)	55
UPS Supply Chain Solutions (Acct 460394-GR)	36,469
UPS W925X4 (PA)	216
VAJDA, DANIEL R	1
Valcon	1,284
Valley Scientific Glass	1
VAN DUINE, LARRY A	1
VANDERARK, LAWRENCE A	1
Vice Versa Translation	47
Vierson Boiler & Repair Co.	654
Vision33 (form.Encaptis form. Coastal Range)	1
Volt Industrial Plastics Inc.	202
Volt Industrial Plastics Inc.OEM PHERO	186
VWR Scientific Inc.	2,138
Waste Management of Michigan	1,417
Wayman, Joe	12,219
WB Pallets	3,630
WC&B Manufacturing	2,397

Notice of Receiver's Statement - Appendix A

Contech Enterprises

Page 8

Webb Chemical Services Corporation	8,010
Wells Fargo Equipment Finance	466
West and Barker, Inc.	3,265
West Michigan Commercial Cleaning LLC	1,329
West Michigan Document Shredding	38
West Michigan Uniform	536
WESTON, KENNETH	1
WHALEY, JEFFREY	1
Williams Scotsman, Inc.	539
WILLIAMS, SAMANTHA	1
WILLIAMS, TINA M	1
World Pet Association, Inc.	3,217
WRIGHT, TERRANCE A	1
Xerox Canada Ltd.	1,497
Your COBRA Connection	98
YRC (RDWY) USD	27,983
Yueqing Dongda Electron Co.,LTD.	153
Yung, Li Tai	54,528
ZOBEL, MARK	1
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	\$ 5,352,034

**Total Estimated Claims**

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**\$ 14,198,855**

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