

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(IN BANKRUPTCY AND INSOLVENCY)**

IN THE MATTER OF THE PROPOSAL OF  
BG FURNITURE LTD.  
OF THE TOWN OF WALKERTON  
IN THE PROVINCE OF ONTARIO

**Responding Affidavit of Stuart des Vignes**

I, Stuart des Vignes, of the Town of Oshawa, in the Province of Ontario, MAKE  
OATH AND SAY:

1. I am the Administrative Co-ordinator of Platinum Investment Group Inc. ("Platinum"), which holds first and second mortgages over the real property owned by BG Furniture Ltd. ("BG"), located at 75 Ridout Street, Walkerton, Ontario ("Ridout"). As such, I have information, knowledge and belief of the matters hereinafter deposed.
2. I swear this Affidavit in response to the motion record brought by BG seeking an Order for, among other things, several priority charges over BG's property including a priority over Platinum's first and second mortgages on Ridout. It is Platinum's position that said relief should not be granted.
3. As set out in BG's Motion Record and the Affidavit of Adam Hofmann ("Hofmann") (sworn December 19, 2016) contained in that Motion Record, it is not disputed that Platinum holds the first and second mortgages over Ridout.

4. As part of a proposed attempt at restructuring, BG is seeking Orders for a \$300,000.00 DIP Charge (as defined in Hofmann's Affidavit) a \$150,000.00 Administration Charge (as defined in Hofmann's Affidavit) and a \$25,000.00 D & O charge (as defined in Hofmann's Affidavit). In total, BG is seeking \$475,000.00 in charges ranking ahead of Platinum's mortgages. I note that there are other mortgagees registered on title to Ridout as well. According to Hofmann's Affidavit, Ridout is likely worth less than the appraised value of \$825,000.00 set by an AAIC appraiser, the appraisal being included at Tab "U" of Hofmann's Affidavit.
5. Platinum is owed over \$600,000.00 by BG. In the event that the relief sought by BG is granted, Platinum's secured debt will become, at least, partially unsecured which would be of extreme prejudice to Platinum. The other mortgagees' mortgages would be worthless.
6. In fact, the restructuring which appears to be contemplated by BG will essentially pay creditors out of Platinum's pocket as its secured position will become eroded and at least partially unsecured for the benefit of other creditors who are currently unsecured.
7. BG defaulted on its mortgages to Platinum in September 2016. Further to that default, Platinum and BG entered into forbearance agreements. Attached hereto and marked collectively as **EXHIBIT "A"** are true copies of those agreements. BG defaulted on both agreements.
8. In or about November 2016, Platinum was prepared to agree to assign its debt and mortgages to 2544311 Ontario Limited. That agreement was never consummated. Instead, it appears that 2544311 Ontario Limited has agreed to become the Stalking Horse bidder referenced in Hofmann's Affidavit.

9. In the event that the Stalking Horse process is approved, it is entirely possible that 2544311 Ontario Limited will end up paying \$800,000.00 for all of BG's property, including Ridout. In the event that BG's relief is granted as requested at this time, somewhere between \$300,000.00 and \$475,000.00 will make up priority payments, even on Ridout. It does not appear to me that there is a commercial basis for such an Order resulting in massive prejudice to the mortgagees.
10. Without breaching solicitor and client confidentiality, I understand from speaking with counsel that it is not uncommon for the Court to grant a security priority under the *Personal Property Security Act* for things like DIP financing, however, there does not appear to be a single reported case where such a priority was granted over a mortgage without the consent of the mortgagee. Doing so would essentially turn commercial lending on its ear as there would be no certainty in a mortgage for commercial lenders.
11. What BG is requesting is extraordinarily prejudicial to the mortgagees (not only Platinum). Hofmann makes multiple incorrect statements in his Affidavit that the same is not prejudicial (paragraph 35 (d), (e), 52). It is, to me, unquestionable that adding between \$300,000.00 and \$475,000.00 of priorities ahead of Platinum's mortgages is of incredible prejudice to Platinum, and the other mortgagees, Saugeen Economic Development Corporation and Bruce Community Futures Development Corporation.
12. BG's material is also confusing in that a proposal under the *Bankruptcy and Insolvency Act* would typically be made to unsecured creditors, with secured creditors having their rights preserved against existing security. The Stalking Horse procedure being advanced appears to include the real estate which would ordinarily not form part of a proposal.

13. In addition, BG's material appears to contemplate that in the event that BG's proposal is not accepted, the Stalking Horse bidder would be entitled to purchase all of BG's assets, including the real estate from the Trustee in Bankruptcy. There is no allocation as to value of real estate versus other assets nor is there any contemplation of the priority of payments. Again, secured creditors (mortgagees) may be extremely prejudiced.
  
14. Platinum is, at this time, proceeding with power of sale proceedings under its first mortgage. Attached hereto and marked as **EXHIBIT "B"** are true copies of its Notice of Intention to Enforce Security under the *Bankruptcy and Insolvency Act* as well as the Notice of Sale being issued today.

SWORN or AFFIRMED before me at the  
City of Toronto in the Province of Ontario,  
this 21<sup>st</sup> day of December, 2016.



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A Commissioner etc.

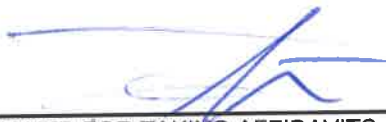


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Stuart des Vignes



This is **EXHIBIT "A"** referred to in the Affidavit of **Stuart des Vignes**, sworn before me on this 21<sup>st</sup> day of December, 2016.

A handwritten signature in blue ink, consisting of several fluid, overlapping strokes that form a stylized name or set of initials.

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A COMMISSIONER FOR TAKING AFFIDAVITS



**PLATINUM**

INVESTMENT GROUP INC

### **FORBEARANCE AGREEMENT**

THIS FORBEARANCE AGREEMENT (the "Agreement") is made effective as of the 4th day of OCTA, 2016, by and between: (i) Platinum Investment Group Inc. (the "Lender"), (ii) BG Furniture Ltd (the "Borrower"), (iii) Adam Hofmann and Dirk Peter Neilson (each a "Guarantor" and collectively referred to herein as "Guarantors")

### **RECITALS**

- A. Borrower and Lender entered into that certain Loan Renewal Agreement dated July 25, 2016 (the "Loan Agreement") pursuant to which Lender made a loan (the "Loan") to Borrower in the original principal amount of \$287,500.00. Unless otherwise defined herein, all capitalized terms used herein shall bear the definition assigned in the Loan Agreement.
- B. The Loan Agreement, the Security Instrument, the Guaranties, and any and all other documents and instruments evidencing, securing or related to the Loan, including any and all renewals, extensions and amendments of any of the foregoing, are hereinafter referred to as the "Loan Documents."
- C. Borrower has not met the Loan Agreement by missing payments due and owing on September 1, 2016, and October 1, 2016. Borrower has failed to comply with certain covenants set forth in the Loan Agreement. Such non-compliance constitute Events of Default under the Loan Documents (collectively, the "Existing Defaults").
- D. BORROWER AND GUARANTORS ACKNOWLEDGE THAT (i) THE EXISTING DEFAULTS EACH CONSTITUTE AN EVENT OF DEFAULT UNDER THE LOAN DOCUMENTS; AND (ii) LENDER IS ENTITLED TO IMMEDIATELY PURSUE ALL REMEDIES AVAILABLE TO IT BY LAW, EQUITY OR CONTRACT AGAINST BORROWER AND/OR GUARANTORS, WITHOUT DEFENSE, SET-OFF OR COUNTERCLAIM BY BORROWER OR ANY GUARANTORS.
- E. Borrower has requested that Lender temporarily forbear from exercising its rights and remedies under the Loan Documents, in order to finalize their restructuring, and Lender has agreed to temporarily forbear, subject to the terms and conditions contained herein and without waiving the Existing Defaults.

NOW, THEREFORE, in consideration of the premises and of the mutual covenants and agreements herein contained, it is agreed as follows:

1. **Acknowledgement of Recitals.** Borrower and each Guarantor acknowledge that the Recitals herein are true and correct statements of fact.

2. **Existing Defaults/Conditional Forbearance.** Borrower and each Guarantor hereby acknowledge and agree that (a) the Existing Defaults have occurred and are continuing under the terms of the Loan Documents and that all of the outstanding amounts owed by Borrower to Lender under the Loan Documents, as set forth herein, are due and owing **without any dispute or counterclaim of Borrower, Guarantors or any other Person.** and (b) Lender has the immediate right to exercise all rights and remedies provided under the Loan Documents, without limitation.

Subject to the terms and conditions of this Agreement, Lender agrees to temporarily forbear from exercising its foreclosure and related remedies under the Loan Documents; **provided, however,** that such agreement to temporarily forbear by Lender shall immediately terminate on the occurrence of an Event of Default (as defined below). The period of time from the date of this Agreement until the termination of Lender's forbearance as provided in the previous sentence is referred to herein as the "Forbearance Period." If this Agreement is terminated by reason of item above, then Lender may exercise all of its rights on account of all Existing Defaults, as well as any additional Events of Default, including, without limitation, the imposition of default interest retroactive to September 1, 2016.

This Agreement will expire on October 24, 2016 (the "Expiration Date"). Upon expiration, if the Existing Defaults have not been cured, Lender may pursue and enforce any and all of its remedies against the Borrower, including, without limitation, the imposition of default interest retroactive to September 1, 2016.

3. **Borrower's Acknowledgement.** Borrower and Guarantors acknowledge and agree that:

a) as of October 1, 2016, the accrued but unpaid interest is \$5,390.62, unpaid Renewal Commission is \$2,550.00, NSF charge (for the September, 2016 and October, 2016 payments) of \$500.00, for a total of \$8,440.62 (plus Interest at the Default Rate, accrued but unpaid fees, and costs).

4. **Conditions Precedent.** Lender's agreement to temporarily forbear from exercising its rights and remedies as provided herein shall be effective when Lender shall have received an executed original hereof together with each of the following, each in substance and form acceptable to Lender in its sole discretion:

a) All other documents Lender may request with respect to any matter relevant to this Agreement or the transactions contemplated hereby.



Borrower and Guarantors specifically acknowledge that all of the conditions set forth in this Section are for the sole and exclusive benefit of Lender, and Lender shall have the unilateral right to waive any condition by written notice to Borrowers.

5. **Representations and Warranties.** Borrower and each Guarantor hereby represent and warrant to Lender as follows:

a) Borrower and each Guarantor have all requisite power and authority to execute this and to perform all of its or his obligations hereunder, and this Agreement has been duly executed and delivered by Borrower and Guarantors and constitutes the legal, valid and binding obligation of Borrower and Guarantors, enforceable in accordance with its terms.

b) All of the representations and warranties contained in the Loan Documents are true and correct on and as of the date hereof as though made on and as of such date.

c) There are no Events of Default under the Loan Agreement or other Loan Documents except for the Existing Defaults.

6. **Events of Default.** The occurrence of one or more of the following shall constitute an "Event of Default" within the meaning of this Agreement:

a) Borrower or Guarantors shall fail to abide by or observe any term, condition or covenant of this Agreement, or any representation made by Borrower or Guarantors herein was materially false when made.

b) There shall be any other Event of Default (as defined in the Loan Agreement) other than the Existing Defaults.

c) Any Borrower becomes insolvent; or any Borrower or Guarantor make an assignment for the benefit of creditors; or a custodian, trustee or receiver is appointed for any Borrower or Guarantor or for any of their properties; or bankruptcy, reorganization or liquidation proceedings are instituted by or against any Borrower or Guarantor.

d) Any other creditor of any Borrower or Guarantor commences foreclosure proceedings or otherwise exercises any of its rights or remedies as a result of a default by such Borrower, or a judgment is entered in favor of any person (other than Lender) against any Borrower or Guarantor.

e) Any person or entity seizes or pursues repossession, foreclosure, replevin or liquidation of any property of any Borrower or Guarantor.

f) There shall exist or occur any event or condition which Lender in good faith believes impairs, or is substantially likely to impair, the prospect of payment or performance by Borrower of its obligations under this Agreement or any of the other Loan Documents.

Upon the occurrence of any Event of Default or at any time thereafter, Lender or the holder of all or any of the Loan Documents may declare all amounts owed under the Loan Documents to be due and payable, and all such amounts shall immediately become due and payable, and Lender shall be entitled to the immediate exercise of all its rights and remedies available to it under all of the Loan Documents and applicable law, including, without limitation, the imposition of Interest at the Default Rate retroactive to September 1, 2016.

7. **Enforcement.** Borrower and each Guarantor acknowledge that:

a) LENDER EXPECTS AND ANTICIPATES, AND HAS THE RIGHT, TO REQUIRE FULL AND PROMPT PAYMENT AND PERFORMANCE BY BORROWER AND GUARANTORS OF THEIR OBLIGATIONS HEREUNDER AND IN THE OTHER LOAN DOCUMENTS.

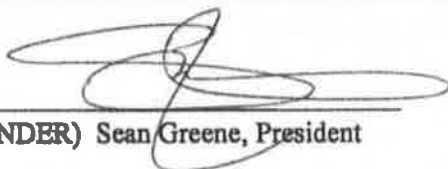
b) LENDER INTENDS, AND HAS THE RIGHT, TO PROMPTLY AND FULLY UTILIZE THE RIGHTS AND REMEDIES AVAILABLE TO IT UNDER THE LOAN DOCUMENTS AND UNDER APPLICABLE LAW UPON THE OCCURRENCE OF AN EVENT OF DEFAULT OR BREACH OF ANY OF THE TERMS OF THIS AGREEMENT OR AS OTHERWISE PROVIDED IN THIS AGREEMENT.

8. **Reaffirmation of Loan Documents; Entire Agreement.** Except as specifically modified herein, the terms and conditions of the Note, the Security Instrument, the Guaranties and the other Loan Documents remain in full force and effect in accordance with their original terms, not subject to any defense, right of setoff or counterclaim against Lender. All prior oral and written communications, commitments, alleged commitments, promises, alleged promises, agreements and alleged agreements by or among Lender, Borrower and Guarantors related to the Loan are hereby merged into this Agreement and the Loan Documents, and shall not be enforceable unless expressly set forth in this Agreement and the Loan Documents. This Agreement may not be modified except in writing signed by all parties hereto. Nothing contained in this Agreement shall constitute or be deemed to be a commitment or agreement on the part of Lender to restructure any indebtedness of Borrower or to amend any of the provisions of Loan Documents or to forbear from exercising any of Lender's rights and remedies under the Loan Documents except to the limited extent specifically agreed to herein.

IN WITNESS WHEREOF, the parties have executed this Forbearance Agreement and First Amendment to Loan Agreement effective as of the date first above stated.

**Leader:**

PLATINUM INVESTMENT GROUP INC.

  
\_\_\_\_\_  
(LENDER) Sean Greene, President

Oct 3, 2016  
(Dated)


**Borrower:**

  
\_\_\_\_\_  
(BORROWER) Signed

Adam Horvath  
\_\_\_\_\_  
Print Name Above

Dirk Nielsen  
\_\_\_\_\_  
(BORROWER) Signed

Dirk Nielsen  
\_\_\_\_\_  
Print Name Above

  
\_\_\_\_\_  
(WITNESS) Signed

Kelly Durrer  
\_\_\_\_\_  
Print Name Above

  
\_\_\_\_\_  
(WITNESS) Signed

Kelly Durrer  
\_\_\_\_\_  
Print Name Above



**PLATINUM**

INVESTMENT GROUP INC

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### **RECITALS**

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- B. The Loan Agreement, the Security Instrument, the Guaranties, and any and all other documents and instruments evidencing, securing or related to the Loan, including any and all renewals, extensions and amendments of any of the foregoing, are hereinafter referred to as the "Loan Documents."
- C. Borrower has not met the Loan Agreement by missing payments due and owing on **September 1, 2016**, and **October 1, 2016**. Borrower has failed to comply with certain covenants set forth in the Loan Agreement. Such non-compliance constitute Events of Default under the Loan Documents (collectively, the "Existing Defaults").
- D. **BORROWER AND GUARANTORS ACKNOWLEDGE THAT (i) THE EXISTING DEFAULTS EACH CONSTITUTE AN EVENT OF DEFAULT UNDER THE LOAN DOCUMENTS; AND (ii) LENDER IS ENTITLED TO IMMEDIATELY PURSUE ALL REMEDIES AVAILABLE TO IT BY LAW, EQUITY OR CONTRACT AGAINST BORROWER AND/OR GUARANTORS, WITHOUT DEFENSE, SET-OFF OR COUNTERCLAIM BY BORROWER OR ANY GUARANTORS.**
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2. **Existing Defaults/Conditional Forbearance.** Borrower and each Guarantor hereby acknowledge and agree that (a) the Existing Defaults have occurred and are continuing under the terms of the Loan Documents and that all of the outstanding amounts owed by Borrower to Lender under the Loan Documents, as set forth herein, are due and owing **without any dispute or counterclaim of Borrower, Guarantors or any other Person.** and (b) Lender has the immediate right to exercise all rights and remedies provided under the Loan Documents, without limitation.

Subject to the terms and conditions of this Agreement, Lender agrees to temporarily forbear from exercising its foreclosure and related remedies under the Loan Documents; **provided, however,** that such agreement to temporarily forbear by Lender shall immediately terminate on the occurrence of an Event of Default (as defined below). The period of time from the date of this Agreement until the termination of Lender's forbearance as provided in the previous sentence is referred to herein as the "Forbearance Period." If this Agreement is terminated by reason of item above, then Lender may exercise all of its rights on account of all Existing Defaults, as well as any additional Events of Default, including, without limitation, the imposition of default interest retroactive to September 1, 2016.

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3. **Borrower's Acknowledgement.** Borrower and Guarantors acknowledge and agree that:
  - a) as of October 1, 2016, the accrued but unpaid interest is \$5,390.62, unpaid Renewal Commission is \$2,550.00, NSF charge (for the September, 2016 and October, 2016 payments) of \$500.00, for a total of \$8,440.62 (plus Interest at the Default Rate, accrued but unpaid fees, and costs).
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  - a) All other documents Lender may request with respect to any matter relevant to this Agreement or the transactions contemplated hereby.

Borrower and Guarantors specifically acknowledge that all of the conditions set forth in this Section are for the sole and exclusive benefit of Lender, and Lender shall have the unilateral right to waive any condition by written notice to Borrowers.

5. **Representations and Warranties.** Borrower and each Guarantor hereby represent and warrant to Lender as follows:

- a) Borrower and each Guarantor have all requisite power and authority to execute this and to perform all of its or his obligations hereunder, and this Agreement has been duly executed and delivered by Borrower and Guarantors and constitutes the legal, valid and binding obligation of Borrower and Guarantors, enforceable in accordance with its terms.
- b) All of the representations and warranties contained in the Loan Documents are true and correct on and as of the date hereof as though made on and as of such date.
- c) There are no Events of Default under the Loan Agreement or other Loan Documents except for the Existing Defaults.

6. **Events of Default.** The occurrence of one or more of the following shall constitute an "Event of Default" within the meaning of this Agreement:

- a) Borrower or Guarantors shall fail to abide by or observe any term, condition or covenant of this Agreement, or any representation made by Borrower or Guarantors herein was materially false when made.
- b) There shall be any other Event of Default (as defined in the Loan Agreement) other than the Existing Defaults.
- c) Any Borrower becomes insolvent; or any Borrower or Guarantor make an assignment for the benefit of creditors; or a custodian, trustee or receiver is appointed for any Borrower or Guarantor or for any of their properties; or bankruptcy, reorganization or liquidation proceedings are instituted by or against any Borrower or Guarantor.
- d) Any other creditor of any Borrower or Guarantor commences foreclosure proceedings or otherwise exercises any of its rights or remedies as a result of a default by such Borrower, or a judgment is entered in favor of any person (other than Lender) against any Borrower or Guarantor.
- e) Any person or entity seizes or pursues repossession, foreclosure, replevin or liquidation of any property of any Borrower or Guarantor.
- f) There shall exist or occur any event or condition which Lender in good faith believes impairs, or is substantially likely to impair, the prospect of payment or performance by Borrower of its obligations under this Agreement or any of the other Loan Documents.

Upon the occurrence of any Event of Default or at any time thereafter, Lender or the holder of all or any of the Loan Documents may declare all amounts owed under the Loan Documents to be due and payable, and all such amounts shall immediately become due and payable, and Lender shall be entitled to the immediate exercise of all its rights and remedies available to it under all of the Loan Documents and applicable law, including, without limitation, the imposition of Interest at the Default Rate retroactive to September 1, 2016.

7. **Enforcement.** Borrower and each Guarantor acknowledge that:

a) LENDER EXPECTS AND ANTICIPATES, AND HAS THE RIGHT, TO REQUIRE FULL AND PROMPT PAYMENT AND PERFORMANCE BY BORROWER AND GUARANTORS OF THEIR OBLIGATIONS HEREUNDER AND IN THE OTHER LOAN DOCUMENTS.

b) LENDER INTENDS, AND HAS THE RIGHT, TO PROMPTLY AND FULLY UTILIZE THE RIGHTS AND REMEDIES AVAILABLE TO IT UNDER THE LOAN DOCUMENTS AND UNDER APPLICABLE LAW UPON THE OCCURRENCE OF AN EVENT OF DEFAULT OR BREACH OF ANY OF THE TERMS OF THIS AGREEMENT OR AS OTHERWISE PROVIDED IN THIS AGREEMENT.

8. **Reaffirmation of Loan Documents; Entire Agreement.** Except as specifically modified herein, the terms and conditions of the Note, the Security Instrument, the Guaranties and the other Loan Documents remain in full force and effect in accordance with their original terms, not subject to any defense, right of setoff or counterclaim against Lender. All prior oral and written communications, commitments, alleged commitments, promises, alleged promises, agreements and alleged agreements by or among Lender, Borrower and Guarantors related to the Loan are hereby merged into this Agreement and the Loan Documents, and shall not be enforceable unless expressly set forth in this Agreement and the Loan Documents. This Agreement may not be modified except in writing signed by all parties hereto. Nothing contained in this Agreement shall constitute or be deemed to be a commitment or agreement on the part of Lender to restructure any indebtedness of Borrower or to amend any of the provisions of Loan Documents or to forbear from exercising any of Lender's rights and remedies under the Loan Documents except to the limited extent specifically agreed to herein.

IN WITNESS WHEREOF, the parties have executed this Forbearance Agreement and First Amendment to Loan Agreement effective as of the date first above stated.

**Lender:**

PLATINUM INVESTMENT GROUP INC.

  
\_\_\_\_\_  
(LENDER) Sean Greene, President

Oct 3, 2016  
(Dated)

**Borrower:**

  
\_\_\_\_\_  
(BORROWER) Signed

Adam Horvath  
\_\_\_\_\_  
Print Name Above

Dirk Nielsen  
\_\_\_\_\_  
(BORROWER) Signed

Dirk Nielsen  
\_\_\_\_\_  
Print Name Above

  
\_\_\_\_\_  
(WITNESS) Signed

Kelly Durrer  
\_\_\_\_\_  
Print Name Above

  
\_\_\_\_\_  
(WITNESS) Signed

Kelly Durrer  
\_\_\_\_\_  
Print Name Above





This is **EXHIBIT "B"** referred to in the Affidavit of **Stuart des Vignes**, sworn before me on this 21<sup>st</sup> day of December, 2016.



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A COMMISSIONER FOR TAKING AFFIDAVITS

**NOTICE OF INTENTION TO ENFORCE A SECURITY**  
**Bankruptcy and Insolvency Act (Canada)**  
**(Subsection 244(1))**

**TO:** BG Furniture Ltd., an insolvent person

**Take Notice That:**

1. **Platinum Investment Group Inc.** a secured creditor, intends to enforce its security on the insolvent person's property described below:

The real property municipally known as 75 Ridout Street, Walkerton, Ontario, N0G 2V0.

2. The security that is to be enforced is in the form of:

Charge/Mortgage of Land registered on July 28, 2014 in the Land Registry Office for the Land Titles Division of Bruce (No. 3) at Bruce as Instrument No. BR88053, made by BG Furniture Ltd. as Mortgage in favour of Platinum Investment Group Inc.

3. The total amount of indebtedness secured by the Security is \$320,089.93 inclusive of principal and interest to December 21, 2016 plus costs and further interest accruing to the date of payment.
4. The secured creditor will not have the right to enforce the security until after the expiry of the 10 day period following the sending of this notice, unless the insolvent person consents to an earlier enforcement.

**DATED** at Toronto, Ontario, this 21<sup>st</sup> day of December, 2016.

Platinum Investment Group Inc. by its solicitors  
**DEVRY SMITH FRANK LLP**  
95 Barber Greene Road, Suite 100  
Toronto, Ontario M3C 3E9

Per: \_\_\_\_\_

J. Matthew Sack

NOTICE OF SALE UNDER CHARGE

TO: SEE SCHEDULE "A" ATTACHED

TAKE NOTICE that default has been made in payment of the moneys due under a certain charge dated July 28, 2014 and made between

BG FURNITURE LTD.  
as Mortgagor

and

PLATINUM INVESTMENT GROUP INC.  
as Mortgagee

Upon the following property, namely:

LT 2-12 PL 140; DORLAND ST, SHIELDS ST PL 140 CLOSED BY WK4779; LT 2-6, 12-13, 7-8 BLK B PL 106; PT LT 1 PL 140 AS IN R54132 & R28616; PT LT 21-22 CON 2 SDR BRANT AS IN R55876, WK13381; PT LT 9-11 BLK B PL 106; PT ST. JOSEPH ST PL 106 CLOSED BY WK 4779 AS IN WK14045 EXCEPT PT 2, 3R4068, EXCEPT LT 7-8 BLK B PL 106 & EXCEPT PT 1 3R8588; S/T R233229; S/T WK 13381, WK14045 AND S/T MINERAL RIGHTS CONTAINED IN R55876 MUNICIPALITY OF BROCKTON  
Property Identification Number: 33198-0287 (LT)

Which charge was registered on July 28, 2014 in the Land Registry Office for the Land Titles Division of the County of Bruce (No. 3) as Instrument No. BR88053.

And we hereby give you notice that the amount now due on the charge for principal money, interest, taxes and costs, respectively, is \$320,089.93 made up as follows:

Principal	\$290,000.00
Interest	\$11,335.16
Penalty Interest (3 months)	\$7,250.00
Discharge Commission & Penalties	\$8,122.00
Outstanding Broker Renewal Fee	\$1,450.00
Legal fees and disbursements (incl HST R-122563950)	\$1,932.77

(such amount for costs being up to and including the service of this notice only, and thereafter such further costs and disbursements will be charged as may be proper), together with interest at the rate of 10.00 per cent per annum calculated half yearly not in advance, on the principal, interest, taxes and costs hereinbefore mentioned, from December 21, 2016 to the date of payment.

AND unless the said sums are paid on or before January 26, 2017 (37 days) we shall sell the property covered by the said charge under the provisions contained in it.

THIS notice is given to you as you appear to have an interest in the charged property and may be entitled to redeem the same.

DATED December 15, 2016

Platinum Investment Group Inc.  
Chargee, by its solicitors  
DEVRY SMITH FRANK LLP  
100-95 Barber Greene Road  
Toronto, Ontario, M3C 3E9  
Per.

J. Matthew Sack  
JMS/kk  
Tel: 416-449-1400

**SCHEDULE "A"**

**BG Furniture Ltd**  
75 Ridout Street  
Walkerton, Ontario N0G 2V0

**BG Furniture Ltd**  
75 Ridout Street  
Walkerton, Ontario N0G 2V0  
Attention: Adam Hofmann, President

**Platinum Investment Group Inc.**  
3-109 Old Kingston Road  
Ajax, Ontario L1T 3A6

**Saugeen Economic Development Corporation**  
515 Mill Street  
P.O. Box 177  
Neustadt, Ontario N0G 2M0

**Bruce Community Futures Development Corporation**  
233 Broadway Street  
Kincardine, Ontario N2Z 2X9

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
IN BANKRUPTCY  
Court File No. 35-2199056  
Estate No. 35-2199056**

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**IN THE MATTER OF THE PROPOSAL  
OF **BG FURNITURE LTD.**  
OF THE TOWN OF WALKERTON, IN  
THE PROVINCE OF ONTARIO**

---

**RESPONDING AFFIDAVIT OF  
STUART DES VIGNES**

---

**DEVRY SMITH FRANK *LLP***  
Lawyers & Mediators  
95 Barber Greene Road, Suite 100  
Toronto, ON M3C 3E9

**JAMES M. SATIN**  
LSUC #44025R

Tel : (416) 449-1400  
Fax: (416) 449-7071

Lawyers for the Creditor,  
Platinum Investment Group Inc.