



District of Ontario  
Division No. 09-Toronto  
Court No.: 31-457124  
Estate No.: 31-457124

IN THE MATTER OF THE BANKRUPTCY OF  
**3851168 Canada Inc. (formerly known as Kraus Canada Inc.)**  
of the City of Winnipeg, in the Province of Manitoba

**Notice of Bankruptcy and First Meeting of Creditors**  
(Subsection 102(1) of the Act)

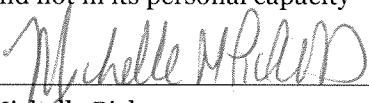
Take notice that:

1. A bankruptcy order was made against Kraus Canada Inc. ("Kraus Canada"), on the 11<sup>th</sup> day of June 2012, and PricewaterhouseCoopers Inc., was appointed as trustee of the estate of the bankrupt (the "Trustee") by the court, subject to affirmation by the creditors of the Trustee's appointment or substitution of another trustee by the creditors. On June 13, 2012, Kraus Canada changed its name to 3851168 Canada Inc.
2. The first meeting of creditors of the bankrupt will be held on the 27<sup>th</sup> day of June 2012, at 12:30 p.m., at the Waterloo Inn Conference Hotel, Heritage Room, at 475 King Street North, Waterloo ON.
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 form of proof of claim, a form of proxy, and a list of creditors showing the amounts of their claims, where available.
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.

6. Proof of claims and proxies should be forwarded to PricewaterhouseCoopers Inc., PwC Tower, 18 York Street, Suite 2600, Toronto, Ontario, M5J 0B2 to the attention of Ms. Sara de Verneuil, facsimile (416) 814-3219, [sara.j.de.verneuil@ca.pwc.com](mailto:sara.j.de.verneuil@ca.pwc.com).
7. Further information regarding the bankruptcy proceedings and materials relating to the proceedings may be obtained from the Trustee's website at [www.pwc.com/car-krausbankruptcy](http://www.pwc.com/car-krausbankruptcy).

Dated at Toronto, this 18<sup>th</sup> day of June 2012.

PricewaterhouseCoopers Inc.  
in its capacity as Trustee in bankruptcy of  
3851168 Canada Inc.  
and not in its personal capacity

  
\_\_\_\_\_  
Michelle Pickett  
Vice President

District of: Ontario  
 Division No. 09 - Toronto  
 Court No. 31-457124  
 Estate No. 31-457124

Original  Amended

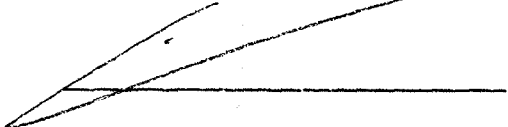
-- Form 78 --  
 Statement of Affairs (Business Bankruptcy) made by an entity  
 (Subsection 49(2) and Paragraph 158(d) of the Act / Subsections 50(2) and 62(1) of the Act)  
 In the matter of the bankruptcy of  
 3851168 Canada Inc.  
 of the City of Winnipeg, in the Province of Manitoba


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 11th day of June 2012. 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 .....
7,347,588.96	0.00
Balance of secured claims as per list "B" .....	2. Trade fixtures, etc. ....
45,622,000.00	0.00
Total unsecured creditors .....	3. Accounts receivable and other receivables, as per list "E"
52,969,588.96	Good .....
2. Secured creditors as per list "B" .....	7,513,751.04
83,000,000.00	Doubtful .....
3. Preferred creditors as per list "C" .....	5,009,167.38
0.00	Bad .....
4. Contingent, trust claims or other liabilities as per list "D"	556,340.12
estimated to be reclaimable for: .....	Estimated to produce .....
0.00	0.00
Total liabilities .....	4. Bills of exchange, promissory note, etc., as per list "F" .....
135,969,588.96	1,870,821.23
Surplus .....	5. Deposits in financial institutions .....
NIL	6. Cash .....
	0.00
	7. Livestock .....
	0.00
	8. Machinery, equipment and plant .....
	0.00
	9. Real property or immovable as per list "G" .....
	0.00
	10. Furniture .....
	0.00
	11. RRSPs, RRIFs, life insurance, etc. ....
	0.00
	12. Securities (shares, bonds, debentures, etc.) .....
	0.00
	13. Interests under wills .....
	0.00
	14. Vehicles .....
	0.00
	15. Other property, as per list "H" .....
	81,129,178.77
	If bankrupt is a corporation, add:
	Amount of subscribed capital .....
	0.00
	Amount paid on capital .....
	0.00
	Balance subscribed and unpaid .....
	0.00
	Estimated to produce .....
	0.00
	Total assets .....
	83,000,000.00
	Deficiency .....
	52,969,588.96

I, Walter Eckhardt in my capacity as a Director of 3851168 Canada Inc. and not in my personal capacity, of the City of Winnipeg in the Province of Manitoba, 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 11th day of June 2012 and 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 Waterloo in the Province of Ontario, on this 18th day of June 2012.



  
 Walter Eckhardt in my capacity as a  
 Director of 3851168 Canada Inc. and not  
 in my personal capacity

District of: Ontario  
 Division No. 09 - Toronto  
 Court No. 31-457124  
 Estate No. 31-457124

FORM 78 - Continued

List "B"  
 Secured Creditors

3851168 Canada 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 unsecured
1	Red Ash Capital Partners II Limited Partnership	c/o Cassels Brock, Mr. John Birch 2100 Scotia Plaza, 40 King Street West Toronto ON M5H 3C2	128,622,000.00	Cash on Hand - Cash in bank - 1 - Bank Account	07-May-2012	1,870,821.23		
				Other - Estimated unallocated total purchase price of all assets (for all entities) - unallocated by Purchaser. Assets sold pursuant to Asset Purchase Agreement approved by the Court on June 12, 2012.	07-May-2012	81,129,178.77		45,622,000.00
<b>Total:</b>			<b>128,622,000.00</b>			<b>83,000,000.00</b>	<b>0.00</b>	<b>45,622,000.00</b>

18-Jun-2012

Date



Walter Eckhardt in my capacity as a Director of  
 3851168 Canada Inc. and not in my personal capacity

District of: Ontario  
Division No. 09 - Toronto  
Court No. 31-457124  
Estate No. 31-457124

FORM 78 -- Continued

List "A"  
Unsecured Creditors

3851168 Canada Inc.

No.	Name of creditor	Address	Unsecured claim	Balance of claim	Total claim
1	Employees - Various	Per schedule attached Winnipeg ON	1.00	0.00	1.00
2	Red Ash Capital Partners II Limited Partnership	c/o Cassels Brock, Mr. John Birch 2100 Scotia Plaza, 40 King Street West Toronto ON M5H 3C2	0.00	45,622,000.00	45,622,000.00
3	Trade - Various	Per schedule attached Winnipeg MB R2X 1G7	7,347,587.96	0.00	7,347,587.96
Total:			7,347,588.96	45,622,000.00	52,969,588.96

18-Jun-2012

Date



Walter Eckhardt in my capacity as a Director of  
3851168 Canada Inc. and not in my personal



IN THE MATTER OF THE BANKRUPTCY OF  
3851168 Canada Inc.  
*Creditor List*

NAME	Balance (CDN)
2851262 MANITOBA LTD	106.66
A & W INTERNET	336.00
A.T SOLUTIONS INC	214.70
AAI SECURITY MONITOR	436.80
ACKLANDS-GRAINGER IN	78.45
ADVANCED ADHESIVE TE	28,217.00
AEGIS SECURITY PROTE	111.87
AERO CARPET SERVICES	558.60
ALAIN CARON CONCEPT	239.24
ALBERTA FLOOR COVERI	1,050.00
ALLIANCE EQUIPMENT L	2,615.85
ALLMOVE MOBILE SHRED	535.50
ALSCO	457.49
AMERICAN BERBER INC	151,315.50
AMERICAN BILTRITE CA	328,864.18
APEX PRE-EMPLOYMENT	309.75
ARBON EQUIPMENT CORP	786.03
ARMOUR TRANSPORT	8,109.35
ARODAL	1,491.60
ARPAC	10,190.96
ARTISTIC FINISHES,IN	40,536.29
ATLAS	582.40
AUTOMATED FIRE PROTE	7,539.90
AVALAN LOGISTICS INC	25,309.75
AXION REACTION	1,609.66
BANDSTRA TRANSPORTAT	659.41
BARRETT CARPET MILLS	5,993.51
BC RAIN	420.28
BEACON FIRE AND SAFE	290.95
BEE-CLEAN	2,481.74
BELL CANADA	132.08
BFI CANADA - TORONTO	2,652.32
BLACK & MCDONALD LTD	5,674.86
BLAIR WEERTS	1,459.62
BOB'S BATTERY SERVIC	504.00
BOMA CALGARY	1,159.25
BOZOVICH (CND CO 0)	22,167.56
BRITE-LITE	162.74
C.H. ROBINSON COMPAN	139,053.24
CAM INDUSTRIAL SUPPL	16,458.50
CANADA NUFLOORS GROU	4,905.10
CANADA POST CORPORAT	942.34
CANADIAN FLOORING CO	1,302.00
CANADIAN LINEN (WINN	522.80

IN THE MATTER OF THE BANKRUPTCY OF  
3851168 Canada Inc.  
*Creditor List*

CANADIAN PACIFIC RAI	206,104.62
CANADIAN SPRINGS	79.70
CANTREX NATIONWIDE	2,705.00
CARAUSTAR	5,743.69
CASCADIA MOTIVATION	77,396.08
CAXTON MARK INC	2,687.59
CERTIFIED FLOORING I	840.00
CEXP MISSISSAUGA	2,240.60
CINTAS LOCATION #951	463.27
CITY SIDE CLEANING	3,393.60
CITY TRANSFER INC	385.04
CLAYTON SHULL	4,653.60
CN REVENUE MANAGEMEN	20,236.60
CONGOLEUM CORPORATIO	1,745,742.03
CORPORATE BUSINESS S	10.50
CRAIG KELMAN & ASSOC	341.25
CRAWFORD SUPPLYLINE	8,737.21
CREDIMAX	40.00
D B EXPRESS	42.00
DAK'S OVERHEAD DOOR	290.43
DANCIK INTERNATIONAL	25,717.27
DATAMARK SYSTEMS	2,005.64
DEBLECX	168.89
DECO SURFACES	2,874.38
DELL CANADA INC	3,919.88
DELTA PALLET INC.	1,099.84
DEPUTY ELECTRIC LTD	630.00
DIAMOND DELIVERY	71.96
DIANE LAPOINTE DESIG	372.00
DISPLAYCRAFT INC. (C	41,032.75
DM FLOORING SPECIALI	1,216.11
DOMFOAM INC	642,504.05
DRAKE INTERNATIONAL	21,289.92
DREW KERN	736.31
DSD DOCUMENT	26.88
DURA LTD	63,691.97
DYNAMEX CANADA CORP	1,213.28
DYNAMIC PAPER & LABE	3,102.51
DYNASTY EXPRESS INC.	48.30
EDMAR ELECTRIC LTD	478.84
ELOF HANNSON TIMBER	62,451.66
EMBALLAGES GO PACKAG	236.11
ENVIRO EZE TRANSPORT	526.80
ERWIN NYKAMP	88.61
EXA DESIGN	125.32



IN THE MATTER OF THE BANKRUPTCY OF  
3851168 Canada Inc.  
*Creditor List*

EXCELTECH COMMUNICAT	3,433.14
EXCO VENTURES LTD	100.80
EXPRESS COMPANY LTD.	58.55
E-Z CUT INC.	425.08
FAIRVIEW COURIER	560.72
FEDERAL EXPRESS	3,721.69
FIRSTCANADA ULC	9,808.50
FLOOR COVERING WEEKL	113.84
FLOORING INSPECTIONS	1,312.45
FOAM SOLUTIONS INC (	2,018.06
FQRS	1,149.75
FRESH AND CLEAN	655.40
G4S SECURITY SERVICE	55.17
GARDEWINE NORTH	24,250.60
GARY CARPENTER & SON	1,788.97
GENERAL AIR SYSTEMS	1,796.70
GEO H. YOUNG & CO LT	31.23
GERALDS DOOR'S ENTER	1,252.61
GRAND & TOY LIMITED	2,891.62
GREG MARTIN	340.00
GREGG DISTRIBUTORS C	240.11
GREYHOUND COURIER EX	462.96
GRIMSHAW TRUCKING	620.13
GROUNDSTAR	1,099.28
GROUNDSTAR EXPRESS L	2,750.72
HAAKON INDUSTRIES	1,102.47
HD SUPPLY CANADA,INC	188.50
HEIDEN-RUNN MECHANIC	210.00
HIGH TECH LASER PROD	111.87
HONEYWELL LIMITED	2,698.82
IDEAL WELDERS LTD	560.00
IDEAL YARD CARE LTD	2,750.34
INHAUS SURFACES LIMI	510.55
INPRO COMPUTER DATA	4,992.96
JACINTHE LEMIRE DESI	96.85
JACK & OLIVE'S CLEAN	575.00
JAY'S MOVING & STORA	631.31
JLT CARPET SYSTEMS I	3,378.95
JOHN WILLIAMS	360.00
JOHNSON WASTE MANAGE	4,075.13
JUST SKIDS RECYCLING	1,695.00
KAHRS INTERNATIONAL,	592,489.80
KAINDL FLOORING (CAN	36,495.38
KAWARTHA COURIER	75.77
KENCO ELECTRIC LTD	3,237.15

IN THE MATTER OF THE BANKRUPTCY OF  
3851168 Canada Inc.  
*Creditor List*

KINDERSLEY TRANSPORT	10,835.09
KINGMONT CONSULTING	1,765.62
KINGSWAY TRANSPORT	141.74
KNIGHTS INDUSTRIAL B	145.60
KODIAK EXCAVATING	698.25
KONICA MINOLTA BUSIN	532.65
KRAUS CARPET MILLS	1,137,057.68
KRAUS SORCE (	37,304.09
KUEHNE & NAGEL LTD	157.50
KYLE'S EXPRESS INC	50.56
LABOUR READY INC	3,289.39
LABRADOR	62.57
LAFFIN TRUCKING LTD	1,244.99
LB DELIVERY	50.00
LISE GENEST	2,451.54
LOADING DOCK & DOOR	268.43
LOOMIS EXPRESS	78.56
LOWRY SALES AB LTD.	1,082.41
LOWRY'S MFG & SALES	391.16
LYRECO (CANADA) INC	533.98
M & P TOOL PRODUCTS	14,402.92
M.A.S.B.O.	750.00
MACNICOM TECH INC	728.85
MAINLINE EQUIPMENT L	1,280.69
MANITOULIN TRANSPORT	51,173.14
MANULIFE	64,000.00
MARCO CORPORATION	17,619.07
MARK'S WORK WAREHOUS	349.62
MARR'S PARCEL PICK U	542.25
MAT MASTER	118.63
MBD FLOOR COVERING I	2,303.17
MBW COURIER INC	50.65
MCRAE'S ENVIRONMENTA	1,677.42
METROLAND COMMUNITY	829.20
MIDLAND TRANSPORT LT	39,379.06
MILLER ENVIRONMENTAL	2,485.88
MILLER WASTE SYSTEMS	326.44
MONSTER.CA LOCKBOX M	525.00
MORE-LITE ELECTRIC L	4,164.16
MORNEAU SHEPELL LTD	3,173.04
MTS ALLSTREAM INC	1,430.74
MULTIPLY FLOORING	31,792.13
MUSTANG MESSENGER	294.00
NATIONAL TIME EQUIPM	144.64
NORTH DALTON CARPET	3,582.27

IN THE MATTER OF THE BANKRUPTCY OF  
3851168 Canada Inc.  
*Creditor List*

NORTHERN LOGISTICS	630.00
NORTHERN PARCEL	243.10
NORTHWEST WASTE SYST	2,398.04
NOVA FLOOR COVERING	270.19
NOVEX	48.04
OVERLAND WEST	1,181.80
PACIFIC COAST WAREHO	2,933.00
PAKMARK LTD	750.76
PARCEL'S "N" MORE EX	66.98
PENNER INTERNATIONAL	251,293.40
PHILIP JACKMAN DEL.	310.75
PHOENIX RECYCLING IN	660.19
PINNACLE	2,977.39
POULIN'S PEST CONTRO	983.77
PRINTER WORLD	659.40
PROFORMA	4,800.32
PROGRESSIVE FLOORING	1,417.50
PRONORTH TRANSPORTAT	79.18
PROTELEC ALARMS LTD	89.60
PUR DESIGN	177.06
PUROLATOR COURIER LT	29,173.85
PYRENE FIRE SECURITY	1,377.19
QUALITY PLUS COMPRES	396.63
QUALITY VENDING & CO	1,261.90
RAY-LIFTS INC	98.88
RAYMOND HANDLING	28,408.01
RECALL	1,141.94
RECHERCHES DE TITRES	50.13
REED CONSTRUCTION DA	4,808.38
RIDSDALE TRANSPORT L	1,662.53
RI-GO LIFT TRUCK LTD	1,316.45
ROSEDALE TRANSPORT L	139,073.29
RUSTY'S - EQUIPMENT	10,847.82
SAMAN (CND CO 0)	8,426.81
SAMEDAY WORLDWIDE	129.52
SANDWICH PLANNER	460.08
SCHENKER OF CANADA L	35,231.49
SEAN STREET	100.00
SELECTRIC ELECTRIC L	246.40
SHAW INDUSTRIES INC	50,531.88
SHIPPAM & ASSOCIATES	9,084.15
SIMPLEXGRINNELL	5,777.63
SMC DELIVERY LTD	224.00
SMOOTH FREIGHT LTD	1,331.53
SOURY COMMUNICATION	344.93

IN THE MATTER OF THE BANKRUPTCY OF  
3851168 Canada Inc.  
*Creditor List*

SOUTH MOUNTAIN	159,615.89
SUPREMEX INC	8,439.75
SURE SHOT HOTSHOT	2,520.00
SWAN DUST CONTROL LT	35.70
SWISH - DARTMOUTH	211.26
T"N"N PARCEL EXPRESS	19,239.51
T. LAZOWSKI	275.00
TAPIS A BERGERON INC	114.98
TAYPCO INC	5,491.57
TELSCO SECURITY SYST	4,971.75
THE CITY OF WINNIPEG	29,969.64
THE COOLER CONNECTIO	50.24
THE CREDIT INSTITUTE	478.80
THE FIRST AID WHOLES	96.54
THE FLOORING COMPANY	586.47
THE NEWARK GROUP	4,998.76
THOMPSON DORFMAN SWE	773.54
THUNDER BAY CHAMBER	262.95
TLC LAWN CARE	126.00
TONMAR JANITORIAL LT	5,749.81
TOTEM WELDING CO LTD	614.78
TRAILER WIZARDS LTD	1,766.38
TRC NETWORKS	393.75
TST - OVERLAND EXPRE	41,698.84
TST LOAD BROKERAGE S	5,808.50
ULTIMA PRESENTATION	5,589.73
UNIGRAPHICS LIMITED	5,729.61
UNILIN/COLUMBIA FLOO	286,504.75
UNIVERSAL SERVICES	179.16
UPS CANADA	257.54
URBAN IMPACT RECYCLI	344.68
US FLOORS INC (CND	95,519.13
USINE TACTIC INC (CN	60,909.10
VALLE FOAM INDUSTRIE	23,161.94
VAN-KAM FREIGHTWAYS	663.58
VISION LANDSCAPING D	6,541.57
VOYAGEUR EXPRESS	832.08
WAJAX EQUIPMENT	4,424.60
WASTE MANAGEMENT (ED	4,222.55
WATTS HAPPENING	3,566.21
WAYMARC INDUSTRIES L	417.29
WECON SYSTEMS	187.02
WESCLEAN EQUIPMENT &	322.22
WEST COAST PACKAGING	546.44
WILSONS SECURITY	252.95

IN THE MATTER OF THE BANKRUPTCY OF  
3851168 Canada Inc.  
*Creditor List*

WINNIPEG CONSTRUCTIO	7.35
WLSC	300.00
WORRY FREE TRANSPORT	988.30
XTRA DOCUMENT SOLUTI	169.62
YELLOW PAGES GROUP	134.74
YRC FREIGHT (RDWY)	438.64
ZAMMA CORPORATION	12,038.35
ZEE MEDICAL INC.	825.89
<b>TOTAL</b>	<b>7,347,587.96</b>

IN THE MATTER OF THE BANKRUPTCY OF  
3851168 Canada Inc.  
*Employee Listing*

<b><u>Last Name</u></b>	<b><u>First Name</u></b>	<b><u>Amount Owed</u></b>
Christiansen	Janice	Unknown
Dupont	Melanie	Unknown
Easdown	Erin	Unknown
Esopenko	Dale	Unknown
Fallis	Delton	Unknown
Gear	Kerry	Unknown
Humphrey	Dave	Unknown
Kalmar	Les	Unknown
Knox	Fred	Unknown
Mallon	Bruce	Unknown
Ramsbottom	Donna	Unknown
Roy	Cody	Unknown
Sanscartier	Sonia	Unknown
Smith	Teresa	Unknown
Stewart	Shayla	Unknown
Thomson	Linda	Unknown
Villeneuve	Bernadette	Unknown
Woodley	Robert	Unknown