Industry Canada Industrie Canada

Certificate of Arrangement

Canada Business Corporations Act

Certificat d'arrangement

Loi canadienne sur les sociétés par actions

Hardwoods Distribution Inc.	**782705-9**
HARDWOODS SPECIALTY PRODUCTS GP INC.	**420403-4**

Name of CBCA corporation(s) involved - Dénomination(s) de la (des) société(s) L.C.S.A. concernée(s)

Corporation number - Numéro de la société

I hereby certify that the arrangement set out in the attached articles of arrangement, involving the above-referenced corporation(s), has been effected under section 192 of the *Canada Business Corporations Act*

Je certifie que l'arrangement mentionné dans les clauses d'arrangement annexées, concernant la (les) société(s) susmentionnée(s), a pris effet en vertu de l'article 192 de la *Loi canadienne sur les sociétés par actions*

Marcie Girouard
Director - Directeur

July 1, 2011 – le 1 juillet 2011

Date of Arrangement – Date de l'arrangement

Canada

Industry Canada | Industrie Canada
Canada Business Corporations Act | Loi canadienne sur les sociétés par actions

FORM 14.1
ARTICLES OF ARRANGEMENT
(SECTION 192)

FORMULAIRE 14.1
CLAUSES D'ARRANGEMENT
(ARTICLE 192)

1 – Name of the applicant corporation(s) – Dénomination sociale de la (des) requérante(s)	2 – Corporation No(s) – N°(s) de la (des) société(s)
Hardwoods Distribution Inc. HARDWOODS SPECIALTY PRODUCTS GP INC.	782705-9 420403-4
3 – Name of the corporation(s) the articles of which are amended, if applicable Dénomination sociale de la (des) société(s) dont les statuts sont modifiés, le cas échéant	4 – Corporation No(s). – N°(s) de la (des) société(s)
5 – Name of the corporation(s) created by amalgamation, if applicable Dénomination sociale de la (des) société(s) issue(s) de la (des) fusions(s), le cas échéant	6 – Corporation No(s). – N°(s) de la (des) société(s)
7 – Name of the dissolved corporation(s), if applicable Dénomination sociale de la (des) société(s) dissoute(s), le cas échéant	8 – Corporation No(s). – N°(s) de la (des) société(s)
9 – Name of other corporations involved, if applicable Dénomination sociale des autres sociétés en cause, le cas échéant	10 – Corporation No(s). or Jurisdiction of Incorporation N°(s) de la (des) société(s)/ou loi sous le régime de laquelle elle est constituée
Hardwoods Distribution Income Fund	Established under the laws of British Columbia
Hardwoods Trust	Established under the laws of British Columbia
Hardwoods Specialty Products LP	Reg. No. 4879679, Manitoba
Hardwoods Specialty Products ULC	C0820733, British Columbia
Hardwoods Specialty Products US LP	Reg. No. 3771423, Delaware, USA
Hardwoods Specialty Products USGP, Inc.	3771604 810, Delaware, USA
Hardwoods Specialty Products (Washington) Corp.	602 812 708, Washington, USA

11 – In accordance with the order approving the arrangement - Conformément aux termes de l'ordonnance approuvant l'arrangement,

a. ☐ The articles of the above-named corporation(s) are amended in accordance with the attached plan of arrangement
Les status de la (des) société(s) susmentionnée(s) sont modifiés en conformité avec le plan d'arrangement ci-joint

The name of ______________________ is changed to ______________________

La dénomination sociale de ______________________ est modifiée pour ______________________

b. ☐ The following bodies corporate are amalgamated in accordance with the attached plan of arrangement
Les personnes morales suivantes sont fusionnées conformément au plan d'arrangement ci-joint

c. ☐ The above-named corporation(s) is (are) liquidated and dissolved in accordance with the attached plan of arrangement
La(les) société(s) susmentionnée(s) est(sont) liquidées et dissoute(s) conformément au plan d'arrangement ci-joint

d. ☒ The plan of arrangement attached hereto, involving the above named body(ies), corporate is hereby effected
Le plan d'arrangement ci-joint portant sur la(les) personne(s) morale(s) susmentionnée(s) prend effet

This plan of arrangement is effective at 12:01 a.m. (Vancouver time) on July 1, 2011.

Signature	Printed Name – Nom en lettres moulées	12 – Capacity of – En qualité de	13 – Tel. No. – N° de tél
	Lance Blanco	President and CEO	604-881-1990

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JUL 01 2011

IC 3189 (2003/05)

Canada

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SCHEDULE "A"

PLAN OF ARRANGEMENT
under Section 192 of the
Canada Business Corporations Act

ARTICLE 1
INTERPRETATION

1.1 In this Plan, the following terms have the following meanings:

(a) **"Arrangement"**, **"herein"**, **"hereof"**, **"hereto"**, **"hereunder"** and similar expressions mean and refer to the arrangement pursuant to Section 192 of the CBCA set forth in this Plan of Arrangement as supplemented, modified or amended, and not to any particular article, section or other portion hereof;

(b) **"Arrangement Agreement"** means the arrangement agreement dated as of April 15, 2011 among the Fund, the Trust, Hardwoods ULC, Hardwoods LP, Hardwoods GP, Hardwoods USLP, Hardwoods USGP and New Hardwoods with respect to the Arrangement and all amendments thereto;

(c) **"Articles of Arrangement"** means the articles of arrangement in respect of the Arrangement required under Section 192(6) of the CBCA to be filed with the Director after the Final Order has been granted;

(d) **"Business Day"** means a day, other than a Saturday, Sunday or statutory holiday, when banks are generally open for business in the City of Vancouver, in the Province of British Columbia;

(e) **"CBCA"** means the *Canada Business Corporations Act*, as amended, including the regulations promulgated thereunder;

(f) **"Certificate"** means the certificate which may be issued by the Director pursuant to Section 192(7) of the CBCA or, if no certificate is to be issued, the proof of filing in respect of the Arrangement;

(g) **"Class B LP Units"** means Class B limited partner units of Hardwoods LP which are exchangeable for Units or Hardwoods Shares, at the holder's election, pursuant to the Exchange Agreement;

(h) **"Class B USLP Units"** means Class B limited partner units of Hardwoods USLP which are exchangeable for Units pursuant to the Exchange Agreement;

(i) **"Court"** means the Supreme Court of British Columbia, Vancouver Registry;

(j) **"Director"** means the director duly appointed under Section 260 of the CBCA;

(k) **"Dissenting Unitholders"** means registered holders of Units who validly exercise the rights of dissent with respect to the Arrangement provided to them under the Interim Order and whose dissent rights remain valid immediately before the Effective Time;

(l) **"Effective Date"** means the date the Arrangement is effective pursuant to the CBCA, such date to be a date to be determined by the Trustees but not later than December 31, 2011;

(m) **"Effective Time"** means 12:01 a.m. (Vancouver time) on the Effective Date;

(n) **"Exchange Agreement"** means the amended and restated exchange agreement entered into among the Fund, the Trust, Hardwoods LP, Hardwoods GP, Hardwoods US Corp, Hardwoods USLP, Sauder Hardwoods Inc., Hardwoods Inc. and certain other parties made as of March 31, 2008, as amended, restated or supplemented;

(o) **"Final Order"** means the final order of the Court approving the Arrangement to be applied for following the Meeting and to be granted pursuant to the provisions of Section 192(4) of the CBCA as such order may be affirmed, amended or modified by any court of competent jurisdiction;

(p) **"Fund"** means Hardwoods Distribution Income Fund, an unincorporated, open-ended limited purpose trust established under the laws of the Province of British Columbia and governed by the Fund Declaration of Trust;

(q) **"Fund Assets"** has the meaning ascribed to "Trust Assets" in the Fund Declaration of Trust;

(r) **"Fund Declaration of Trust"** means the declaration of trust by which Fund is governed, as it may be amended, supplemented or restated from time to time;

(s) **"Fund Securityholders"** means, collectively, the registered holders of Units and Special Voting Units;

(t) **"Hardwoods Entities"** means, collectively, the Fund, the Trust, Hardwoods ULC, Hardwoods LP, Hardwoods GP, Hardwoods USLP, Hardwoods USGP and New Hardwoods and their respective successors;

(u) **"Hardwoods GP"** means Hardwoods Specialty Products GP Inc., a corporation established under the federal laws of Canada;

(v) **"Hardwoods LP"** means Hardwoods Specialty Products LP, a limited partnership created under the laws of the Province of Manitoba;

(w) **"Hardwoods LP Agreement"** means the limited partnership agreement of Hardwoods LP;

(x) **"Hardwoods ULC"** means Hardwoods Specialty Products ULC, an unlimited liability company established under the laws of the Province of British Columbia;

(y) **"Hardwoods US Corp"** means Hardwoods Specialty Products (Washington) Corp., a corporation established under the laws of the State of Washington;

(z) **"Hardwoods USGP"** means Hardwoods Specialty Products USGP, Inc., a corporation established under the laws of the State of Delaware;

(aa) **"Hardwoods USLP"** means Hardwoods Specialty Products US LP, a limited partnership established under the laws of the State of Delaware;

(bb) **"Hardwoods USLP Agreement"** means the limited partnership agreement of Hardwoods USLP;

(cc) **"Initial New Hardwoods Share"** means the initial New Hardwoods Share to be issued to Trust in connection with, and at the time of, the incorporation of New Hardwoods;

(dd) **"Interim Order"** means the interim order of the Court pursuant to Section 192(4) of the CBCA containing declarations and directions with respect to the Meeting and the Arrangement, as such order may be affirmed, amended or modified by any court of competent jurisdiction;

(ee) **"Key Agreements"** means, collectively, the Fund Declaration of Trust, the Trust Declaration of Trust, the Hardwoods LP Agreement, the Hardwoods USLP Agreement, the Exchange Agreement, the Securityholders Agreement, the Subordination Agreement, the Administration Agreement and the Services Agreement;

(ff) **"LTIP"** means the long-term incentive plan of the Fund pursuant to which LTIP Rights have been issued;

(gg) **"LTIP Rights"** means rights to receive Performance Share Units or Restricted Share Units granted to eligible participants under the LTIP;

(hh) **"LTIP Rightsholders"** means registered holders of LTIP Rights;

(ii) **"Meeting"** means the annual and special meeting of the Unitholders to be held to consider, among other things, the Arrangement and related matters, and any adjournment thereof;

(jj) **"New Hardwoods"** means Hardwoods Distribution Inc., a corporation incorporated under the federal laws of Canada and which is a wholly-owned subsidiary of the Trust;

(kk) **"New Hardwoods Shares"** means common shares in the capital of New Hardwoods;

(ll) **"Person"** includes any individual, firm, partnership, joint venture, venture capital fund, association, trust, trustee, executor, administrator, legal personal representative, estate group, body corporate, corporation, unincorporated association or organization, governmental entity, syndicate or other entity, whether or not having legal status;

(mm) **"Plan"** or **"Plan of Arrangement"** means this plan of arrangement, as amended or supplemented from time to time, and "hereby", "hereof", "herein", "hereunder", "herewith" and similar terms refer to this Plan and not to any particular provision of this Plan;

(nn) **"Sauder Group"** means Sauder Hardwoods Inc. and Hardwoods Inc. and certain of their affiliated entities and associates;

(oo) **"Special Voting Units"** means units of the Fund issued to represent voting rights in the Fund accompanying the Exchangeable Units issued to certain members of the Sauder Group;

(pp) **"subsidiary"** means, with respect to any Person, a subsidiary (as that term is defined in the CBCA (for such purposes, if such person is not a corporation, as if such person were a corporation)) of such Person and includes any limited partnership, joint venture, trust, limited liability company, unlimited liability company or other entity, whether or not having legal status, that would constitute a subsidiary (as described above) if such entity were a corporation;

(qq) **"Support Agreement"** means the agreement between the Fund and certain members of the Sauder Group pursuant to which such members have agreed to conditionally exchange their Exchangeable Units for Units at the Amended Exchange Ratio under the Arrangement, conditionally amend the terms of the Exchange Agreement, vote the Units and Special Voting Units beneficially owned or controlled by them in favour of the Arrangement and to otherwise support the Arrangement;

(rr) **"Tax Act"** means the *Income Tax Act* (Canada), including the regulations promulgated thereunder, as amended;

(ss) **"Trust"** means Hardwoods Trust, an unincorporated, open-ended limited purpose trust established under the laws of the Province of British Columbia;

(tt) **"Trust Assets"** has the meaning ascribed thereto in the Trust Declaration of Trust;

(uu) **"Trust Declaration of Trust"** means the declaration of trust by which Trust is governed, as it may be amended, supplemented or restated from time to time;

(vv) **"Trust Note Indenture"** means the note indenture governing the Trust Notes;

(ww) **"Trust Notes"** means, collectively, the Series 1 Trust Notes, Series 2 Trust Notes and Series 3 Notes;

(ww) **"Trust Units"** means units of Trust;

(xx) **"Unitholders"** means registered holders of Units from time to time; and

(yy) **"Units"** means units of the Fund.

1.2 The headings contained in this Plan are for reference purposes only and do not affect in any way the meaning or interpretation of this Plan.

1.3 Unless reference is specifically made to some other document or instrument, all references herein to articles and sections are to articles and sections of this Plan of Arrangement.

1.4 Unless the context otherwise requires, words importing the singular only shall include the plural and vice versa, words importing the use of either gender shall include both genders and neuter and words importing a Person or Persons shall include a natural person, firm, trust, partnership, association, corporation, joint venture, unincorporated body of persons or government.

1.5 If any date on which any action is required to be taken hereunder by any of the parties is not a Business Day in the place where an action is required to be taken, such action is required to be taken on the next succeeding day which is a Business Day in such place.

1.6 References in this Plan to any statute or sections thereof shall include such statute as amended or substituted and any regulations promulgated thereunder from time to time in effect.

ARTICLE 2
ARRANGEMENT AGREEMENT

2.1 This Plan of Arrangement is made pursuant to, is subject to the provisions of, and forms part of, the Arrangement Agreement.

2.2 This Plan of Arrangement, upon the filing of the Articles of Arrangement with the Director, shall become effective on, and be binding on and after, the Effective Time on: (i) the Fund Securityholders; (ii) the LTIP Rightsholders; and (iii) the Hardwoods Entities.

2.3 The Articles of Arrangement shall be filed and issued with respect to this Arrangement in its entirety. The Certificate shall be conclusive evidence that the Arrangement has become effective and that each of the provisions of Article 3 has become effective in the sequence and at the times set out therein. If no Certificate is required to be issued by the Director pursuant to Section 192(7) of the CBCA, the Arrangement shall become effective on the date the Articles of Arrangement are filed with the Director pursuant to Section 192(6) of the CBCA.

2.4 Other than as expressly provided for herein, no portion of this Plan of Arrangement shall take effect with respect to any party or Person until the Effective Time. Furthermore, each of the events listed in Article 3 shall be, without affecting the timing set out in Article 3, mutually conditional, such that no event described in said Article 3 may occur without all steps occurring, and those events shall effect the integrated transaction which constitutes the Arrangement.

ARTICLE 3
ARRANGEMENT

3.1 Commencing at the Effective Time, each of the events set out below shall occur and shall be deemed to occur in the following order without any further act or formality except as otherwise provided herein:

Amendments to the Key Agreements

(a) each of the Key Agreements shall be amended to the extent necessary to facilitate the Arrangement and the implementation of the steps and transactions described herein;

Exchange of Class B USLP Units pursuant to Exchange Agreement

(b) all of the issued and outstanding Class B USLP Units shall be, and be deemed to be, exchanged indirectly for Units in accordance with the Exchange Agreement;

Exchange of Units

(c) all of the issued and outstanding Units, other than Units held by Dissenting Unitholders, shall be, and be deemed to be, sold, assigned and transferred to New Hardwoods (free of any liens, claims and encumbrances) in consideration for New Hardwoods Shares on the basis of one New Hardwoods Share for each Unit so sold, assigned and transferred;

Dissenting Unitholders

(e) Units held by Dissenting Unitholders shall be, and be deemed to be, transferred to New Hardwoods in consideration for the right to be paid by New Hardwoods, in accordance with Article 4, the fair value of their Units and such Dissenting Unitholders shall cease to have any rights as Unitholders other than the right to be paid the fair value of their Units under Article 4;

Repurchase of Initial New Hardwoods Share

(f) New Hardwoods shall repurchase the Initial New Hardwoods. Share held by the Trust for $10.00 and the Initial New Hardwoods Share shall be, and be deemed to be, cancelled;

Exchange of Class B LP Units pursuant to Exchange Agreement

(g) all of the issued and outstanding Class B LP Units shall be, and be deemed to be, exchanged for New Hardwoods Shares in accordance with the Exchange Agreement;

Exchange of LTIP Rights

(h) LTIP Rights outstanding as at the Effective Time shall be, and be deemed to be, amended, without any further action on the part of the LTIP Rightsholders, such that from and after the Effective Time all outstanding LTIP Rights shall entitle the holder the right to acquire a number of New Hardwoods Shares equal to the number of Units that could previously be acquired pursuant to the LTIP Rights and subject to the same terms and conditions, New Hardwoods shall assume the obligations of the Fund under the LTIP and the LTIP Rights in the place of the Fund, and the LTIP shall be amended to the extent necessary to facilitate and give effect to the foregoing;

Dissolution of the Trust

(i) the Fund shall forgive the amounts due by the Trust under the Trust Notes, surrender for cancellation all of the Trust Units and Trust Notes held by it and agree to pay, retire, discharge or make provision for the payment, retirement or discharge of all outstanding liabilities and obligations of the Trust in consideration for the distribution to it of all of the Trust Assets;

(j) the Trust shall be terminated and dissolved;

Dissolution of the Fund

(k) New Hardwoods shall agree to pay, retire, discharge or make provision for the payment, retirement or discharge of all outstanding liabilities and obligations of the Fund in consideration for the distribution to it of all of the Fund Assets; and

(l) the Fund shall be terminated and dissolved.

3.2 The Fund, the Trust, Hardwoods LP, Hardwoods USLP, Hardwoods GP, Hardwoods ULC and Hardwoods US Corp shall make the appropriate entries in their securities registers to reflect the matters referred to under Section 3.1.

ARTICLE 4
DISSENTING SECURITYHOLDERS

4.1 Each registered Unitholders shall have the right to dissent with respect to the Arrangement in accordance with the Interim Order. A Dissenting Unitholder shall, at the Effective Time, cease to have any rights as a holder of the Units and shall only be entitled to be paid the fair value of the holder's Units by New Hardwoods. A Dissenting Unitholder shall be deemed to have transferred the holder's Units to New Hardwoods as of the Effective Time, notwithstanding the provisions of Section 190 of the CBCA. A Dissenting Unitholder who, for any reason, is not entitled to be paid the fair value of the holder's Units, shall be treated as if the holder had participated in the Arrangement on the same basis as a non-dissenting Unitholder, notwithstanding the provisions of Section 190 of the CBCA. The fair value of the Units shall be determined as of the close of business on the last Business Day before the day on which the Arrangement is approved at the Meeting. In no event shall the Fund or New Hardwoods be required to recognize any Dissenting Unitholder as a Unitholder after the Effective Time and the names of such holders shall be removed from the applicable register as at the Effective Time. For greater certainty, in addition to any other restrictions in Section 190 of the CBCA, no Person who has voted (or instructs, or is deemed, by submission of an incomplete proxy, to have instructed his, her or its proxyholder to vote) in favour of the Arrangement shall be entitled to dissent with respect to the Arrangement.

ARTICLE 5
OUTSTANDING CERTIFICATES

5.1 After the Effective Time, each certificate formerly representing Units shall represent only the right to receive, in the case of any certificates held by Dissenting Unitholders, the fair value of the Units represented by such certificates, and, in the case of all other Units, the number of New Hardwoods Shares that the former holder of the securities represented by the certificates is entitled to in accordance with the terms of the Arrangement.

5.2 After the Effective Time, Unitholders shall not be entitled to any interest, dividend, premium, distribution or other payment on or with respect to such securities other than the New Hardwoods Shares which they are entitled to receive pursuant to this Plan.

5.3 In the event that any certificate which immediately prior to the Effective Time represented one or more outstanding Units that were exchanged pursuant to Article 3 shall have been lost, stolen or destroyed, upon making of an affidavit of that fact by the Unitholder claiming such certificate to be lost, stolen or destroyed, New Hardwoods' transfer agent will issue in exchange for such lost, stolen or destroyed certificate, one or more certificates representing one or more New Hardwoods Shares such holder is entitled to pursuant to Article 3 (and any dividends or distributions with respect thereto) as determined in accordance with the Arrangement. When authorizing such payment in exchange for any lost, stolen or destroyed certificate, the holder to whom certificates representing New Hardwoods Shares are to be issued shall, as a condition precedent to such issuance, satisfy the reasonable requirements as may be imposed by New Hardwoods and its transfer agent, including the giving of a bond satisfactory to New Hardwoods and its transfer agent in such sum as any of them may direct or otherwise indemnify New Hardwoods and its affiliates in a manner satisfactory to them against any claim that may be made against any of them with respect to the certificate alleged to have been lost, stolen or destroyed.

5.4 All dividends and distributions declared in respect of New Hardwoods Shares to which a former holder of Units is entitled in accordance with the terms of the Arrangement, but for which a certificate representing the New Hardwoods Shares has not been issued or delivered to such former holder in accordance with this Article 5, shall be paid or delivered to New Hardwoods' transfer agent to be held in trust for such former holder of Units for delivery to such former holder, net of all withholding and other taxes, until delivery of the certificate in accordance with this Article 5 or surrendered to New Hardwoods pursuant to Article 5, as the case may be.

5.5 The Fund, New Hardwoods and their respective transfer agents shall be entitled to deduct and withhold from any consideration otherwise payable to any holder of Units such amounts as the Fund, New Hardwoods or the transfer agents are required to deduct and withhold with respect to such payment under the Tax Act, or any provision of federal, provincial, state, local or foreign tax law, in each case, as amended. To the extent that amounts are so withheld, such withheld amounts shall be treated for all purposes hereof as having been paid to the holder of the Units in respect of which such deduction and withholding was made, provided that such withheld amounts are actually remitted to the appropriate taxing authority.

5.6 Any New Hardwoods Shares that remain undistributed to former holders of Units nine months after the Effective Date shall be delivered to New Hardwoods upon demand therefor, and holders of certificates previously representing Units who have not complied with this Article 5, shall thereafter, subject to Section 5.5, look only to New Hardwoods for payment of any claim to New Hardwoods Shares or dividends or distributions, if any, in respect thereof.

5.7 No certificates representing fractional New Hardwoods Shares shall be issued under this Arrangement. In lieu of any fractional New Hardwoods Share, each registered holder of Units otherwise entitled to a fractional interest in a New Hardwoods Share will receive the nearest whole number of New Hardwoods Shares (with fractions equal to exactly 0.5 being rounded up).

ARTICLE 6
AMENDMENTS

6.1 The Fund, Hardwoods GP and New Hardwoods may amend this Plan of Arrangement at any time and from time to time prior to the Effective Time, provided that each such amendment must be: (i) set out in writing; (ii) approved by the other parties; (iii) filed with the Court and, if made following the Meeting, approved by the Court; and (iv) communicated to the Director and, if and as required by the Court, to the Fund Securityholders.

6.2 Any amendment to the Plan of Arrangement may be proposed by any of the Fund, Hardwoods GP and New Hardwoods at any time prior to or at the Meeting (provided that the other Parties shall have consented thereto) with or without any other prior notice or communication, and if so proposed and accepted by the Fund Securityholders voting at the Meeting (other than as may be required under the Interim Order), shall become part of this Plan of Arrangement for all purposes.

6.3 The Fund, Hardwoods GP and New Hardwoods may amend, modify and/or supplement this Plan of Arrangement at any time and from time to time after the Meeting and prior to the Effective Time with the approval of the other parties and with the approval of the Court.

6.4 Any amendment, modification or supplement to this Plan of Arrangement may be made prior to or following the Effective Time by the agreement of the Fund, Hardwoods GP and New Hardwoods, provided that, it concerns a matter which, in the reasonable opinion of the Fund, Hardwoods GP and New Hardwoods is of an administrative nature required to better give effect to the implementation of this Plan of Arrangement and is not adverse to the financial or economic interests of any former Fund Securityholders.

Industry Canada Industrie Canada

Certificate of Amendment

Canada Business Corporations Act

Certificat de modification

Loi canadienne sur les sociétés par actions

Hardwoods Distribution Inc.

Corporate name / Dénomination sociale

782705-9

Corporation number / Numéro de société

I HEREBY CERTIFY that the articles of the above-named corporation are amended under section 178 of the *Canada Business Corporations Act* as set out in the attached articles of amendment.

JE CERTIFIE que les statuts de la société susmentionnée sont modifiés aux termes de l'article 178 de la *Loi canadienne sur les sociétés par actions*, tel qu'il est indiqué dans les clauses modificatrices ci-jointes.

Marcie Girouard

Director / Directeur

2011-04-15

Date of Amendment (YYYY-MM-DD)
Date de modification (AAAA-MM-JJ)

Canada

Industry Canada Industrie Canada

Form 4
Articles of Amendment
Canada Business Corporations Act (CBCA) (s. 27 or 177)

Formulaire 4
Clauses modificatrices
Loi canadienne sur les sociétés par actions (LCSA) (art. 27 ou 177)

1 Corporate name
Dénomination sociale
Hardwoods Distribution Inc.

2 Corporation number
Numéro de la société
782705-9

3 The articles are amended as follows
Les statuts sont modifiés de la façon suivante

The corporation changes the minimum and/or maximum number of directors to:
Les nombres minimal et/ou maximal d'administrateurs sont modifiés pour :
Min. 3 Max. 10

4 Declaration: I certify that I am a director or an officer of the corporation.
Déclaration : J'atteste que je suis un administrateur ou un dirigeant de la société.

Original signed by / Original signé par
Rob Brown

Rob Brown
604-881-1990

Note: Misrepresentation constitutes an offence and, on summary conviction, a person is liable to a fine not exceeding $5000 or to imprisonment for a term not exceeding six months or both (subsection 250(1) of the CBCA).
Nota : Faire une fausse déclaration constitue une infraction et son auteur, sur déclaration de culpabilité par procédure sommaire, est passible d'une amende maximale de 5 000 $ ou d'un emprisonnement maximal de six mois, ou de ces deux peines (paragraphe 250(1) de la LCSA).

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Corporations Canada | Corporations Canada

Form 4

Articles of Amendment

(Sections 27 and 177 of the Canada Business Corporations Act (CBCA))

Instructions

[3] Any changes in the articles of the corporation must be made in accordance with section 27 or 177 of the CBCA.

A: If an amendment involves a change of corporate name (including the addition of the English or French vesrion of the corporate name), the new name must comply with sections 10 and 12 of the CBCA as well as part 2 of the regulations, and the Articles of Amendment must be accompanied by a Canada-biased NUANS® search report dated not more than ninety (90) days prior to the receipt of the articles by Corporations Canada. A numbered name may be assigned under subsection 11(2) of the CBCA without a NUANS® search.

D: Any other amendments must correspond to the paragraphs and subparagraphs referenced in the articles being amended. If the space available is insufficient, please attach a schedule to the form.

[4] Declaration

This form must be signed by a director or an officer of the corporation (subsection 262(2) of the CBCA).

General

The information you provide in this document is collected under the authority of the CBCA and will be stored in personal information bank number IC/PPU-049. Personal information that you provide is protected under the provisions of the *Privacy Act*. However, public disclosure pursuant to section 266 of the CBCA is permitted under the *Privacy Act*.

If you require more information, please consult our web site at www.corporationscanada.ic.gc.ca or contact us at 613-941-9042 (Ottawa region) or toll-free at 1 866 333-5556 or by email at corporationscanada@ic.gc.ca.

Prescribed Fees

- Corporations Canada Online Filing Centre: $200
- By mail or fax: $200 paid by cheque payable to the Receiver General for Canada or by credit card (American Express®, MasterCard® or Visa®).

Important Reminders

Change of registered office address and/or mailing address:
Complete and file Change of Registered Office Address (Form 3).

Change of directors or changes of a director's address:
Complete and file Changes Regarding Directors (Form 6).

These forms can be filed electronically, by mail or by fax free of charge.

File documents online
(except for Articles of Amalgamation):
Corporations Canada Online Filing Centre:
www.corporationscanada.ic.gc.ca

or send documents by mail:
Director General,
Corporations Canada
Jean Edmonds Tower South
9th Floor
365 Laurier Ave. West
Ottawa ON K1A 0C8

By Facsimile:
613-941-0999

Canada

1 Corporation name

Hardwoods Distribution Inc.

2 Corporation number

782705-9

3 The articles are amended as follows:
(Please note that more than one section can be filled out)

A: The corporation changes its name to:

B: The corporation changes the province or territory in Canada where the registered office is located:
(Do not indicate the full address)

C: The corporation changes the minimum and/or maximum number of directors to:

Minimum: 3 Maximum:10

D: Other changes: (e.g., to the classes of shares, to restrictions on share transfers, to restrictions on the businesses of the corporation to or any other provisions that are permitted by the CBCA to be set out in the Articles) **Please specify.**

4 Declaration

I hereby certify that I am a director or an officer of the corporation.

Rob Brown

SIGNATURE

Rob Brown | 604-881-1990

PRINT NAME | TELEPHONE NUMBER

Note: Misrepresentation constitutes an offence and, on summary conviction, a person is liable to a fine not exceeding $5000 or to imprisonment for a term not exceeding six months or both (subsection 250(1) of the CBCA).

Certificate of Incorporation

Canada Business Corporations Act

Certificat de constitution

Loi canadienne sur les sociétés par actions

Hardwoods Distribution Inc.

Corporate name / Dénomination sociale

782705-9

Corporation number / Numéro de société

I HEREBY CERTIFY that the above-named corporation, the articles of incorporation of which are attached, is incorporated under the *Canada Business Corporations Act*.

JE CERTIFIE que la société susmentionnée, dont les statuts constitutifs sont joints, est constituée en vertu de la *Loi canadienne sur les sociétés par actions.*

Marcie Girouard

Director / Directeur

2011-04-05

Date of Incorporation (YYYY-MM-DD)
Date de constitution (AAAA-MM-JJ)

Industry Canada / Industrie Canada

Form 1
Articles of Incorporation
Canada Business Corporations Act (s. 6)

Formulaire 1
Statuts constitutifs
Loi canadienne sur les sociétés par actions (art. 6)

1 Corporate name
Dénomination sociale

Hardwoods Distribution Inc.

2 The province or territory in Canada where the registered office is situated
La province ou le territoire au Canada où est situé le siège social

BC

3 The classes and any maximum number of shares that the corporation is authorized to issue
Catégories et le nombre maximal d'actions que la société est autorisée à émettre

The corporation is authorized to issue an unlimited number of common shares.

4 Restrictions on share transfers
Restrictions sur le transfert des actions

None

5 Minimum and maximum number of directors
Nombre minimal et maximal d'administrateurs

Min. 1 Max. 10

6 Restrictions on the business the corporation may carry on
Limites imposées à l'activité commerciale de la société

None

7 Other Provisions
Autres dispositions

See attached schedule / Voir l'annexe ci-jointe

8 **Incorporator's Declaration:** I hereby certify that I am authorized to sign and submit this form.
Déclaration des fondateurs : J'atteste que je suis autorisé à signer et à soumettre le présent formulaire.

Thierry O. Keable

25th Floor, 700 West Georgia Street, Vancouver BC V7Y 1B3, Canada

Original signed by / Original signé par Thierry O. Keable

Thierry O. Keable

Note: Misrepresentation constitutes an offence and, on summary conviction, a person is liable to a fine not exceeding $5000 or to imprisonment for a term not exceeding six months or both (subsection 250(1) of the CBCA).
Nota : Faire une fausse déclaration constitue une infraction et son auteur, sur déclaration de culpabilité par procédure sommaire, est passible d'une amende maximale de 5 000 $ ou d'un emprisonnement maximal de six mois, ou de ces deux peines (paragraphe 250(1) de la LCSA).

Hardwoods Distribution Inc.

Schedule I

1. Without in any way limiting the powers conferred upon the Corporation and its directors by the *Canada Business Corporations Act*, (the "Act") the directors may, from time to time, in such amounts and on such terms as they deem expedient, charge, mortgage, hypothecate, pledge, or grant any form of security interest in, all or any of the currently owned or subsequently acquired property of the Corporation, real or personal, moveable or immoveable, including its undertaking, book debts, rights, powers and franchises, to secure any debt obligation or any money borrowed or other debt or liability of the Corporation.

2. The Articles of the Corporation may be amended by special resolution pursuant to Section 173 of the Act to:

   (a) increase or decrease any maximum number of authorized shares of any class, or increase any maximum number of authorized shares of a class having rights or privileges equal or superior to the shares of another class;

   (b) effect an exchange, reclassification or cancellation of all or any part of the shares of any class; or

   (c) create a new class of shares equal or superior to the shares of another class;

   and no separate class or series vote shall be required under Section 176 of the Act in respect to the amendment except that the holders of any class of preferred shares shall be entitled to vote separately as a class or series on such amendment to the extent provided in the Act and in the Articles.

3. The directors may, within the maximum number permitted by the Articles, appoint one or more directors, who shall hold office for a term expiring not later than the close of the next annual meeting of the shareholders, but the total number of directors so appointed may not exceed one-third of the number of directors elected at the previous annual meeting of shareholders.

Industry Canada | Industrie Canada

Canada Business Corporations Act (CBCA) | Loi canadienne sur les sociétés par actions (LCSA)

Form 1

FORM 1 ARTICLES OF INCORPORATION (SECTION 6)

FORMULAIRE 1 STATUTS CONSTITUTIFS (ARTICLE 6)

1 – Name of the Corporation | Dénomination sociale de la société

HARDWOODS DISTRIBUTION INC.

2 – The province or territory in Canada where the registered office is situated (do not indicate the full address) | La province ou le territoire au Canada où est situé le siège social (n'indiques pas l'adresse complète)

British Columbia

3 – The classes and any maximum number of shares that the corporation is authorized to issue | Catégories et tout nombre maximal d'actions que la société est autorisée à émettre

An unlimited number of Common shares.

4 – Restrictions, if any, on share transfers | Restrictions sur le transfert des actions, s'il y a lieu

None.

5 – Minimum and maximum number of directors (for a fixed number of directors, please indicate the same number in both boxes) | Nombre minimal et maximal d'administrateurs (pour un nombre fixe, veuilles indiquer le même nombre dans les deux cases)

Minimum: 1 Maximum: 10 | Minimal: 1 Maximal: 10

– Restrictions, if any, on business the corporation may carry on | Limites imposées à l' activité commerciale de la société, s'il y a lieu

None.

7 – Other provisions, if any | Autres dispositions, s'il y a lieu

The annexed Schedule I is incorporated into this form.

8 – **Incorporator's Declaration:** I hereby certify that I am authorized to sign and submit this form | **Déclaration des fondateurs** : J'atteste que je suisse autorisé à signer et à soumettre le présent formulaire.

Print Name(s) – Nom(s) en lettres moulées	Signature
Thierry O. Keable, 25th Floor, 700 West Georgia Street, Vancouver, BC V7Y 1B3	Thierry Keable

Note:

Misrepresentation constitutes an offence and, on summary conviction, a person is liable to a fine not exceeding $5,000 or to imprisonment for a term not exceeding six months or both (subsection 250(1) of the CBCA).

Nota :

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Canada

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Hardwoods Distribution Inc.

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   and no separate class or series vote shall be required under Section 176 of the Act in respect to the amendment except that the holders of any class of preferred shares shall be entitled to vote separately as a class or series on such amendment to the extent provided in the Act and in the Articles.

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