CT-2011-002

THE COMPETITION TRIBUNAL

IN THE MATTER OF the *Competition Act*, R.S.C. 1985, c.C-34, as amended;

AND IN THE MATTER OF an Application by the Commissioner of Competition for an order pursuant to section 92 of the *Competition Act*;

AND IN THE MATTER OF the acquisition by CCS Corporation of Complete Environmental Inc.

BETWEEN:

COMMISSIONER OF COMPETITION

Applicant

- AND -

CCS CORPORATION, COMPLETE ENVIRONMENTAL INC., BABKIRK LAND SERVICES INC., KAREN LOUISE BAKER, RONALD JOHN BAKER, KENNETH SCOTT WATSON, RANDY JOHN WOLSEY, AND THOMAS CRAIG WOLSEY

Respondents

RESPONSE OF KAREN LOUISE BAKER, RONALD JOHN BAKER, KENNETH SCOTT WATSON, RANDY JOHN WOLSEY, AND THOMAS CRAIG WOLSEY

PART I - OVERVIEW OF RESPONSE

1. The Respondents, Karen Louise Baker, Ronald John Baker, Kenneth Scott Watson, Randy John Wolsey and Thomas Craig Wolsey (collectively, the "**Vendor Respondents**") oppose the application brought by the Commissioner of Competition (the "**Commissioner**") under section 92 of the *Competition Act* (the "**Act**") as set out in the Notice of Application dated January 24, 2011 (the "**Application**") and, in particular, the issuance of any order that would impose any obligations on the Vendor Respondents. The Vendor Respondents say:

(a) the acquisition of Complete Environmental Inc. ("**Complete**") by CCS Corporation ("**CCS**"), hereinafter referred to as the "**Transaction**", does not, nor

is it likely to, prevent competition substantially as alleged in the Application, or at all; and

(b) in the alternative, if the Tribunal finds that the Transaction has prevented or is likely to prevent competition substantially, the Tribunal may not, and in any event should not, exercise its discretion to order dissolution of the Transaction.

2. A major premise of the Commissioner's Application is that Complete, under the control of the Vendor Respondents, was a "poised entrant into the market for hazardous waste disposal into secure landfills and would have competed directly with CCS." The Commissioner also contends that "Complete's entry was likely to have lowered tipping fees for producers of Hazardous Waste in the Relevant Market." These premises are erroneous as:

(a) Complete, under the control of the Vendor Respondents, was not a "poised entrant" at the time of the Transaction. The Vendor Respondents had decided to sell Complete. The Vendor Respondents had not sought financing to develop the proposed Babkirk treatment facility and secure landfill (the "**Babkirk Project**"). The Babkirk Project lacked the required operating plan, was undeveloped and was about one to two years away from becoming operational; and

(b) the Vendor Respondents had never intended to cause Complete to operate Babkirk as a secure landfill for disposal of hazardous waste competing with CCS. Instead, the Vendor Respondents expected that the Babkirk Project, when operational, would primarily treat contaminated soils and offer secure landfill services only incidentally. The Vendor Respondents did not expect to be able to offer landfill tipping fees that were lower than or competitive with those charged by CCS at its Silverberry site for the disposal of hazardous wastes.

3. Furthermore, the Commissioner overstates both the magnitude and significance of regulatory costs for new secure landfills servicing oil and gas companies in North-Eastern

British Columbia ("**NEBC**"). Barriers to entry are relatively low and would not prevent or deter entry by others in a market characterized by significant and growing demand.

4. In the alternative, if the Tribunal finds that the Transaction prevents, or is likely to prevent, competition substantially, dissolution is not an appropriate remedy as:

   (i) section 92 of the Act, properly construed, does not contemplate dissolution as a remedy where the "merger" comprises the sale of shares in a business with no further involvement by the vendors in the merged entity;

   (ii) dissolution would not be necessary to restore competition to the point that there is no substantial prevention of competition;

   (iii) if the Transaction were dissolved and shares in Complete returned to the Vendor Respondents, the Vendor Respondents would seek to dispose of Complete again, meaning that dissolution would not itself restore competition; and

   (iv) dissolution would be overly broad, punitive and complex compared with other potential effective remedies.

PART II - GROUNDS AND MATERIALS FACTS ON WHICH THE APPLICATION IS OPPOSED

5. The Vendor Respondents deny each allegation in the Application, except as expressly admitted herein.

6. The Vendor Respondents admit the allegations contained in paragraphs 2, 5, 6 and 16 of the Statement of Grounds and Material Facts of the Application.

A. Industry and Regulatory Context

7. A substantial portion of waste generated by oil and gas producers in British Columbia is hydrocarbon contaminated soil meeting the thresholds for treatment under the *Hazardous*

Waste Regulation, B.C. Reg. 63/88, as amended (the "**HW Regulation**"), made under the *Environmental Management Act*, S.B.C. 2003, c. 53, as amended (the "**EM Act**").

8. Treatable hydrocarbon contaminated soil can be (i) treated and stored on-site where it was generated, (ii) treated and stored at any landfill or facility for which an authorization has been issued under the EM Act, or (iii) used in the manufacture of asphalt. Once treated, contaminated soil can be returned safely to the environment, including for use as backfill material.

9. Waste generated by upstream oil and gas activity that is hazardous waste must either be transported to a secure landfill or, if a site owner or operator has obtained the necessary regulatory approvals, stored on-site, all subject to the EM Act and the HW Regulation.

10. Over the past 60 years, substantially all hazardous waste generated by upstream oil and gas activity in NEBC has been largely left in place, primarily in flare pits, with little or no investigation.

11. In British Columbia, in order to construct a new secure landfill one must obtain an environmental assessment certificate (the "**EA Certificate**") under the *Environmental Assessment Act*, S.B.C. 2003, c. 43, as amended (the "**EA Act**") as it is a reviewable project under the *Reviewable Projects Regulation* B.C. Reg. 370/2002, as amended, made thereunder.

12. In addition, in order to construct a new secure landfill, one must obtain a secure landfill permit from the British Columbia Ministry of Environment (the "**MoE**"). The application for such a permit is a separate process from the environmental assessment. However, applications for an EA Certificate and secure landfill permit may be made concurrently in accordance with the *Concurrent Approval Regulation*, B.C. Reg. 371/2002, as amended, made under the EA Act.

13. Waste from upstream oil and gas activity in British Columbia that is considered non-hazardous waste under Alberta law may be transported into Alberta and disposed of in a Class II landfill. Unlike secure landfills in British Columbia and Class I Hazardous

landfills in Alberta, Class II Non-hazardous landfills in Alberta have significantly less onerous permitting and regulatory requirements and are less expensive to construct and operate. Class II Non-hazardous landfills in Alberta charge lower tipping fees than Class I Hazardous landfills, and can be a viable option for waste generators with proximity to the Alberta/British Columbia border.

B. History of Complete up to the Transaction

14. At all relevant times, the Vendor Respondents have been business persons who own and/or are involved in the management or operations of one or more businesses apart from their one-time interest in Complete.

15. Murray and Kathy Babkirk (the "**Previous Owners**") founded Babkirk Land Services Inc. ("**Babkirk**") in 1996. Under their ownership, Babkirk owned a facility located at or near Mile 115, Alaska Highway, Wonowon, British Columbia. That facility accepted hazardous waste for treatment and short-term storage pursuant to the terms of a permit issued in 1998 by the MoE. However, the existing Babkirk facility has not accepted hazardous waste since 2004.

16. In November, 2006, Integrity Custom Processing Inc. ("**Integrity**"), owned by Randy John Wolsey and Thomas Craig Wolsey, made an offer to the Previous Owners to purchase Babkirk, and gave an initial deposit (the "**Deposit**") with the acquisition of Babkirk intended to be completed by a newly formed company (eventually, Complete) upon Babkirk obtaining a secure landfill permit.

17. Following payment of the Deposit, Babkirk (then owned by the Previous Owners) initiated the pre-application process for an EA Certificate in January 2007, submitted an application for an EA Certificate on February 11, 2008 and received the certificate in December 2008 (the "**Certificate**"). The Vendor Respondents assisted Babkirk throughout the environmental assessment.

18. From the outset, the Vendor Respondents intended to convert Babkirk's existing permit to a secure landfill and short-term storage and treatment permit to accept waste generated

from the local oil and gas industry for the purpose of bioremediation of soil with lighter end hydrocarbons, with the remainder of the material directly disposed of into the secure landfill (i.e. the Babkirk Project). Further, the MoE were aware that Integrated Resource Technologies Ltd. ("**Integrated**"), a company owned by Kenneth Scott Watson, intended to eventually construct a treatment pad at Babkirk for processing salt and heavy metal impacted soils using a proprietary treatment method. Treatment pads are typically not constructed to process salt and metals. In short, the facility would primarily treat and remediate (both historical and newly generated contaminated soils) as opposed to storing the materials. However, having secure landfill capability would be desirable to potential customers in the event that the materials received could not be adequately remediated.

19. Complete was incorporated in April 2007 and eventually repaid the Deposit to Integrity. In April 2009, Complete acquired Babkirk, prior to the issuance of the secure landfill permit as had been originally contemplated, but after the Certificate had been obtained.

20. Babkirk (then owned by Complete), submitted an application for a secure landfill permit to the MoE in July 2009. The permit (the "**Permit**") was issued in February 2010, within the 220 day time frame established by the MoE.

21. The out-of-pocket expenses incurred by Babkirk (together with the Previous Owners and the Vendor Respondents) to obtain the Certificate and Permit were less than $300,000.

22. Once the Certificate and Permit were in hand, it would likely have taken Complete, under the ownership of the Vendor Respondents, another one to two years before the Babkirk Project was operational. Among other things, Complete had yet to prepare an "operations plan" (another prerequisite for operation of a secure landfill).

23. Thus, in February, 2010, the Vendor Respondents were at a "crossroads": they needed to decide whether to invest more time, effort and financial resources to develop and operate Babkirk or to find a buyer. Each of the Vendor Respondents was engaged in other business ventures that required their attention. The Vendor Respondents collectively

decided to sell Complete if they could find a buyer willing to pay a sufficiently attractive price.

24. During the period of March 2010 through July 2010, the Vendor Respondents contacted well-capitalized parties involved in the operation of landfills in Alberta and servicing the oil and gas industry, including Newalta Corporation ("**Newalta**"), Secure Energy Services Inc. ("**Secure**") and CCS.

25. Following communications to and with Newalta and Secure respectively in June 2010, it appeared to the Vendor Respondents that these entities were unwilling to make an offer to buy Complete at that time. The Vendor Respondents met with representatives of CCS in mid-July and the parties signed a letter of intent on July 26, 2010 for the sale of Complete. The parties later entered into a definitive agreement for the sale of the shares in Complete and the Transaction closed on January 7, 2011.

26. Complete has continuously operated in the municipal solid waste sector since May 2007, including contracts with the Peace River Regional District ("**PRRD**") for the operation of municipal solid waste landfills for Dawson Creek, British Columbia and Fort St. John, British Columbia, a solid waste transfer station and a roll-off container rental business. Complete's operations in this sector, which are separate from the proposed (non-operational) Babkirk Project, transferred to CCS as part of the Transaction.

C. The Alleged Market

27. The Application does not clearly identify a product market and geographic market. In the result, the Vendor Respondents are unable to respond fully to the Application in this respect.

28. In her Application, the Commissioner adopts the following descriptions with respect to market definition:

    (a) the "Relevant Market" is "oil and gas companies disposing of Hazardous Waste produced at oil and gas fields within NEBC" (Application, paragraph 11);

(b) the "Relevant Product Market" "is the disposal of Hazardous Waste into Secure Landfills" (Application, paragraph 12); and

(c) the "Relevant Geographic Market" "is the aggregated locations of Hazardous Waste generators located in NEBC that would benefit from the competition between Babkirk and CCS that CCS has denied by the Merger" (Application, paragraph 15).

29. The term "Relevant Market" is not a composite of the purported descriptions of the Relevant Product Market and Relevant Geographic Markets. Therefore, the Commissioner's allegations with respect to market definition are uncertain. It is unknown, for example, whether the alleged product market is merely "disposing" of Hazardous Waste, or "disposing [Hazardous Waste] into Secure Landfills".

30. The boundaries of the alleged geographic market are not defined. It is not clear whether, for example, it comprises all of NEBC (as defined in the Application) or some other larger (or smaller) area. The purported definition at paragraph 15 of the Application is argumentative and circular because is presupposes price competition between Babkirk and CCS such that the Babkirk Project and Silverberry would be in the same geographic market with respect to secure landfill services.

31. Whatever the Application means or is construed to mean with respect to the relevant market, the definition of the Relevant Market in the Application fails to take into account that oil and gas producers in British Columbia, with the necessary regulatory approvals, may have the option of storing hazardous waste on-site, and the ability for waste generators in NEBC to transport to Alberta for disposal.

D. No Substantial Prevention of Competition

32. The Transaction has not resulted in, and is unlikely to result in, a substantial prevention of competition. In answer to the Commissioner's core allegations:

(a) Complete was not a poised entrant;

(b) Complete would not have competed with CCS on tipping fees for disposal in a secure landfill; and

(c) barriers to entry are relatively low and there is expected competition to CCS that is likely to enter into NEBC, in addition to competition from Alberta landfills for certain types of waste.

33. Furthermore, the customers—oil and gas producers—are typically large entities that can exercise significant countervailing power in answer to attempts by suppliers of secure landfill services to charge supra-competitive prices.

(a) Complete was not a "Poised Entrant"

34. For reasons outlined earlier in this Response, with Complete under the control of the Vendor Respondents, the proposed Babkirk Project did not have an approved operating plan and was one to two years from becoming operational. This does not amount to "poised entry".

35. Furthermore, Complete (in the control of the Vendor Respondents) did not intend to enter the alleged product market of "the disposal of Hazardous Waste into Secure Landfills" except incidentally to the anticipated entry into a different market not pleaded by the Commissioner involving the treatment of hydrocarbon contaminated soils with potential expansion to processing salt and heavy metal impacted soils. To the knowledge of the Vendor Respondents, CCS does not provide services for the treatment of contaminated soils at its two secure landfills in NEBC.

(b) Complete would not have competed with CCS on Tipping Fees

36. The Babkirk Project would have relatively high operational costs relative to the CCS facility at Silverberry owing to Babkirk's more remote location, without electricity, natural gas or local accommodations for employees.

37. The tipping fees charged by CCS at its Silverberry location are low compared to Class I Hazardous landfills in Alberta. Had the Vendor Respondents developed the Babkirk

Project, they would have been unable to compete on secure landfill tipping fees with Silverberry. Before they decided to dispose of Complete, the Vendor Respondents had anticipated that Complete's tipping fees for use of the secure landfill at Babkirk would be significantly higher than those at Silverberry for disposal of hazardous wastes.

(c) Others will likely enter

38. NEBC is a vast, relatively unpopulated area with many possible locations for secure landfills.

39. The Commissioner overstates the significance of the impact of the regulatory regime in British Columbia on likely entry to operate new secure landfills in NEBC or proximate areas of north-west Alberta:

(a) the likely cost of the regulatory approval process in British Columbia is far less than $1 million as suggested by the Commissioner at paragraph 26 of the Application. As is stated above, Babkirk incurred out-of-pocket costs of under $300,000 to secure the Certificate and the Permit;

(b) the time to obtain regulatory approval could be shortened if one were to apply for an EA Certificate and landfill permit concurrently, as opposed to sequentially (as Babkirk did);

(c) the time and cost to prepare environmental assessment application materials would likely be less for new applications, which could model themselves after the successful applications by Babkirk and Doig River Environmental Inc. (a Doig River First Nation company) ("**DRE**"), the first applicants to be evaluated by the British Columbia Environmental Assessment Office for secure landfills using their new working group framework;

(d) small businesses, such as Complete (under control of the Vendor Respondents) and DRE, have successfully secured the required regulatory permits within the last two years. The approved, proposed DRE secure landfill is located in Peejay

NEBC, approximately 80 kilometres away from the site of the proposed Babkirk Project; and

(e) provided that one undertakes appropriate due diligence in site selection, the risk of not obtaining the required regulatory approval is low. Once approval is obtained, the costs to obtain the EA Certificate and permits are not sunk since they may be easily transferred.

40. In addition to the anticipated entry by DRE for its approved site, there is likely to be significant entry in view of the demand arising from remediation of historical contaminated sites caused by upstream oil and gas activity and extensive, ongoing growth of oil and gas exploration and production in NEBC. The opportunities are sufficiently lucrative to attract entry from both small businesses and established, well-capitalized companies experienced in operating and developing landfills, in spite of the costs of regulatory approval (such as they are). The Transaction does not prevent any such entry.

41. If the necessary regulatory approvals are obtained, on-site treatment and/or storage is also an available option for hazardous waste generators in NEBC. For contaminated soil meeting the definition of "non-hazardous waste" in Alberta, transporting to a Class II Non-hazardous landfill in Alberta is also a viable option for generators.

E. Remedies

42. In the alternative, if the Tribunal finds that the Transaction prevents, or is likely to prevent, competition substantially, the Tribunal should not issue an order that imposes obligations on the Vendor Respondents. In particular, if the Tribunal exercises its discretion to issue an order under section 92 of the Act, the Tribunal may not, and in any event should not, order the dissolution of the Transaction.

43. Section 92 of the Act, properly construed, does not contemplate dissolution as a remedy where the "merger" comprises the sale of shares in a business with no further involvement by the vendors in the merged entity, as in the present case.

44. Generally, the Tribunal should not issue a remedy under section 92 of the Act that goes further than is necessary to restore competition to the point that there would be, or would likely be, no substantial lessening or prevention of competition. In the alternative, to the extent that dissolution is available as a potential remedy in this case, the Tribunal ought not to impose such remedy because:

(a) dissolution would not be necessary to restore competition to the point that there is no substantial prevention of competition;

(b) dissolution would be overly broad. To illustrate, dissolution would involve the return of Complete's municipal solid waste operations and container rental business, which are not included in the product market alleged by the Commissioner and have been operated separately from the proposed Babkirk Project;

(c) if the Transaction were dissolved and shares in Complete returned to the Vendor Respondents, the Vendor Respondents would seek to dispose of Complete again, meaning that dissolution would not itself restore competition and would be inefficient compared with another remedy such as divestiture by CCS; and

(d) dissolution would have a punitive effect on the Vendor Respondents and would involve complex issues of costs, compensation and/or adjustments as between the parties to the Transaction.

PART III - CONCLUSION

45. For the reasons stated herein, the Vendor Respondents submit that the Transaction does not, nor is it likely to, prevent competition substantially and in any event, the Tribunal should not order the dissolution of the Transaction.

PART IV - CONCISE STATEMENT OF ECONOMIC THEORY

46. The Vendor Respondents' concise statement of economic theory is set out in Schedule "A" to this Response.

PART V - RELIEF SOUGHT

47. The Vendor Respondents request an Order dismissing the Application, with costs payable to the Vendor Respondents in an amount to be determined by the Tribunal after hearing submissions from the parties.

PART VI - PROCEDURAL MATTERS

48. The Vendor Respondents agree that this Application be heard in English.

49. The Vendor Respondents propose the hearing of this matter be held in the City of Vancouver, British Columbia.

Dated at Vancouver, British Columbia, this 10th day of March, 2011.

"Davis LLP"

DAVIS LLP
Suite 2800, Park Place
666 Burrard Street
Vancouver, BC V6C 2Z7

J. Kevin Wright
Jonathan Gilhen

Tel: (604) 643-6461
Fax: (604) 605-3577

Counsel for Karen Louise Baker, Ronald John Baker, Kenneth Scott Watson, Randy John Wolsey and Thomas Craig Wolsey

TO: **DEPARTMENT OF JUSTICE CANADA**
Competition Bureau Legal Services
Place du Portage, Phase I
50 Victoria Street, 22nd Floor
Gatineau, QC K1A 0C9

William J. Miller
Nikiforos Iatrou
Emma Beauchamp

Tel: (819) 953-3903
Fax: (819) 953-9267

Counsel for the Commissioner of Competition

AND TO: **TORYS LLP**
79 Wellington Street West, Suite 3000
Box 270, TD Centre
Toronto, On M5K 1N2

Linda M. Plumpton
R. Jay Holsten

Tel: (416) 865-8193
Fax: (416) 865-7380

Counsel for CCS Corporation, Complete Environmental Inc.
and Babkirk Land Services Inc.

Schedule A

Concise Statement of Economic Theory

1. For the past 60 years in NEBC, upstream oil and gas activity has generated hazardous waste which has either been stored on-site in flare pits or treated on-site or at a short-term storage and treatment facility.

2. In 2002, the first secure landfill permit was issued in NEBC to CCS for its Silverberry facility, providing for long term storage of hazardous waste. Since then, three other secure landfill permits have been issued, to CCS for its Northern Rockies facility, to DRE for its Peejay facility and to Babkirk for the Babkirk Project near Mile 115 on the Alaska Highway.

3. The Commissioner must establish both that the Application defines a proper relevant market and that, having regard to such market, there is or would likely be a substantial prevent of competition.

4. The Application does not define the product or geographic markets with sufficient precision and therefore, the Application as framed must fail.

5. Alternatively, the Application does not define a proper product market because, whatever it may mean, the proposed definition does not include competitive alternatives such as on-site treatment or storage of hazardous waste, which may be an option if the necessary regulatory approvals are obtained.

6. Further, and in the alternative, the Application does not define a proper geographic market since the proposed definition is circular in that it presumes that the Babkirk Project and the Silverberry site are sufficiently close substitutes that they are necessarily in the same geographic market. That is not so.

7. Tipping fees are quoted "per tonne" and transportation costs are quoted "per hour" and can vary according to the capacity of the truck hauling the waste. Therefore, the proportion of total cost attributable to tipping fees versus transportation costs will vary

according to the distance between the generator and the landfill and the tonnage to be transported and disposed. Generally, tipping fees are a small portion, roughly 20-25%, of the total costs incurred by oil and gas producers who dispose of hazardous waste at secure landfills. The costs of transporting the waste to a landfill are proportionately larger. As a result, the proximity of a landfill, and not tipping fees, is likely to determine which secure landfill site a customer selects. Assuming that a secure landfill is built and operated at Babkirk, it does not follow that the disposal services offered by Silverberry will be a close substitute for customers proximate to Babkirk or on the other side of the Alaska Highway (north) of Babkirk from Silverberry given the significant transportation costs involved to send the waste to Silverberry. The converse is true for customers located near Silverberry or on the other side of the Alaska Highway (south) of Silverberry.

8. Alternatively, the geographic market is sufficiently broad to include other locations in NEBC, including the DRE site and Alberta sites located close to the border of NEBC. Currently, certain waste generated by upstream oil and gas activity in NEBC is transported to Class II Non-hazardous landfills in Alberta. In such a geographic market, CCS does not have market power.

9. Assuming the Commissioner overcomes the defects in the Application with respect to market definition, CCS does not have sufficient market power such that there is or will likely be a substantial prevent of competition. In relative terms, barriers to entry are low:

   (a) first, the costs of obtaining regulatory approvals are likely far less than $1 million (as suggested by the Commissioner) and have not deterred and would not likely deter small-businesses like Complete and DRE. *A fortiori*, much larger potential competitors could easily enter; and

   (b) second, there is significant, unsatisfied demand for disposal and/or treatment of historical hazardous waste stored on-site in flare pits and for new hazardous waste generated by the growing oil and gas industry in NEBC. As a result, there are rewards that justify the investment in the regulatory approvals and capital required to build secure landfills and/or hazardous waste treatment facilities.

10. Further, at the time of the Transaction, Babkirk was not a poised entrant into a product market for hazardous waste disposal or hazardous waste disposal at secure landfills. Likewise, Babkirk was unlikely to compete with Silverberry on tipping fees for hazardous waste disposal in a secure landfill, but in fact would likely have charged fees that were materially higher.

11. The customers, oil and gas producers, have significant countervailing power.

CT-2011-002

THE COMPETITION TRIBUNAL

IN THE MATTER OF the *Competition Act*, R.S.C. 1985, c.C-34, as amended;

AND IN THE MATTER OF an Application by the Commissioner of Competition for an order pursuant to section 92 of the *Competition Act*;

AND IN THE MATTER OF the acquisition by CCS Corporation of Complete Environmental Inc.

BETWEEN:

COMMISSIONER OF COMPETITION

Applicant

- AND -

CCS CORPORATION, COMPLETE ENVIRONMENTAL INC., BABKIRK LAND SERVICES INC., KAREN LOUISE BAKER, RONALD JOHN BAKER, KENNETH SCOTT WATSON, RANDY JOHN WOLSEY, AND THOMAS CRAIG WOLSEY

Respondents

RESPONSE OF KAREN LOUISE BAKER, RONALD JOHN BAKER, KENNETH SCOTT WATSON, RANDY JOHN WOLSEY, AND THOMAS CRAIG WOLSEY

DAVIS LLP
Suite 2800, Park Place
666 Burrard Street
Vancouver, BC V6C 2Z7

J. Kevin Wright
Jonathan Gilhen

Tel: (604) 643-6461
Fax: (604) 605-3577

Counsel for Karen Louise Baker, Ronald John Baker, Kenneth Scott Watson, Randy John Wolsey and Thomas Craig Wolsey