

<b>SUMMARY OF CURRENT DOCUMENT</b>	
<b>Name of Issuing Party or Person:</b>	<b>John Deere Limited</b>
<b>Date of Document:</b>	<b>13<sup>th</sup> December 2002</b>
<b>Summary of Order/Relief Sought or Statement of Purpose in filing:</b>	<b>Interlocutory Application of John Deere Limited ("JDL") for payment to JDL of the proceeds from the sale by the Receiver of the equipment referenced in the Application</b>
<b>Court Sub-File Number:</b>	<b>7: 26</b>

2002 01T 0352

IN THE SUPREME COURT OF NEWFOUNDLAND AND LABRADOR

**IN THE MATTER OF**

a Court ordered Receivership  
of Hickman Equipment (1985) Limited  
("HEL") pursuant to Rule 25  
of the *Rules of the Supreme Court, 1986*  
under the *Judicature Act*, RSNL 1990,  
c. J-4, as amended

**AND IN THE MATTER OF**

the *Bankruptcy and Insolvency Act*,  
RSC 1985, c. B-3, as amended (the "BIA")

**INTERLOCUTORY APPLICATION (INTER PARTES)**  
**OF JOHN DEERE LIMITED**

The Interlocutory Application (Inter Partes) of JDL says as follows:

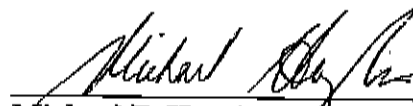
1. By a Receiving Order dated March 13, 2002 and filed March 14, 2002 (the "Receiving Order") HEL was adjudged bankrupt and PricewaterhouseCoopers Inc. ("PWC") was appointed Trustee in bankruptcy in accordance with the BIA.
2. By a Receivership Order dated March 13, 2002 and filed March 14, 2002 (the "Receivership Order") PWC was appointed receiver without security "... of all the property, assets, entitlements and undertaking (the "Assets") of Hickman Equipment wheresoever situate including without limitation all property assets

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and undertaking comprised in the term "Property" as such term is defined in the Initial Order."

3. In light of the above, and by virtue of the Receiving Order, JDL filed a proof of claim in the Bankruptcy of Hickman dated April 17, 2002.
4. PWC, in accordance with an Order of this Honourable Court dated May 14, 2002, commenced and completed the liquidation of substantially all of the Assets of HEL by auction.
5. By Final Determination dated November 27, 2002 (the "Final Determination"), PWC has allowed, *inter alia*, the claims of JDL in respect of certain units, including, without limitation, the units listed at Schedule "A" to this Application (the "JDL Units"). PWC has in the Final Determination concluded that the debts noted in Schedule "A" in respect of the JDL Units are owing from HEL to JDL, value has been given by JDL to HEL in respect of the JDL Units, and JDL has a valid and perfected purchase money security interest in the JDL Units.
6. JDL has been advised by PWC that PWC has received as proceeds of the liquidation of each of the JDL units, the amounts set out in the 4<sup>th</sup> column of the table at Schedule "A" to this Application (the "Proceeds").
7. JDL has a first ranking security interest in the JDL Units by virtue of the security and other documents referenced by PWC at paragraph 8 in the Final Determination.
8. JDL therefore applies to this Honourable Court for an Order approving the payment to JDL by the Receiver of the Proceeds.

**DATED AT** St. John's, in the Province of Newfoundland and Labrador, this <sup>13<sup>th</sup></sup> day of December, 2002.

  
 Michael F. Harrington, Q.C.  
 Stewart McKelvey Stirling Scales  
 Solicitors for John Deere Limited  
 Whose address for service is:  
 Suite 1100, 100 New Gower Street  
 P.O. Box 5038  
 St. John's, NF A1C 5V3

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*Issued at St. John's, in the Province  
 of Newfoundland and Labrador this 13<sup>th</sup> day of  
 December 2002.*

*Shirley Lanning  
 Clerk*

## SCHEDULE "A"

Equipment Description	Serial Number	JDL Debt	Auction Proceeds
644H 4WD Loader	DW644HX581726	\$239,584.83	\$182,500.00
6X4 Worksite Gater	W0W6X4D002027	\$12,954.03	\$12,000.00
6X4 Worksite Gater	W0W6X4D002028	\$12,954.03	\$12,000.00
6X4 Worksite Gater	W0W6X4D002069	\$12,954.03	\$12,000.00
250 Skid Steer	KV0250A253464	\$26,524.76	\$23,000.00
250 Skid Steer	KV0250A253465	\$26,524.76	\$24,000.00

<b>SUMMARY OF CURRENT DOCUMENT</b>	
<b>Name of Issuing Party or Person:</b>	<b>John Deere Limited</b>
<b>Date of Document:</b>	<b>December 2002</b>
<b>Summary of Order/Relief Sought or Statement of Purpose in filing:</b>	<b>Affidavit of Douglas A. Dicker filed in support of the Interlocutory Application of John Deere Limited ("JDL") for payment to JDL of the proceeds from the sale by the Receiver of the equipment referenced in the Application</b>
<b>Court Sub-File Number:</b>	<b>7:</b>

2002 01T 0352

**IN THE SUPREME COURT OF NEWFOUNDLAND AND LABRADOR**

**IN THE MATTER OF**

a Court ordered Receivership  
of Hickman Equipment (1985) Limited  
("HEL") pursuant to Rule 25  
of the *Rules of the Supreme Court, 1986*  
under the *Judicature Act*, RSNL 1990,  
c. J-4, as amended

**AND IN THE MATTER OF**

the *Bankruptcy and Insolvency Act*,  
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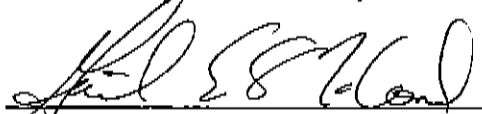
**AFFIDAVIT**

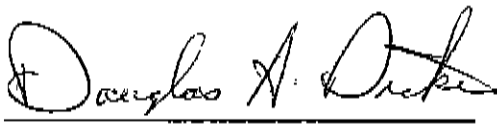
I, Douglas A. Dicker, of the City of Stoney Creek, in the Province of Ontario, make oath and say as follows:

1. I am Division Manager with JDL, the applicant in the within Interlocutory Application, and as such have personal knowledge of the matters set forth herein, except where otherwise noted.
2. By a Receiving Order dated March 13, 2002 and filed March 14, 2002 (the "Receiving Order") HEL was adjudged bankrupt and PricewaterhouseCoopers Inc. ("PWC") was appointed Trustee in bankruptcy in accordance with the BIA.

3. By a Receivership Order dated March 13, 2002 and filed March 14, 2002 (the "Receivership Order") PWC was appointed receiver without security "... of all the property, assets, entitlements and undertaking (the "Assets") of Hickman Equipment wheresoever situate including without limitation all property assets and undertaking comprised in the term "Property" as such term is defined in the Initial Order."
4. In light of the above, and by virtue of the Receiving Order, JDL filed a proof of claim in the Bankruptcy of Hickman dated April 17, 2002.
5. I am advised by PWC that PWC, in accordance with an Order of this Honourable Court dated May 14, 2002, commenced and completed the liquidation of substantially all of the Assets of HEL by auction.
6. By Final Determination dated November 27, 2002 (the "Final Determination"), PWC has allowed, *inter alia*, the claims of JDL in respect of certain units including, without limitation, the units listed at Schedule "A" to the Application (the "JDL units"). A true copy of the Final Determination is attached as Exhibit "A" to this affidavit.
7. JDL has been advised by PWC that PWC has received as proceeds of the liquidation of each of the JDL units, the amounts set out in the 4<sup>th</sup> column of the table at Schedule "A" to the Application (the "Proceeds").
8. This affidavit is sworn and filed in support of JDL's application to this Honourable Court for an Order approving the payment to JDL by the Receiver of the Proceeds.

**SWORN** before me at the Town of  
Grimsby, in the Province of Ontario  
This 12<sup>th</sup> day of December, 2002:

  
\_\_\_\_\_  
Notary Public in and for the Province of  
Ontario

  
\_\_\_\_\_  
Douglas A. Dicker

**REGISTERED MAIL**

PricewaterhouseCoopers Inc.  
Atlantic Place, Box 75,  
215 Water Street, Suite 802  
St. John's, NL  
Canada A1C 6C9  
Telephone +1 (709) 722 3883  
Facsimile +1 (709) 722 1428

Mr. Bruce Grant  
Stewart McKelvey Stirling Scales  
Suite 1100, Cabot Place  
100 New Gower Street  
St. John's, NL  
A1C 5V3

November 27, 2002

This is Exhibit "A" referred to in the  
affidavit of Douglas A. Dicker  
sworn before me, this 12<sup>th</sup>  
day of December 20.02

  
A COMMISSIONER FOR TAKING AFFIDAVITS

Dear Mr. Grant:

**Re: Hickman Equipment (1985) Ltd. – In Receivership and John Deere Limited**

PricewaterhouseCoopers Inc. acts as Court Appointed Receiver of Hickman Equipment (1985) Limited pursuant to a court order dated March 18, 2002. Hickman Equipment (1985) Limited was placed into bankruptcy by way of the Receiving Order also issued on March 13, 2002. Copies of the Court Orders may be obtained from our website at [www.pwcglobal.com/brs-hel](http://www.pwcglobal.com/brs-hel).

By Court Order dated May 14, 2002 the Claims Plan was approved. A copy of this plan may also be located on the above website.

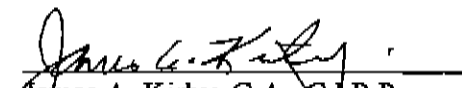
Paragraph 14 of the Claims Plan provided as follows "...the Trustee will issue the Final Determination of the Claim in question, either allowing it as a valid secured claim under Section 135(4) of the *Bankruptcy and Insolvency Act* or disallowing it as a valid secured claim...". Paragraphs 15 and 16 of the Claims Plan provide the details of appeal rights both from rejected claims or those that may be accepted for other creditors. Paragraph 17 of the Claims Plan provides other options where the Trustee believes determination of the claims requires a trial or other legal process.

Attached is our final determination relating to your claim for security.

Pursuant to Paragraph 16 of the Claims Plan where the Trustee has allowed a claim as a valid secured claim, the Court will be asked to confirm this determination as to which the Trustee's final determination will be final and binding on all claimants. Notice of the court hearing for confirmation of the Trustee's final determination will be forwarded to all known secured creditors at least five (5) days prior to the court hearing.

Yours very truly,  
**PricewaterhouseCoopers Inc.**

Per:

  
James A. Kirby, C.A., C.J.R.P.  
Senior Vice-President

JAK/cmc

Encl.

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**FINAL DETERMINATION  
RE: JOHN DEERE LIMITED CLAIMS**

Final Determination  
November 27, 2002

**Final Determination of PricewaterhouseCoopers Inc. ("PWC") as Trustee of Hickman Equipment (1985) Limited in respect of the Claims of John Deere Limited ("JDL") to Security Interests**

**1. Introduction**

PWC as Receiver continues to hold the Assets of HEL under the terms of the Receivership Order granted on March 13, 2002. The Claims Plan is intended to provide a mechanism by which Claimants assert Claims to these Assets.

Pursuant to paragraph 14 of the Claims Plan, a Final Determination is to be made by PWC as Trustee either allowing or disallowing a Claim as a valid secured claim under s.135(4) of the *Bankruptcy and Insolvency Act* ("BIA"). This is the Trustee's Final Determination in respect of JDL.

Capitalized terms used in this Final Determination shall have the meaning ascribed to them in the Claims Plan unless otherwise defined herein.

**2. Summary Determination**

JDL's claim:

- (a) to be owed \$3,591,153.71 (the "Total Debt") by HEL, as at the Date of Bankruptcy, is allowed, subject to taxation of legal fees in the amount of \$105,690.75;
- (b) to be owed the Individual Debts, as defined herein, by HEL as at the Date of Bankruptcy is allowed;
- (c) to a security interest in the items listed in Schedule B as security for the Individual Debts set out in Column 2 of Schedule B is allowed;
- (d) to a security interest in the:
  - (i) Parts as defined herein and described in Schedule C;
  - (ii) the items listed in Schedule B;
  - (iii) the paid for goods listed at pages 14-18 in Schedule A;

as security for the Total Debt is allowed;



- (e) to a security interest in Deere Parts other than the Parts is disallowed.

The effective date of perfection for purposes of s.36 of the PPSA of:

- (a) the security interest created by the \$500,000 fixed and floating charge debenture issued by HEL to JDL is March 11, 1985; and
- (b) the security interest created by the Other Security Agreements referred to herein is December 14, 1999.

### 3. Defined Terms

When used in this Final Determination, the following words or abbreviations shall have the meaning ascribed:

"Asset(s)"	-	the Deere Parts, the Paid for Goods (as defined herein), and the items listed in Schedule B identified with an asterisk
"BIA"	-	<i>Bankruptcy and Insolvency Act</i> , R.S.C. 1985, c.B-3, as amended
"Date of Bankruptcy:"	-	March 13, 2002
"Debenture"	-	the Debenture referred to in paragraph 8(e)
"Deere Parts"	-	those items identified on the computer system maintained by HEL prior to Bankruptcy as John Deere Parts and Timberjack Parts
"Documents"	-	the documentation referred to in paragraph 8
"HEL"	-	Hickman Equipment (1985) Limited
"Individual Debt"		the amount owed to JDL by HEL in respect of individual items listed in Schedule B. The Individual Debt for each item allowed as at the Date of Bankruptcy is the amount set out in Column 2 of Schedule B
"Industrial Dealer Statement"	-	a statement dated March 24, 2002 which was attached to JDL's Proof of Claim, a copy of which is attached as Schedule A <sub>1</sub>

"Lawn & Ground Care Statement"	-	a statement dated March 22, 2002 which was attached to JDL's Proof of Claim, a copy of which is attached as Schedule A <sub>2</sub>
"Other Security Agreements"	"-	John Deere Industrial Dealer Agreement, the John Deere Security Agreement - Inventory, the John Deere Skid Steer Loader Agreement referred to in paragraph 8(b), (c) and (h) collectively
"Paid for Goods"	-	items listed at pages 14-18 of the Industrial Dealer Statement as "Paid for Goods" and which are or were in the possession of the Receiver (the Paid for Goods which are or were in the Receiver's possession are those for which auction or sale proceeds are shown in Schedule D)
"Parts"	-	the portion of the Deere Parts in which the Trustee has determined JDL has a security interest (the Parts are described in Schedule C)
"PMSI"	-	Purchase Money Security Interest
"PPR"	-	Personal Property Registry
"PPSA" or "Act"	-	<i>Personal Property Security Act</i> , S.N.L. 1998, c.P-7.1
"Province"	-	Newfoundland and Labrador
"Regulations"	-	<i>Personal Property Security Regulations</i> (103/99)
"Security Agreements"	-	the Debenture and the Other Security Agreements
"Total Debt"	-	\$3,591,153.71
"Trustee"	-	PricewaterhouseCoopers Inc., in its capacity as Trustee of the Estate of Hickman Equipment (1985) Limited

#### 4. Assets

The assets which are the subject of this Final Determination are the Deere Parts, the Paid for Goods, and the items listed in Schedule B.

#### 5. Assumptions

For the purposes of this Final Determination, PWC has assumed:

- (a) the genuineness of all signatures, the authenticity of all original Documents and the conformity to authentic originals of all Documents that are copies, whether facsimile, photostatic, certified or otherwise;
- (b) that each party to any of the Documents that create obligations for that party, has duly authorized, executed and delivered such Documents to which it is a party;
- (c) with the exception of security interests created by the Documents, the Documents that create obligations for parties, constitute legal, valid and binding obligations of each party thereto, enforceable against each of them in accordance with their terms;
- (d) that insofar as any obligation under any of the Documents is to be performed in any jurisdiction outside the Province, its performance will not be illegal or unenforceable by virtue of the laws of that other jurisdiction; and
- (e) the accuracy and currency of the indices and filing systems maintained in relation to the public registries where we have searched or inquired or have caused searches or inquiries to be conducted.

## 6. Qualifications

Since there is no title registration system in the Province relating to personal property, any opinion respecting title is based solely upon the relevant Documentation.

For the purposes of determining the validity under prior law of security interests created and registered before the implementation of the PPSA and transitioned by registration in the PPR, the Trustee has only reviewed the security agreements and their registrations referenced in the PPR search Report section entitled: "Pre-PPSA registration information continued by this registration", endorsements, if any, on the security agreements reviewed, and the pre-PPSA legislation and the applicable common law relating to their registration.

Both the PPSA and the *Conditional Sales Act* (the latter statute being part of the "prior law") provide that property in goods pass to a purchaser from a seller or trader where the sale is in the ordinary course of business of the seller or trader. In some instances, HEL transferred equipment subject to a security interest to a purchaser without discharging the security interest. In some cases, the purchaser granted a security interest to another lender, while in other cases the purchaser transferred the equipment to a third party who, in turn, granted a security interest to a lender. Due to the lack of evidence concerning all transactions involving assets, we are unable to determine if sales by HEL were "in the ordinary course of business" such as to enable the purchaser to receive clear title to the equipment in order to allow a subsequent lender to obtain a valid security interest or a subsequent transferee to obtain clear title.

No opinion is expressed with regard to any collateral covered by the Documents, but not referred to in this Final Determination.

Pursuant to the terms of the Court Order establishing the Claims Plan, this Final Determination determines the validity of security claimed against the Estate of HEL and whether such security has been properly perfected. For the assistance of readers, the Trustee has sometimes provided comments concerning the priority of such security vis-à-vis other parties, but such priority-related comments are made without prejudice to any position which may be taken at any future date by any party in regards to priorities.

Notwithstanding the findings in this Final Determination concerning the validity of JDL's Claim, the Trustee is not precluded by such determination from taking proceedings in respect of the Debt, Security Interest or Assets dealt with herein pursuant to the provisions of the BIA or any provincial or other legislation dealing with preferences, reviewable or fraudulent transactions or settlements.

Except where a specific claim to proceeds has been made and material provided in support of that claim, the Trustee expresses no opinion with respect to claims to proceeds or claims involving tracing. An outline of the proceeds claim process and issues are set out in paragraph 17.

## **7. Overview of Claim**

JDL has filed a Proof of Claim under the provisions of the BIA claiming HEL owed it on the Date of Bankruptcy \$3,485,462.96. This amount is set out in the statements attached as Schedules A<sub>1</sub> and A<sub>2</sub>, excluding the amounts shown due for Consigned Inventory. JDL also claims to be owed as at the Date of Bankruptcy legal expenses of approximately \$105,690.75.

JDL claims that part of the Total Debt owed is the unpaid balance of the purchase price (the "Individual Debts") for non-consigned inventory described in Schedule A<sub>1</sub> as New Machines and in Schedule A<sub>2</sub> as New Machines and Special Term Machines which were supplied to HEL by JDL.

The New Machines and Special Term Machines and Individual Debts are referred to in Schedules A<sub>1</sub> and A<sub>2</sub> and summarized and identified with an asterisk in Schedule B.

JDL claims to have a PMSI in the New Machines and Special Term Machines for the Individual Debts. It also claims a PMSI in the portion of the Deere Parts for which it has not been paid.

JDL asserts that based on the Debenture and Other Security Agreements, it has a security interest (general security interest) in the Deere Parts, the Paid for Goods (as described at pages 14-18 of Schedule A<sub>1</sub>) and in the New Machines and Special Term Machines as security for the Total Debt.

## 8. Documentation

For the purposes of this Final Determination, the Trustee has been provided with, reviewed, considered and relied upon the following:

- (a) Proof of Claim dated April 17, 2002 filed by JDL herein and attachments thereto;
- (b) John Deere Industrial Dealer Agreement, March 8, 1995, between the Claimant and Hickman;
- (c) John Deere Security Agreement - Inventory, January 16, 1993, between the Claimant and Hickman;
- (d) \$500,000 Debenture, March 11, 1985, issued by Hickman to the Claimant (the "Debenture");
- (e) Pledge Agreement, March 11, 1985, whereby Hickman pledged the Debenture to the Claimant;
- (f) Letter Priority Agreement, July 5, 1985, to the Claimant from CIBC concerning priority of their respective security from HEL;
- (g) Timberjack Dealer Selling Agreement, June 26, 2000, between Timberjack Corporation and Hickman;
- (h) John Deere Skid Steer Loader Agreement, May 1, 1998, between JDL and HEL;
- (i) Relating to the items listed in Schedule B:
  - (i) Invoice dated October 10, 2001 for the 644H Loader in the amount of \$193,603.90 indicating a shipping date of October 10, 2001;
  - (ii) 3 Invoices, each dated September 5, 2001, each for a Diesel 6x4 Workstation Gator in the amount of \$12,511.50 indicating a shipping date of September 5, 2001;
  - (iii) An Invoice for two 72" front blades dated August 20, 2001 for the total amount of \$2,896.50 and indicating a shipping date of August 20, 2001;
  - (iv) An Invoice for two 48" Pin Pallet Forks dated December 13, 2000 for the total amount of \$1,562.56 and indicating a shipping date of December 13, 2000;
  - (v) 2 Invoices, each dated December 13, 2000, each for a 250 JD Skid Steer in the amount of \$23,872.28 indicating a shipping date of December 13, 2000;
  - (vi) An Invoice dated November 13, 2001 for a JD644H4WD Loader, Serial #DW644HX581986 indicating a shipping date of November 13, 2001;
  - (vii) An Invoice dated September 27, 2001 for a 16" Cold Planer, Serial #KVC16X300103, indicating a shipping date of September 27, 2001;

- (viii) An Invoice dated October 11, 2001 for 2 48" Pin Pallet Forks (no serial number) indicating a shipping date of October 11, 2001.
- (j) Purchase Money Security Interest Notices, all dated December 14, 1999, addressed to:
  - (i) General Motors Acceptance Corporation of Canada Limited;
  - (ii) CIBC Equipment Finance Limited;
  - (iii) CIBC;
  - (iv) ABN Amro Leasing, a Division of ABN Amro Bank Canada;
  - (v) Bombardier Capital Leasing.
- (k) PPR registration report dated March 21, 2002;
- (l) Reports prepared in respect of the Assets for the Trustee by or on behalf of the Receiver;
- (m) A Reply dated October 16, 2002 of John Deere Limited ("JDL") to the Information Request of the Trustee dated October 2, 2002;

## **9. The Claim**

### **A. The Debt:**

#### **(a) Claimed**

- (i) JDL claims the Total Debt owed to it by HEL as of March 13, 2002 is the sum of \$3,591,153.71 of which \$105,690.75 is legal fees incurred to that date.

Particulars of the Debt other than legal fees are set out in Schedule A<sub>1</sub> and A<sub>2</sub>.

- (ii) JDL claims to be owed the Individual Debts set out in Column 2 of Schedule B for the items marked by an asterisk in Schedule B.

(Note: In its Reply dated October 16, 2002, JDL has shown a revised amount due. The Trustee in this Determination has only dealt with the claim as set out and proved in the Proof of Claim filed by JDL.)

#### **(b) Allowed or Disallowed**

- (i) The Total Debt, other than legal fees, is allowed by the Trustee based on the Proof of Claim and Schedules A<sub>1</sub> and A<sub>2</sub>.

With respect to a portion of the Claim (\$105,690.75) which consists of legal fees, PWC has not been provided with the accounts of counsel to JDL and cannot therefore verify that the accounts have been paid.

Legal fees that qualify as reasonable and incurred for the purposes set out in section 8 of the Security Agreement - Inventory or section 6 of the Debenture are secured under the terms of those documents. The courts of the Province reserve the right to tax and allow as reasonable legal fees payable by parties pursuant to the *Rules of the Supreme Court*, 1986.

#### The Security Agreement- Inventory

##### s.8 "If the Dealer's default under this Agreement occurs or continues

- (a) all indebtedness owing by the Dealer to the Company shall become due and payable forthwith without notice to the Dealer and the Company may collect the same together with reasonable expenses of collection including, without limitation, court costs, legal fees on a solicitor and client basis, and all other legal expenses.

#### The Debenture, section 6, which provides in part:

"In the event the Company fails to abide by or fulfill the requirements of this paragraph, John Deere may, but it is not required to, take such steps as it considers advisable to remedy the situation and preserve or protect the charged property. Any moneys paid by John Deere in taking such steps together with all costs and expenses of John Deere shall be added to the indebtedness and liabilities secured hereunder and shall bear interest at the rate provided for in this Debenture and default in payment thereof shall constitute default hereunder."

- (ii) The Individual Debts are allowed based on the Proof of Claim, Schedules A<sub>1</sub> and A<sub>2</sub> and the Invoices reviewed by the Trustee.

#### **B. The Security Interests**

##### **(a) Asserted**

JDL claims to have a security interest in the Assets which are or were in the Receiver's possession which include the Deere Parts, the Paid for Goods, and the items listed in Schedule B that were or are in the Receiver's possession based on the Debenture and the Other Security Agreements.

JDL also claims to have a security interest in any of the assets identified as Paid for Goods in Schedule A<sub>1</sub> or in Schedule B which were not in the Receiver's possession based on the Other Security Agreements.

JDL asserts that all of the Assets in which a security interest is claimed and which are the subject of this determination are or were:

- (a) in the nature of Inventory;
- (b) originally supplied or financed goods and are not proceeds.

JDL says that there may be other assets which are or were in the possession of the Receiver which are in the nature of proceeds to which JDL claims a security interest. Any such assets which may constitute proceeds have not been identified and are not the subject of this Final Determination.

JDL claims to have a security interest in:

- (a) each of the Individual Items listed in Schedule B which were or are in the Receiver's possession for the Individual Debts;
- (b) Parts for which JDL has not been paid in full for the amount owed in respect of such parts;
- (c) all of the Assets as security for the Total Debt.

JDL asserts that the security interest in respect of the Items listed in Schedule B and any unpaid Parts is in the nature of a PMSI for amounts unpaid in respect of those items.

JDL asserts it has a "general" security interest in all of the Assets for the Total Debt.

**(b) Security Interests Allowed or Disallowed**

**Determinations**

1. The Trustee has determined that:

- (a) the Assets in which a security interest is claimed are:
  - (i) in the nature of Inventory; and
  - (ii) with the exception of the Deere Parts not included in Parts were supplied and/or financed by JDL.

The reasons for the Trustee's determinations are set out following:

- (i) Assets in the Nature of Inventory



The actual use to which goods are put by the debtor dictates whether they will be classed as inventory, equipment or consumer goods. Goods that are held by a person for sale or lease or that have been leased by that person as lessor are inventory. It is the Trustee's understanding that all of the Assets were acquired as inventory; it has no specific knowledge of conversion of any of the Assets to Equipment.

(ii) Assets were Supplied and/or Financed by JDL

- (a) Items listed in Schedule B - Items #1, 3, 4, 5, 6, 7, 8, 9, 10, and 11 are specifically identified in the Industrial Dealer Statement, Schedule A<sub>1</sub> (under the heading "Non-Consigned Inventory New Machines") and in the Lawn and Ground Care Statement, Schedule A<sub>2</sub>. These items are identified as supplied but unpaid for. JDL has provided the Trustee with copies of invoices to evidence the supply of all of the items listed in Schedule B.
- (b) The Paid for Goods - The Industrial Dealer Agreement, Schedule A<sub>1</sub> at pages 14-18 lists all of the Paid for Goods. The listing includes various other particulars concerning their supply by JDL. The Trustee accepts the foregoing as satisfactory evidence of the supply of the Paid for Goods by JDL.
- (c) Parts - HEL maintained a computerized record of parts. HEL's records indicated there were a total of \$2,409,682 of "John Deere" Parts at cost in Inventory. With the assistance of Parts personnel of Ontrac Equipment Limited, some physical inspection and inquiries, the Receiver is reasonably satisfied that of the \$2,409,682 of parts categorized as "John Deere" Parts, it is reasonable in the circumstances to accept, for purposes of this Determination, that \$2,046,224 of those parts were supplied by JDL. The amount accepted is the total classified as John Deere Parts less \$2,667.19 of parts coded as JD parts in error, \$37,190.04 of used parts, and \$323,601 of Timberjack Parts. (The book value of Timberjack Parts was \$403,601. JDL says it supplied \$153,262.39 of Timberjack Parts between September of 2000 and February of 2002. The Trustee considers it reasonable to accept that \$80,000 of the Timberjack Parts present on the Date of Bankruptcy had been supplied by JDL.)

(b) JDL has a security interest:

- (i) in the Individual Items listed in Schedule B marked with an asterisk, for the Individual Debt set out in Column 2 of Schedule B;
- (ii) in all of the Assets as security for the Total Debt.

The reasons for the Trustee's determination are set out following:

The JDL Industrial Dealer Agreement of March 8, 1995 provides in paragraph 13:

- "13. Title to ownership and the right to possession of all Sold Goods shipped by the Company (JDL) to the Dealer are and shall remain vested in the Company until full payment of the indebtedness thereof is and any other indebtedness now or hereafter owed by the Dealer to the Company shall have been made to the Company and each item of Sold Goods shall remain as security for such indebtedness even if its own purchase price is paid."

The JDL Skid Steer Loader Agreement provides in paragraph 3(b):

- "3(b) Title to, ownership and the right to possession of Goods shall remain vested in the Company until payment of the indebtedness thereof is and all other indebtedness now or hereafter owing by the Debtor to the Company shall have been paid to the Company."

The JDL Security Agreement - Inventory provides:

- "s.3 As security for the payment of the indebtedness, the Dealer hereby grants to the Company:
- (a) a security interest in any unpaid for item of collateral and the Company hereby reserves title to any such collateral provided by it;
  - (b) a security interest in each paid for item of collateral and the Dealer conveys title to any such collateral..."

(Collateral as defined in the Security Agreement - Inventory includes all goods supplied or financed by John Deere Limited.)

The Debenture provides JDL with a security interest in replacement, repair or service parts components, assemblies and small attachments and items of John Deere Merchandise or other items similar to John Deere Merchandise which are or may in the future be offered for sale by John Deere. (The security interest created by the Debenture is limited to \$500,000 plus interest, as provided in the Debenture, from the date of default. It is the Trustee's opinion the security interest created by the Debenture is in goods supplied by JDL only.)

The Trustee is satisfied:

- (i) based on the statements attached as Schedules A<sub>1</sub> and A<sub>2</sub>, and Invoices provided, that the items listed in Schedule B were supplied by JDL and that the items identified by asterisk are not paid for (the items not marked by an asterisk may be paid for);
- (ii) based on JDL's Proof of Claim and the invoices provided, the Trustee is satisfied that JDL was owed, at the Date of Bankruptcy, the Individual Debts set out in Column 2 of Schedule B. Based on the agreements as referenced above, JDL has a security interest in the Individual items identified by an asterisk for the Individual Debts.

While the Trustee is satisfied that JDL has not been paid for all Parts supplied by it to HEL, JDL has not satisfied the burden of establishing which Parts it has not been paid for so as to establish a specific security interest in specific parts for the unpaid balance of the purchase price for those specific parts.

Based on the statements attached as Schedules A<sub>1</sub> and A<sub>2</sub>; the invoices provided and reviewed; the inquiries made by the Receiver; information provided by Ontrac that JDL supplied the Parts, all of the items listed in Schedule B and all of the Paid for Goods listed at pages 14-16 of Schedule A<sub>1</sub> to HEL; and, based on the provisions of the Security Agreements referred to in the foregoing, the Trustee is satisfied and has determined that JDL has a security interest in all of the items supplied by it, whether paid for or not as security for the Total Debt. (Note: The security interest created under the Debenture is limited to \$500,000 plus interest; the security interest created in the other security agreements is unlimited.)

## **10. The Application of the PPSA**

By section 4 of the PPSA, the PPSA applies to every transaction that in substance creates a security interest without regard to form and without regard to who has title to the collateral and includes a chattel mortgage, conditional sale, fixed charge, floating charge, pledge, trust indenture, trust receipt, an assignment, a consignment, lease, trust or transfer of chattel paper where they secure payment or performance of an obligation.

By section 74(2) of the PPSA, the PPSA applies to every security agreement entered into before the commencement of the Act that was not validly terminated in accordance with prior law before the commencement of the Act.

The security interests created by the Security Agreements falls within the ambit of the PPSA.

## **11. Enforceability of Security Agreements**

A security agreement is enforceable against a third party where the debtor has signed a security agreement that contains an appropriate description of the collateral as provided by section 11 of the PPSA.

By section 74(3) of the PPSA, section 11 does not apply to security agreements entered into and not validly terminated before the commencement of the PPSA. The validity of security interests contained in such agreements is governed by the prior law.

HEL has signed the John Deere Industrial Dealer Agreement, John Deere Security Agreement - Inventory, the Debenture, the Pledge Agreement, the Timberjack Dealer Selling Agreement, and the John Deere Skid Steer Loader Agreement.

The descriptions contained in the Other Security Agreements are sufficient to provide an enforceable security agreement for purposes of section 11 of the PPSA.

The *Registration of Deeds Act*, R.S.N. 1990, c.R-10, provides in section 10 that an "instrument" made after March 27, 1862 and not proved and registered shall be judged fraudulent and void both at law and in equity against a subsequent purchaser or mortgagee for valuable consideration who first registers his or her instrument, or against a Trustee of an insolvent estate, or an assignee or trustee under a conveyance for the benefit of creditors.

The Debenture is an instrument defined in the *Registration of Deeds Act* as it existed prior to the commencement of the PPSA.

Under section 24(1) of the *Registration of Deeds Act*, a document submitted for registration is considered to be registered when it is delivered to the registry provided it:

- (a) is executed by all persons from whom an interest passes (here, HEL);
- (b) has attached to it the proper proof; and
- (c) is accompanied by the proper fee.

The Debenture has been executed by HEL, proved in accordance with the *Registration of Deeds Act*, and endorsed by the Registrar of Deeds as to registration.

Based on the *Registration of Deeds Act*, the Debenture was not void or fraudulent as against third parties but was enforceable according to its terms.

## **12. Effectiveness of the Security Agreement**

According to section 10 of the PPSA, a security interest is effective according to its terms. The Trustee is satisfied that the terms of the Security Agreements relied on by JDL to establish security interests in the Assets are effective to establish the security interests allowed by the Trustee.

### 13. Attachment

A Security Interest in collateral (the Assets) contained in a Security Agreement attaches when value is given and the debtor (HEL) has rights in the collateral.

The Trustee is satisfied based on examination of Schedules A<sub>1</sub> and A<sub>2</sub>, and on the materials, inquiries and inspections referred to at page 10, paragraph (ii)(c) that the collateral in which JDL claims to have a security interest has been supplied by JDL and that supply constitutes the provision of value by JDL to HEL with respect to HEL's rights in the collateral, all of the Assets were in HEL's possession at the Date of Bankruptcy.

### 14. Perfection

A security interest is perfected when it has attached and all steps required for its perfection under the PPSA have occurred (PPSA, s.20).

The Trustee has determined that the Security Interests claimed by JDL have been perfected as:

- (a) The Trustee has determined that the security interests claimed have attached, and
- (b) JDL has made the following registrations under the provisions of the PPSA which constitute all steps required to perfect the security interests contained in the Security Agreements under the provisions of the PPSA:
  - (i) Registration Number 5595 at the PPR dated December 14, 1999 with an expiry date of Infinity contains the following information:

General Collateral: A security interest is taken in all present and after-acquired goods, supplied by the secured party to the debtor or supplied to the debtor by others and financed by the secured party, whether held as inventory or otherwise, all present and after-acquired chattel paper, accounts and the debtor's earnings account and reserve account described in any of the debtor's finance and leasing agreements in effect from time to time, all goods, documents of title, chattel paper, securities, instruments, money and intangibles held in or representing the same, together with all attachments, accessories, accessions, replacements, substitutions, additions and improvements thereto and all proceeds of the foregoing in any form, including goods, documents of title, chattel paper, securities, instruments, money and intangibles derived directly or indirectly from any dealing with the collateral, and a right to an insurance payment or any other payment that indemnifies or compensates for loss or damages to the collateral or the proceeds of the collateral.

Debtor:	Hickman Equipment (1985) Limited
Secured Party	John Deere Limited

- (ii) PPSA Registration number 5595 was amended on January 28, 2002 by filing an Amendment that bears PPSA Amendment Registration Number 1570455 and adds the following to the General Description Collateral:

The following is added to the current general collateral:

Without limiting the generality of the foregoing, a security interest is taken in all goods supplied to the debtor by the secured party or supplied by others and financed by the secured party and in all consigned goods whether John Deere merchandise or otherwise and whether contained in inventory of the debtor or otherwise, including without limitation all complete machines, all replacement, repair or service parts, all components, assemblies and small attachments and any other items of the John Deere merchandise product line and any other good of a make or kind offered for sale by the secured party, and all proceeds therefrom in any form whatsoever.

- (iii) PPSA Registration number 328815 at the PPR dated June 6, 2000 with an expiry date of Infinity contains the following description:

General Collateral:

Collateral described in fixed and floating charge debenture dated March 11, 1985 including inventory, replacement, repair, service parts, components, assemblies and small attachments and proceeds therefrom.

Pre-PPSA registration information continued by this Registration:

<u>Number/Date</u>	<u>County or Venue/Act</u>
R87F2215	n/a
1985-03-11	<i>Registration of Deeds Act</i>

Debtor:	Hickman Equipment (1985) Limited
Secured Party	John Deere Limited

- (iv) PPSA Registration filing 328815 was amended on January 28, 2002 by filing an Amendment that bears PPSA Amendment Registration Number 1570464 and adds the following to the General Description Collateral:

Without limiting the generality of the foregoing, a security interest is taken in the following property now owned or hereafter acquired by the debtor wherever located: All goods supplied to the debtor by the secured party, whether John Deere Merchandise or otherwise, and forming part of the debtor's inventory from time to time, and all replacement, repair or service parts, all components, assemblies and small attachments and any other items of John Deere Merchandise, and all proceeds therefrom in any form whatsoever.

## **15. Effective Date of Perfection**

It is the Trustee's determination that the effective date of perfection of the security interests claimed by JDL for purposes of s.36 of the PPSA are as follows;

- (a) a security interest limited to \$500,000 plus interest as contained in the Debenture - March 11, 1985;
- (b) security interests as contained in the Other Security Agreements relied on by JDL - December 14, 1999.

### **Basis of Determination**

#### **(a) The Debenture**

The PPSA provides in s.75(1) that a prior security interest, which on commencement of the PPSA, is covered by an unexpired registration under prior registration law, is considered to have been registered under this Act as of the time of registration under the prior registration law.

The registered and perfected status of a prior security interest is continued if it is registered under the PPSA within 2 years of the commencement of the PPSA.

The Regulations, section 26, sets out the information required in a financing statement to continue a prior registration.

The Debenture was covered by an unexpired registration under prior registration law and the registrant has filed a financing statement as required by section 26 of the Regulations within the time limited by the PPSA.

The Trustee has determined that the registration under the prior law has been properly transitioned so as to preserve the original registration date as the date of perfection for purposes of section 36.

#### **(b) Other Security Interests**

A Financing Statement having been filed on December 14, 1999 in respect of the other security interests, the effective date for Perfection of the other Security Interests claimed by JDL for purposes of s.36 of the PPSA is December 14, 1999.

## **16. PMSI**

The definition of PMSI is contained in section 2(hh) of the PPSA to mean:

- (i) a security interest taken in collateral to the extent that it secures all or part of the purchase price of the collateral;

- (ii) a security interest taken in collateral by a person who gives value for the purpose of enabling the debtor to acquire rights in the collateral, to the extent that the value is applied to acquire the rights;
  - (iii) the interest of a lessor of goods under a lease for a term of more than one year, and
  - (iv) the interest of a consignor who delivers goods to a consignee under a commercial consignment,
- but does not include a transaction of sale by and lease back to the seller, and for the purpose of this definition, "purchase price" and "value" include interest, credit costs and other charges payable for the purchase or loan credit;"

The Trustee is satisfied that JDL's security interest in the items listed in Schedule B, marked with an asterisk, for which it has not been paid conforms to the definition of a PMSI as contained in s.2(hh) of the PPSA.

#### Basis for Determination

The Trustee is satisfied, based on the statements contained in Schedules A<sub>1</sub> and A<sub>2</sub>, that JDL sold the items listed in Schedule B identified by an asterisk to HEL and the items have not been paid for.

The Security Interests described in the JDL Industrial Dealer Agreement, Skid Steer Loader Agreement, and the Security Interest - Inventory all include a Security Interest in Goods supplied (sold to HEL by JDL) until they are paid for. The Trustee is satisfied the security interest claimed on the items listed in Schedule B is to secure the purchase price of the collateral.

#### **17. Proceeds**

Section 29(1) of the PPSA provides a secured party with an automatic and statutory interest in the proceeds from the disposition of a secured asset by the debtor. While this right is automatic as against the debtor, the entitlement to proceeds must be perfected, in order to protect the secured party's entitlement as against competing creditors.

While no claim to proceeds is dealt with herein, JDL says that there may be other assets which are or were in the possession of the Receiver which are in the nature of proceeds to which JDL would assert it has a security interest.

The Trustee has not made any determination as to JDL's entitlement to proceeds; however, the Trustee has outlined below the statutory requirements that must be met by a secured party in order to assert a claim to proceeds from the disposition of collateral as against other secured creditors.

The perfected status of a security interest in proceeds depends firstly on whether the security interest in the original collateral was perfected when the proceeds arose. If not, the secured party will have to perfect its security interest in the proceeds as original collateral either by registration



or taking possession. If so, the question of whether the secured party must independently perfect its security interest in the proceeds depends on the method by which the security interest in the original collateral was perfected.

Section 29(3) provides for 3 instances where perfection in proceeds is automatic and continuous. A security interest in proceeds is a continuously perfected security interest where the interest in the original collateral is perfected by a registration of a financing statement under s.26 that:

- (a) includes a description of the proceeds that would be sufficient to perfect a security interest in original collateral of the same kind;
- (b) includes a description of the original collateral, where the proceeds are of a kind that are within the description of the original collateral; or
- (c) includes a description of the original collateral, where the proceeds consist of money, cheques or deposit accounts in a bank, credit union, or similar financial institutions.

If proceeds do not fall into one of these categories, s.29(4) of the PPSA requires registration with respect to the proceeds collateral within 15 days after such proceeds arise. Such registration would be in accordance with the same rules as the original collateral.

As indicated above, collateral descriptions are governed by ss.23-24 of the Regulations. These rules extend to descriptions of collateral in the form of proceeds as well.

Note, as well, that the ability to assert a claim to proceeds is contingent upon 2 conditions. The debtor must have acquired rights in the proceeds, and the proceeds themselves must be traceable (ref. s.2(ff)).

## **18. Additional Comments on Priorities**

While it is not within the mandate of the Trustee or Trustee's counsel to determine priorities, we nevertheless offer the following comment and/or information, in order to provide assistance to any creditors who may also have a valid and perfected security interest in the assets and wish to determine, for their own benefit, their ranking with respect to same.

PMSI Notices dated December 14, 1999 state:

John Deere Limited ("Secured Party") has registered a Financing Statement under the *Personal Property Security Act* bearing registration number 5595 and hereby notifies you that it has acquired or expects to acquire a Purchase Money Security Interest in inventory of the Debtor which is supplied from time to time by the Secured Party to the Debtor including:

All present and after-acquired goods, supplied by the Secured Party to the Debtor or supplied to the Debtor by others and financed by the

Secured Party, whether held as inventory or otherwise, all present and after-acquired chattel paper, accounts and the Debtor's contingent earnings account and reserve account described in any of the Debtor's finance and leasing agreements in effect from time to time, all goods, documents of title, chattel paper, securities, instruments, money and intangibles held in or representing the same, together with all attachments, accessories, accessions, replacements, substitutions, additions and improvements thereto and all proceeds of the foregoing in any form, including goods, documents of title, chattel paper, securities, instruments, money and intangibles derived directly or indirectly from any dealing with the collateral and a right to an insurance payment or any other payment that indemnifies or compensates for loss or damage to the collateral or the proceeds of the collateral."

The Trustee has been provided with the Statutory Declaration of Ernest G. Reid, Q.C., a partner of Stewart McKelvey Stirling Scales, sworn October 16, 2002, in which he makes oath and says that pursuant to the provisions of s.35(2) of the PPSA, notices were sent by registered mail on December 14, 1999 to General Motors Acceptance Corporation of Canada, CIBC Equipment Finance Limited, Canadian Imperial Bank of Commerce, ABM AMRO Leasing, a Division of ABM AMRO Bank Canada, and Bombardier Capital Leasing Limited.

#### **19. Auction Results**

Auction and sale results for the Assets in which JDL claims a Security Interest are set out in Schedule D.

(Note: To date, the Parts have not been realized on and there are no proceeds.)

# **SCHEDULE A1**

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23 MAY 2002

HICKMAN EQUIPMENT (1985) LTD

MT. PEARL, NF

Schedule A1

PAGE 1

JOHN DEERE LIMITED - INDUSTRIAL STATEMENT

DIVISION # 4, TERRITORY # 2, DEALER ACCOUNT # 6014

TOTAL AMOUNT DUE NOW:

DUE BY 15 APR 2002

\*\*\*\* 3,799,345.22

## SUMMARY STATEMENT

## STATEMENT OF ACCOUNT

## CURRENT DUE

CONSIGNED &  
FUTURE DUE

MISCELLANEOUS INVOICE CHARGES

RENTAL MACHINE PAYMENTS

TRANSFER INVOICE CHARGES

FLOOR PLANS

PIP CREDITS + WARRANTY CREDITS

10,044.60 CR

TOTAL SENTRY INSURANCE CHARGES

FINANCIAL INFORMATION

J.D.I.S. CHARGES

1,506.48

RENTAL MACHINE INTEREST

OTHER INTEREST CHARGES

RETAIL FINANCE ACTIVITY

MISCELLANEOUS DEBIT/CREDIT MEMOS

276.43

CARRY OVER DEPOSITS

GOODS &amp; SERVICES TAX (GST, PST &amp; HST)

3,885.68 CR

SETTLEMENT ADJUSTMENTS

## PARTS STATEMENT

PARTS

PARTS FREIGHT/PALLETS

5,859.10

5,732.39

PRODUCT IMPROVEMENT KITS

PARTS DEBIT MEMOS

221.05

PARTS CREDIT MEMOS

CONSIGNED INVENTORY

17,990.62 CR

NEW MACHINES

RENTAL MACHINES

2,026,038.85

FREIGHT

1,783,297.98

DUTY

## NON-CONSIGNED INVENTORY

NEW MACHINES

RENTAL MACHINES

193,603.90

FLOOR PLANS

REPOSSESSIONS / LEASE RETURNS

ATTACHMENTS

MISCELLANEOUS

JOHN DEERE CREDIT ADMINISTERED

43,807.34

4,414.74

SHORTAGES

3,585,991.82

SETTLEMENTS PENDING

RETAIL NOTES PENDING

JD CREDIT CARDS PENDING

UNAPPLIED CREDITS

428,896.58 CR

TOTAL AMOUNT DUE

3,799,345.22

3,392,587.38

TOTAL STATEMENT BALANCE (CURRENT + FUTURE + CONSIGNED)

7,191,932.60

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22 MAR 2002

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MT. PEARL, NE

JOHN DEERE LIMITED - INDUSTRIAL STATEMENT  
DIVISION # 4, TERRITORY # 2, DEALER ACCOUNT # 6014

## MANAGEMENT INFORMATION

## FUTURE FINAL DUE AMOUNTS

	DUE DATE	AMOUNT
(DOES NOT INCLUDE FUTURE CARRY OVER DEPOSITS.	1 MAY 2002	8,740.59
SEE FLOOR PLAN INVENTORY FOR MACHINES	1 JUN 2002	1,147.91
WHICH MAY QUALIFY FOR AN EXTENDED DUE DATE)	1 JUL 2002	258.63
	1 AUG 2002	
	1 SEP 2002	
	1 OCT 2002	
ON OR AFTER	1 NOV 2002	

## CURRENT INFORMATION

PREMATURITY INTEREST BEARING AMOUNT	
PAST DUE INTEREST BEARING AMOUNT	
RENTAL MACHINES ON RENT	
RENTAL MACHINES OFF RENT	
COMPLETE GOODS PURCHASES YEAR TO DATE	1,785,297.98
CARRY OVER DEPOSIT BALANCE	4,508,972.15
PARTS PURCHASES YEAR TO DATE	
PARTS STOCK ORDERS YEAR TO DATE	508,724.35
PAID FOR MACHINES	395,802.62
	8,738,331.80

22 MAR 2002

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JOHN DEERE LIMITED - INDUSTRIAL STATEMENT  
DIVISION # 4, TERRITORY # 2, DEALER ACCOUNT # 6014

## STATEMENT BALANCE

PRIOR MONTH'S STATEMENT BALANCE

7,221,722.79

## STATEMENT OF ACCOUNT TRANSACTIONS

AMOUNT BILLED FOR MONTH  
(TOTAL CREDITS + TOTAL DEBITS)

CONSIGNEE INVOICES	
RENTAL MACHINE PAYMENTS	
NON-CONSIGNEE INVOICES	
CONSIGNEE TRANSFERS	
NON-CONSIGNEE TRANSFERS	
FLOOR PLANS	
PAYMENTS TO DEALER BY JOHN DEERE	
WARRANTY CREDITS	
WARRANTY CREDITS	2,459.45 CR
COUPONS	7,585.15 CR
DEALER GROUP TRUST	
ULTRAGARD COMMISSIONS	
PROPERTY/CASUALTY INSURANCE	
LOANER INSURANCE	
FINANCIAL INFORMATION	
F.D.I.S. CHARGES	
INTEREST CHARGES	1,506.48
DETAIL FINANCE ACTIVITY	
MISCELLANEOUS DEBIT/CREDIT MEMOS	
CARRY OVER DEPOSITS	707.10
GOODS & SERVICES TAX (GST, PST & HST)	
COUNTRIES ISSUED	3,885.68 CR
	430.67 CR

DEALER PAYMENTS TO JOHN DEERE

## PARTS STATEMENT TRANSACTIONS

PARTS PURCHASES	
PARTS FREIGHT/PALLETS	126.75
PRODUCT IMPROVEMENT KITS	
PARTS DEBIT MEMOS	
PARTS CREDIT MEMOS	221.05
	17,990.62 CR
ENDING STATEMENT BALANCE	7,191,932.60

## CURRENT DUE SUMMARY

	AMOUNT
CURRENT DUE STATEMENT OF ACCOUNT	12,147.37 CR
CURRENT DUE PARTS STATEMENT	11,910.47 CR
CURRENT DUE NON-CONSIGNEE INVENTORY	3,823,403.06
TOTAL AMOUNT DUE NOW (PAYABLE BY 15 APR 2002)	**** 3,799,345.22

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12 MAR 2002

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JOHN DEERE LIMITED - INDUSTRIAL STATEMENT  
DIVISION # 4, TERRITORY # 2, DEALER ACCOUNT # 6014

## STATEMENT OF ACCOUNT

REFERENCE NUMBER	BILL DATE	DESCRIPTION	CURRENT DUE	CONSIGNED & FUTURE DUE
005828	12MAR	PIF WARRANTY CREDITS:		
005829	12MAR	SHOP #00004951401	1,224.85 CR	
		SHOP #00004958001	1,234.60 CR	
		SUBTOTAL:	2,459.45 CR	
005698	07MAR	WARRANTY CREDITS:		
006132	20MAR	SHOP #00004735401	3,810.85 CR	
006133	20MAR	SHOP #00004795801	2,847.96 CR	
		SHOP #00004981301	926.34 CR	
		SUBTOTAL:	7,585.15 CR	
JDS03	21MAR	JDIS CHARGES:		
		JDIS CHARGE	1,506.48	
		SUBTOTAL:	1,506.48	
DML03	14MAR	DEBIT/CREDIT MEMOS:		
BRC003	19MAR	DIRECT MAIL CHARGES	707.10	
		DURA-TRAX DIRECT		
		SUBTOTAL:	707.10	
GSTAX	22MAR	GOODS & SERVICES TAX:		
GSTAX	22MAR	GST/HST CREDITS	4,269.88 CR	
		GST/HST DEBITS	384.20	
		SUBTOTAL:	3,885.68 CR	
053756	21MAR	BONUSES ISSUED:		
053996	21MAR	SURCHARGE ADJ	136.43 CR	
054008	21MAR	SURCHARGE ADJ	123.69 CR	
		SURCHARGE ADJ	170.55 CR	
		SUBTOTAL:	430.67 CR	
TOTAL STATEMENT OF ACCOUNT			CURRENT DUE 12,147.37 CR	CONSIGNED & FUTURE DUE

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22 MAR 2002

HICKMAN EQUIPMENT(1985) LTD  
MT. PEARL, NF

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JOHN DEERE LIMITED - INDUSTRIAL STATEMENT  
DIVISION # 4, TERRITORY # 2, DEALER ACCOUNT # 6014

SERV 6026

## PARTS STATEMENT

REFERENCE NUMBER	BILL DATE	FREIGHT/PALLETS CURRENT DUE	PARTS CURRENT DUE	PARTS FUTURE DUE	AMOUNT SUBJECT TO GST/PST/HST
---------------------	--------------	--------------------------------	----------------------	---------------------	----------------------------------

PARTS BILLED IN CURRENT MONTH:

PRODUCT IMPROVEMENT KITS BILLED IN CURRENT MONTH:

PARTS DEBIT MEMOS BILLED IN CURRENT MONTH:  
FRTT03 04MAR | 10.00

10.00

PARTS CREDIT MEMOS CREDITED IN CURRENT MONTH:  
041825 11MAR | 2,744.91 | 20,735.53 CR

17,990.62 CR



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22 MAR 2002

HICKMAN EQUIPMENT (1985) LTD  
MT. PEARL, NF  
JOHN DEERE LIMITED - INDUSTRIAL STATEMENT  
DIVISION # 4, TERRITORY # 2, DEALER ACCOUNT # 6014

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SERV 6016

REFERENCE NUMBER	BILL DATE	FREIGHT/PALLETS CURRENT DUE	PARTS CURRENT DUE	PARTS FUTURE DUE	AMOUNT SUBJECT TO GST/PST/HST
---------------------	--------------	--------------------------------	----------------------	---------------------	-------------------------------------

PARTS BILLED IN CURRENT MONTH:

624675	27FEB		126.75		126.75
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PRODUCT IMPROVEMENT KITS BILLED IN CURRENT MONTH:

PARTS DEBIT MEMOS BILLED IN CURRENT MONTH:

FRTT03	04MAR	93.36			93.36
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PARTS CREDIT MEMOS CREDITED IN CURRENT MONTH:

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22 MAR 2002

HICKMAN EQUIPMENT (1985) LTD

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JOHN DEERE LIMITED - INDUSTRIAL STATEMENT  
DIVISION # 4, TERRITORY # 2, DEALER ACCOUNT # 6014

REFERENCE NUMBER	BILL DATE	FREIGHT/PALLETS CURRENT DUE	PARTS CURRENT DUE	PARTS FUTURE DUE	AMOUNT SUBJECT TO GST/PST/HST
---------------------	--------------	--------------------------------	----------------------	---------------------	-------------------------------------

PARTS BILLED IN CURRENT MONTH:

PRODUCT IMPROVEMENT KITS BILLED IN CURRENT MONTH:

PARTS DEBIT MEMOS BILLED IN CURRENT MONTH:

FRTT03 04MAR	117.69			117.69
--------------	--------	--	--	--------

PARTS CREDIT MEMOS CREDITED IN CURRENT MONTH:

PARTS TRANSACTIONS BILLED IN CURRENT MONTH

TOTAL PARTS BILLED:	126.75	(PARTS CURRENT DUE + FUTURE DUE)
TOTAL FRT/PALLETS:		(PARTS FRT. + PRODUCT IMP. FREIGHT)
TOTAL PIP KITS:		(CURRENT DUE + FUTURE DUE)
PARTS DEBIT MEMOS:	221.05	(CURRENT DUE + FUTURE DUE)
PARTS CREDIT MEMOS:	17,990.62 CR	(CURRENT DUE + FUTURE DUE)
PARTS DISCOUNTS:		(FOR ACCOUNT # 6026) (FOR ACCOUNT # 6016) (FOR ACCOUNT # 6014) (FOR INFORMATION ONLY)
TOTAL PARTS DISCOUNTS:		
ST/PST/HST PARTS DEBITS:	347.80	(FOR INFORMATION ONLY)
ST/PST/HST PARTS CREDITS:	17,990.62 CR	(FOR INFORMATION ONLY)

PARTS WITH INSTALLMENT PAYMENTS (INCLUDES ALL FUTURE DUE AMOUNTS BILLED IN CURRENT MONTH)

INVOICE NUMBER	ORIGINAL TOTAL	CURRENT DUE	FUTURE DUE	COMMENT
----------------	----------------	-------------	------------	---------

STOCK ORDER PARTS INSTALLMENTS:

605771 29JAN	4,476.47	1,492.15	1,492.17	13/MAR 02
605790 29JAN	11,562.72	3,854.24	3,854.24	13/MAR 02
607745 31JAN	1,157.90	385.96	385.98	13/MAR 02

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JOHN DEERE LIMITED - INDUSTRIAL STATEMENT  
DIVISION # 4, TERRITORY # 2, DEALER ACCOUNT # 6014

VOICE NUMBER	ORIGINAL TOTAL	CURRENT DUE	FUTURE DUE	COMMENT
SUBTOTAL:	17,197.09	5,732.35	5,732.39	
TOTAL INSTALLMENT PAYMENTS	17,197.09	5,732.35	5,732.39	
TOTAL PARTS STATEMENT		CURRENT DUE 11,910.47 CR	FUTURE DUE 5,732.39	AMOUNT SUBJECT TO GST/PST/HST 17,642.82 CR

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JOHN DEERE LIMITED - INDUSTRIAL STATEMENT  
DIVISION # 4, TERRITORY # 2, DEALER ACCOUNT # 6014

CONSIGNED INVENTORY STATEMENT

NEW MACHINES:

REFERENCE HOURS	DATE MACHINE CODE	MACHINE DESCRIPTION SERIAL NUMBER	DUE DATE	QTY	CONSIGNED AMOUNT	REFERENCE AMOUNT
005254301	OCT01	370 EXCAVATOR	FEB03	1	291,325.30	291,325.30
		T 13510 - FF0370X081333				
ORDER BONUS:			COD:		DUTY:	
STATUS: DEALER WAREHOUSED INVENTORY			EXCHG ADJ:	24.50%	FRT:	
005277601	SEP01	50 COMPACT EXCAVATOR	FEB03	1	58,796.64	58,796.64
		T 42200 - FF050ZX240522				
ORDER BONUS:			COD:		DUTY:	
			EXCHG ADJ:	24.50%	FRT:	
005256201	JUL01	27 COMPACT EXCAVATOR	FEB03	1	35,527.72	35,527.72
		T 44300 - FF027ZX220685				
ORDER BONUS:			COD:		DUTY:	
			EXCHG ADJ:	24.50%	FRT:	
005311601	SEP01	310G BKH LDR TURBO M	FEB03	1	71,390.15	71,390.15
		T 17543 - T0310GX901681				
ORDER BONUS:			COD:		DUTY:	
			EXCHG ADJ:	24.50%	FRT:	
00933201	JUL01	310SG TURBO BKH0E LD	FEB03	1	74,984.62	74,984.62
		T 17622 - T0310SG900135				
ORDER BONUS:			COD:		DUTY:	
STATUS: ON DEMO			EXCHG ADJ:	24.50%	FRT:	
05312901	OCT01	310SG TURBO BKH0E LD	FEB03	1	80,942.55	80,942.55
		T 17622 - T0310SG902188				
ORDER BONUS:			COD:		DUTY:	
			EXCHG ADJ:	24.50%	FRT:	
00935001	JUL01	410G TURBO BKH LDR M	FEB03	1	92,163.50	92,163.50
		T 17722 - T0410GX900366				
ORDER BONUS:			COD:		DUTY:	
			EXCHG ADJ:	24.50%	FRT:	
05260001	AUG01	850C CRAWLER DOZER	FEB03	1	224,427.75	224,427.75
		T 78500 - T0850CX900871				
ORDER BONUS: ( 4,003.50)			COD:		DUTY:	
STATUS: PRICE PROTECTED			EXCHG ADJ:	24.50%	FRT:	

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JOHN DEERE LIMITED - INDUSTRIAL STATEMENT  
DIVISION # 4, TERRITORY # 2, DEALER ACCOUNT # 6014

REFERENCE ORS	DATE	MACHINE DESCRIPTION	DUE DATE	QTY	CONSIGNED AMOUNT	REFERENCE AMOUNT
		MACHINE CODE - SERIAL NUMBER				
N05259101	AUG01	544H 4WD LOADER T 64401 - DW544HX581149	FEB03	1	129,686.90	129,686.90
ORDER BONUS:			COD:		DUTY:	
			EXCHG ADJ: 24.50%		FRT:	
N05259201	AUG01	544H 4WD LOADER T 64401 - DW544HX581151	FEB03	1	129,686.90	129,686.90
ORDER BONUS:			COD:		DUTY:	
			EXCHG ADJ: 24.50%		FRT:	
N05259401	AUG01	TC44H FOUR WHEEL DRI T 68800 - DWTC44H581146	FEB03	1	117,576.90	117,576.90
ORDER BONUS:			COD:		DUTY:	
			EXCHG ADJ: 24.50%		FRT:	
N05259601	AUG01	644H 4WD LOADER HRS: 0150 T 64601 - DW644HX581142	FEB03	1	192,942.18	192,942.18
ORDER BONUS:			COD:		DUTY:	
STATUS: ON DEMO			EXCHG ADJ: 24.50%		FRT:	
N05259801	JUL01	744H LOADER T 64700 - DW744HX580995	FEB03	1	249,047.54	249,047.54
ORDER BONUS: ( 8,083.60)			COD:		DUTY:	
STATUS: PRICE PROTECTED			EXCHG ADJ: 24.50%		FRT:	
N05259901	AUG01	744H LOADER T 64700 - DW744HX581084	FEB03	1	277,540.20	277,540.20
ORDER BONUS: ( 8,083.60)			COD:		DUTY:	
STATUS: PRICE PROTECTED			EXCHG ADJ: 24.50%		FRT:	
TOTAL CONSIGNED NEW MACHINES			DUTY		FREIGHT	
					REFERENCE AMOUNT	
					2,026,038.85	
TOTAL CONSIGNED						
NEW MACHINE MEMO ITEMS			COD BALANCE		CONSIGNED AMOUNT	
					2,026,038.85	

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JOHN DEERE LIMITED - INDUSTRIAL STATEMENT  
DIVISION # 4, TERRITORY # 2, DEALER ACCOUNT # 6014

## RENTAL MACHINES:

REFERENCE HOURS	DATE MACHINE CODE	MACHINE DESCRIPTION SERIAL NUMBER	DUE DATE	QTY	CONSIGNED AMOUNT	REFERENCE AMOUNT
T00933301 HRS: 0186 ORDER BONUS: STATUS: OFF RENT	JUL01 T 17622	310SG TURBO BKHOE LD - T0310SG900188	FEB03	1	70,647.95	70,647.95
			COD:		DUTY:	
			EXCHG ADJ:	20.00%	FRT:	
T00935801 HRS: 0413 ORDER BONUS: STATUS: OFF RENT	JUL01 T 97710	770CH MOTOR GRADER - DW770CH580828	FEB03	1	212,336.00	212,336.00
			COD:		DUTY:	
			EXCHG ADJ:	23.25%	FRT:	
N05257401 HRS: 0439 ORDER BONUS: STATUS: OFF RENT	JUL01 T 59100	200LC EXCAVATOR - FF0200X501911	FEB03	1	151,576.07	151,576.07
			COD:		DUTY:	
			EXCHG ADJ:	20.00%	FRT:	
N05250101 HRS: 0958 ORDER BONUS: STATUS: OFF RENT	JUN01 T 59100	200LC EXCAVATOR - FF0200X502015	FEB03	1	133,927.52	133,927.52
			COD:		DUTY:	
			EXCHG ADJ:	20.00%	FRT:	
N05250301 HRS: 0869 ORDER BONUS: STATUS: OFF RENT	JUN01 T 59100	200LC EXCAVATOR - FF0200X502018	JUL02	1	136,959.80	136,959.80
			COD:		DUTY:	
			EXCHG ADJ:	20.00%	FRT:	
T00934601 HRS: 0560 ORDER BONUS: STATUS: OFF RENT	JUL01 T 59100	200LC EXCAVATOR - FF0200X502048	FEB03	1	147,488.47	147,488.47
			COD:		DUTY:	
			EXCHG ADJ:	20.00%	FRT:	
N05277701 HRS: 0589 ORDER BONUS: STATUS: OFF RENT	JUL01 T 59100	200LC EXCAVATOR - FF0200X502053	FEB03	1	146,499.55	146,499.55
			COD:		DUTY:	
			EXCHG ADJ:	20.00%	FRT:	
N05257301 HRS: 0437 ORDER BONUS: STATUS: OFF RENT	JUL01 T 59100	200LC EXCAVATOR - FF0200X502067	FEB03	1	151,678.27	151,678.27
			COD:		DUTY:	
			EXCHG ADJ:	20.00%	FRT:	

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JOHN DEERE LIMITED - INDUSTRIAL STATEMENT  
DIVISION # 4, TERRITORY # 2, DEALER ACCOUNT # 6014

REFERENCE HOURS	DATE MACHINE CODE	MACHINE DESCRIPTION SERIAL NUMBER	DUE DATE	QTY	CONSIGNED AMOUNT	REFERENCE AMOUNT
T00934401	JUL01	450LC EXCAVATOR	MAY02	1	291,466.69	291,466.69
HRS: 1222	T 59200	- FF0450X090642	COD:		DUTY:	
ORDER BONUS:			EXCHG ADJ:	20.00%	FRT:	
STATUS: OFF RENT						

T00934001	JUL01	450LC EXCAVATOR	FEB03	1	342,717.66	342,717.66
HRS: 0562	T 59200	- FF0450X090649	COD:		DUTY:	
ORDER BONUS:			EXCHG ADJ:	23.25%	FRT:	
STATUS: OFF RENT						

TOTAL RENTAL MACHINES		DUTY	FREIGHT	REFERENCE AMOUNT
				1,785,297.98
TOTAL RENTAL MACHINE MEMO ITEMS		COD BALANCE		CONSIGNED AMOUNT
				1,785,297.98
TOTAL CONSIGNED INVENTORY	TOTAL COD BALANCE	TOTAL DUTY	TOTAL FREIGHT	TOTAL REFERENCE AMOUNT
				3,811,336.83

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JOHN DEERE LIMITED - INDUSTRIAL STATEMENT  
DIVISION # 4, TERRITORY # 2, DEALER ACCOUNT # 6014

## NON-CONSIGNEE INVENTORY

## NEW MACHINES:

REFERENCE HOURS	DATE MACHINE CODE	MACHINE DESCRIPTION SERIAL NUMBER	DUE DATE	QTY	ORIGINAL AMOUNT	AMOUNT OWED
N05335501	OCT01	644H 4WD LOADER	DEC01	1	193,603.90	193,603.90
	T 64601	- DW644HX581726				
STATUS: GST/HST MERCHANDISE ONLY					DUTY:	
					/ CURRENT DUE	

TOTAL NEW MACHINE INVENTORY	CURRENT DUE	FUTURE DUE
	193,603.90	

## MISCELLANEOUS:

REFERENCE	BILL DATE	ORIGINAL AMOUNT	TERMS	CURRENT DUE	FUTURE DUE
1 0201	AUG01				
1 0202	SEP01		OWATONNA TOOLS 1/JAN02	11,127.98	
1 0203	OCT01		OWATONNA TOOLS 1/FEB02	11,702.96	
1 0204	NOV01		OWATONNA TOOLS 1/MAR02	11,069.12	
1 0205	DEC01		OWATONNA TOOLS 1/APR02	9,907.28	
1 0206	JAN02		OWATONNA TOOLS 1/MAY02		3,008.20
1 0207	FEB02		OWATONNA TOOLS 1/JUN02		1,147.91
			OWATONNA TOOLS 1/JUL02		258.63

TOTAL MISCELLANEOUS	CURRENT DUE	FUTURE DUE
	43,807.34	4,414.74

## SHORTAGES:

REFERENCE	BILL DATE	DESCRIPTION	DUE DATE	QTY	CURRENT DUE	FUTURE DUE
JAN02 01	DEC01	MISC ITEMS - DUE NOW	JAN02	1	907,998.84	
00278271	JAN02	NSF SHORTAGE	JAN02	1	226,197.99	
99999971	JAN02	S.N.: 0000000581986 DEPRECIATION PER AUD	JAN02	1	165,203.57	
FEB02 01	JAN02	S.N.: 00000000000000 MISC ITEMS - DUE NOW	FEB02	1	271,279.89	
58114271	FEB02	DEPRECIATION PER AUD	FEB02	1	6,422.72	
90278471	FEB02	S.N.: 0000000581142 TARGET DISALLOWED	FEB02	1	8,888.81	
		S.N.: 0000000581121				

TOTAL SHORTAGES	CURRENT DUE	FUTURE DUE
	3,585,991.82	



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JOHN DEERE LIMITED - INDUSTRIAL STATEMENT  
DIVISION # 4, TERRITORY # 2, DEALER ACCOUNT # 6014

## UNAPPLIED CREDITS:

REFERENCE	DATE	DESCRIPTION	CREDIT AMOUNT
P00275401	DEC01	HICKMAN EQUIP 0000000895252	96,695.49 CR
P00275501	DEC01	PAYOFF SUBURBAN CONS 0000000826831	5,673.72 CR
P00275502	DEC01	PAYOFF SUBURBAN CONS 0000000826831	851.06 CR
P00275801	DEC01	DAREL REXON 0000000761207	12,462.89 CR
390275971	DEC01	P/A DISCOUNT 0000000000179	38,123.00 CR
300277391	JAN02	UNAPPLIED CREDIT OVER	512.68 CR
300278391	JAN02	UNAPPLIED CREDIT OVER	20,000.00 CR
300002371	JAN02	CM CTA SPARE TIME 0000000000347	6,015.99 CR
300278491	JAN02	UNAPPLIED CREDIT OVER	3,341.92 CR
300040471	JAN02	SURPLUS DMF FUNDS 0000000000404	73,367.29 CR
30002 01	FEB02	CURRENT DUE CREDIT	171,852.54 CR
TOTAL UNAPPLIED CREDITS			428,896.58 CR

## PAID FOR GOODS:

REFERENCE	DATE	MACHINE DESCRIPTION	QTY	AMOUNT
04548701	JUN99	330LC EXCAVATOR T 12510 - FF0330X080456	1	263,325.30
STATUS: PREVIOUS RENTAL - OFF RENT				
04527901	JUN99	330LC EXCAVATOR T 12510 - FF0330X080518	1	263,325.30
STATUS: PREVIOUS RENTAL - OFF RENT				
00909501	JUL00	330LC EXCAVATOR T 12510 - FF0330X080747	1	263,325.44
STATUS: PREVIOUS RENTAL - OFF RENT				
04547801	JUN99	370 EXCAVATOR T 13510 - FF0370X080344	1	291,325.30
STATUS: PREVIOUS RENTAL - OFF RENT				

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JOHN DEERE LIMITED - INDUSTRIAL STATEMENT

DIVISION # 4, TERRITORY # 2, DEALER ACCOUNT # 6014

REFERENCE	DATE	MACHINE DESCRIPTION MACHINE CODE - SERIAL NUMBER	QTY	AMOUNT
05271201	AUG01	1050C CRAWLER DOZER T 29100 - LU1050C005288	1	421,300.30
05261101	JUN01	350C A*EFN*LATED DUM T 59500 - BE350CT200325	1	358,977.60
STATUS: PREVIOUS RENTAL - OFF RENT / FINANCED BY DCS				
05261201	JUN01	350C A*EFN*LATED DUM T 59500 - BE350CT200326	1	358,977.60
STATUS: ON DEMO - PREVIOUS RENTAL / FINANCED BY DCS				
00942601	DEC01	660G GRAPPLE WC03300 - TJ1110B001027	1	210,207.00
00942701	DEC01	608BH HARVESTER WC04200 - WC608BX003005	1	370,995.00
00942901	DEC01	1410 FORWARDER WJ00100 - TJ1410X000305	1	324,307.00
04852301	SEP00	120 EXCAVATOR T 12000 - P00120X031958	1	116,046.00
STATUS: ON DEMO - PREVIOUS RENTAL				
04994301	NOV00	160LC EXCAVATOR T 12600 - P00160X041555	1	134,583.40
STATUS: PREVIOUS RENTAL - OFF RENT				
05143301	APR01	160LC EXCAVATOR T 12600 - P00160X041653	1	134,583.40
STATUS: ON DEMO - PREVIOUS RENTAL				
05143401	APR01	160LC EXCAVATOR T 12600 - P00160X041654	1	134,583.40
STATUS: PREVIOUS RENTAL - OFF RENT				
05166901	JUN01	160LC EXCAVATOR T 12600 - P00160X041741	1	126,710.27
STATUS: PREVIOUS RENTAL - OFF RENT				
05253901	JUL01	160LC EXCAVATOR T 12600 - P00160X041792	1	134,583.40
05254001	JUL01	160LC EXCAVATOR T 12600 - P00160X041793	1	134,583.40
04997901	JAN01	310SG TURBO BKH0E LD T 17622 - T0310SG894504	1	82,603.95
STATUS: ON DEMO				

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JOHN DEERE LIMITED - INDUSTRIAL STATEMENT  
DIVISION # 4, TERRITORY # 2, DEALER ACCOUNT # 6014

REFERENCE	DATE	MACHINE DESCRIPTION	QTY	AMOUNT
		MACHINE CODE - SERIAL NUMBER		
005132901	MAR01	310SG TURBO BKHOE LD T 17622 - T0310SG896594	1	82,701.45
STATUS: PREVIOUS RENTAL - OFF RENT				
005132801	MAR01	310SG TURBO BKHOE LD T 17622 - T0310SG896618	1	80,829.45
005145301	MAR01	310SG TURBO BKHOE LD T 17622 - T0310SG897094	1	82,384.25
STATUS: PREVIOUS RENTAL - OFF RENT				
000885401	AUG99	450H CRAWLER DOZER T 19011 - T0450HX874682	1	70,360.32
STATUS: PREVIOUS RENTAL - OFF RENT				
004860501	JUN00	450H CRAWLER LGP 74H T 19030 - T0450HX889199	1	95,209.50
004605001	SEP99	750C CRAWLER DOZER T 77500 - T0750CX879743	1	190,671.75
STATUS: PREVIOUS RENTAL - OFF RENT				
004706801	JAN00	750C CRAWLER DOZER T 77500 - T0750CX882592	1	169,452.00
0235301	JUN98	850C CRAWLER DOZER T 78500 - T0850CX848745	1	152,040.70
STATUS: PREVIOUS RENTAL - OFF RENT				
04877901	JUN00	850C CRAWLER DOZER T 78500 - T0850CX888907	1	245,370.00
STATUS: ON DEMO - PREVIOUS RENTAL				
03260101	AUG01	850C CRAWLER DOZER T 78500 - T0850CX900908	1	224,427.75
STATUS: PRICE PROTECTED				
05079001	JAN01	624H 4WD LOADER T 64500 - DW624HX579048	1	153,461.70
STATUS: ON DEMO - PREVIOUS RENTAL				
04607501	OCT99	644H 4WD LOADER T 64601 - DW644HX574161	1	195,989.50
STATUS: PREVIOUS RENTAL - OFF RENT				
05149201	APR01	644H 4WD LOADER T 64601 - DW644HX580105	1	198,814.70
STATUS: PREVIOUS RENTAL - OFF RENT				

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JOHN DEERE LIMITED - INDUSTRIAL STATEMENT  
DIVISION # 4, TERRITORY # 2, DEALER ACCOUNT # 6014

REFERENCE	DATE	MACHINE DESCRIPTION	QTY	AMOUNT
		MACHINE CODE - SERIAL NUMBER		
05148901	MAR01	TC62H 4WD LOADER T 69020 - DWTC62H579785	1	164,635.10
STATUS: ON DEMO				
05149001	APR01	TC62H 4WD LOADER T 69020 - DWTC62H579824	1	164,635.10
STATUS: PREVIOUS RENTAL - OFF RENT				
00911601	AUG00	744H LOADER T 64700 - DW744HX576952	1	269,021.20
STATUS: PREVIOUS RENTAL - OFF RENT				
04233301	AUG98	200LC EXCAVATOR T 59100 - FF0200X500457	1	162,191.38
STATUS: ON DEMO - PREVIOUS RENTAL				
04606901	OCT99	200LC EXCAVATOR T 59100 - FF0200X500917	1	166,567.10
STATUS: PREVIOUS RENTAL - OFF RENT				
04837201	JUN00	200LC EXCAVATOR T 59100 - FF0200X501362	1	166,567.10
STATUS: PREVIOUS RENTAL - OFF RENT				
04857701	JUL00	200LC EXCAVATOR T 59100 - FF0200X501479	1	166,567.10
STATUS: PREVIOUS RENTAL - OFF RENT				
00911301	AUG00	200LC EXCAVATOR T 59100 - FF0200X501500	1	166,567.30
STATUS: PREVIOUS RENTAL - OFF RENT				
05168601	APR01	200LC EXCAVATOR T 59100 - FF0200X501803	1	166,567.10
STATUS: ON RENT				
05177301	APR01	200LC EXCAVATOR T 59100 - FF0200X501969	1	166,567.10
STATUS: PREVIOUS RENTAL - OFF RENT				
05256801	JUN01	200LC EXCAVATOR T 59100 - FF0200X502017	1	133,212.04
STATUS: ON DEMO - PREVIOUS RENTAL				
05114201	FEB01	450LC EXCAVATOR T 59200 - FF0450X090600	1	382,311.30
STATUS: ON DEMO - PREVIOUS RENTAL				
05195301	APR01	450LC EXCAVATOR T 59200 - FF0450X090627	1	382,311.30
STATUS: ON DEMO - PREVIOUS RENTAL				

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JOHN DEERE LIMITED - INDUSTRIAL STATEMENT  
DIVISION # 4, TERRITORY # 2, DEALER ACCOUNT # 6014

REFERENCE	DATE	MACHINE DESCRIPTION	QTY	AMOUNT
MACHINE CODE - SERIAL NUMBER				
0008C1501	FEB99	P/BEAM	1	14,555.25
	T 000BK			
TOTAL PAID FOR GOODS (MEMO ITEMS)				TOTAL 8,738,331.80
TOTAL NON-CONSIGNEE		CURRENT DUE	FUTURE DUE	
INVENTORY STATEMENT		3,823,403.06	424,481.84 CR	

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JOHN DEERE LIMITED - DEBIT/CREDIT MEMO NO. GSTAX03  
DIVISION # 4, TERRITORY # 2, DEALER ACCOUNT # 6014

DESCRIPTION / EXPLANATION	GST/HST CURRENT DUE	FUTURE DUE
*** GOODS & SERVICES TAX 7% ON GST, 15% ON HST ***		
REP WARRANTY CREDITS	10,044.60 CR	
DEBIT # DML03	707.10	
DEBIT # JDS03	1,506.48	
BONUS #053756	136.43 CR	
BONUS #053996	123.69 CR	
BONUS #054008	170.55 CR	
PARTS STATEMENT DEBITS (NF)	347.80	
PARTS STATEMENT CREDITS (NF)	17,990.62 CR	
DEBITS SUBJECT TO GST/HST	2,561.38	
CREDITS SUBJECT TO GST/HST	28,465.89 CR	
TOTAL GST TAX @ 7% ON DEBITS		
TOTAL HST TAX @ 15% ON DEBITS	384.20	
TOTAL GST TAX @ 7% ON CREDITS		
TOTAL HST TAX @ 15% ON CREDITS	4,269.88 CR	
UBTOTAL: GOODS & SERVICES TAX (GST,HST)	3,885.68 CR	

# **SCHEDULE A2**

26 MAR 2002

HICKMAN EQUIPMENT (1985) LTD

Schedule A2

PAGE 1

MT. PEARL, NF

JOHN DEERE LIMITED - LAWN &amp; GROUNDS CARE STATEMENT

DIVISION # 6, TERRITORY # 1, DEALER ACCOUNT # 3702

TOTAL AMOUNT DUE NOW:

PAYABLE BY 12 APR 2002

\*\*\*\*

69,153.16

## SUMMARY STATEMENT

## STATEMENT OF ACCOUNT

## CURRENT DUE

## FUTURE DUE

MISCELLANEOUS INVOICE CHARGES  
TRANSFER INVOICE CHARGES  
FLOOR PLANS  
PIP CREDITS + WARRANTY CREDITS  
TOTAL SENTRY INSURANCE CHARGES  
FINANCIAL INFORMATION  
I.D.I.S. CHARGES  
INTEREST CHARGES  
DETAIL FINANCE ACTIVITY  
MISCELLANEOUS DEBIT/CREDIT MEMOS  
GOODS & SERVICES TAX (GST, PST & HST)  
SETTLEMENT ADJUSTMENTS

## PARTS STATEMENT

PARTS  
PARTS FREIGHT/PALLETS  
PRODUCT IMPROVEMENT KITS  
PARTS DEBIT MEMOS  
PARTS CREDIT MEMOS

## INVENTORY STATEMENT

NEW MACHINES  
SPECIAL TERMS NEW MACHINES  
RENTAL MACHINES  
COMPLETE GOODS W/INSTALLMENTS  
ATTACHMENTS W/INSTALLMENTS  
FLOOR PLANS  
POSSESSIONS  
SETTLEMENTS PENDING  
MISCELLANEOUS  
JOHN DEERE CREDIT ADMINISTERED  
MORTGAGES  
DETAIL NOTES PENDING  
CREDIT CARDS PENDING

1,562.56  
47,744.56

40,431.00

482.93

993.00

348.12

107.60

19,014.99

APPLIED CREDITS

5,817.57 CR

## CURRENT DUE

## FUTURE DUE

TOTAL AMOUNT DUE

69,153.16

35,714.03

TOTAL STATEMENT BALANCE (CURRENT DUE + FUTURE DUE)

104,867.19



24 MAR 2002

HICKMAN EQUIPMENT (1985) LTD  
MT. PEARL, NF  
JOHN DEERE LIMITED - LAWN & GROUNDS CARE STATEMENT  
DIVISION # 6, TERRITORY # 1, DEALER ACCOUNT # 3702

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MANAGEMENT INFORMATION

FUTURE FINAL DUE AMOUNTS

(INCLUDES SHIPPING PERIOD INSTALLMENTS)

DUE DATE	AMOUNT
1 MAY 2002	355.85
1 JUN 2002	248.25
1 JUL 2002	248.25
1 AUG 2002	248.25
1 SEP 2002	
1 OCT 2002	
ON OR AFTER 1 NOV 2002	2,896.50

CURRENT INFORMATION

PREMATURITY INTEREST BEARING AMOUNT  
PAST DUE INTEREST BEARING AMOUNT  
COMPLETE GOODS PURCHASES YEAR TO DATE  
PARTS PURCHASES YEAR TO DATE  
PARTS STOCK ORDERS YEAR TO DATE  
PAID FOR MACHINES

5,281.28

RETAIL SALES BONUS PROGRAM

QUARTER	QUALIFYING UNIT SALES	BONUS UNITS	QUALIFYING SALES \$	POTENTIAL BONUS EARNED \$
1	0	0		
2	0	0	0.00	0.00
3	0	0	0.00	0.00
4	0	0	0.00	0.00
CURRENT BONUS PERCENT:		.00	0.00	0.00

24 MAR 2002

HICKMAN EQUIPMENT (1985) LTD  
MT. PEARL, NP

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JOHN DEERE LIMITED - LAWN & GROUNDS CARE STATEMENT  
DIVISION # 6, TERRITORY # 1; DEALER ACCOUNT # 3702

## STATEMENT BALANCE

PRIOR MONTH'S STATEMENT BALANCE

104,867.19

## STATEMENT OF ACCOUNT TRANSACTIONS

AMOUNT BILLED FOR MONTH  
(TOTAL CREDITS + TOTAL DEBITS)

COMPLETE GOODS AND ATTACHMENT INVOICES  
TRANSFER INVOICES  
FLOOR PLANS  
PAYMENTS TO DEALER BY JOHN DEERE  
PIP WARRANTY CREDITS  
WARRANTY CREDITS  
VOUCHERS  
DEALER GROUP TRUST  
ULTRAGARD COMMISSIONS  
PROPERTY/CASUALTY INSURANCE  
FLOATER INSURANCE  
FINANCIAL INFORMATION  
J.D.I.S. CHARGES  
INTEREST CHARGES  
RETAIL FINANCE ACTIVITY  
MISCELLANEOUS DEBIT/CREDIT MEMOS  
GOODS & SERVICES TAX (GST, PST & HST)  
BONUSES ISSUED

DEALER PAYMENTS TO JOHN DEERE

## PARTS STATEMENT TRANSACTIONS

PARTS PURCHASES  
PARTS FREIGHT/PALLETS  
PRODUCT IMPROVEMENT KITS  
PARTS DEBIT MEMOS  
PARTS CREDIT MEMOS

ENDING STATEMENT BALANCE

104,867.19

## CURRENT DUE SUMMARY

CURRENT DUE STATEMENT OF ACCOUNT	AMOUNT
CURRENT DUE PARTS STATEMENT	
CURRENT DUE INVENTORY STATEMENT	
TOTAL AMOUNT DUE NOW (PAYABLE BY 12 APR 2002)	69,153.16
	69,153.16

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24 MAR 2002

HICKMAN EQUIPMENT (1985) LTD

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MT. PEARL, NF

JOHN DEERE LIMITED - LAWN & GROUNDS CARE STATEMENT  
DIVISION # 6, TERRITORY # 1, DEALER ACCOUNT # 3702

## STATEMENT OF ACCOUNT

REFERENCE NUMBER	BILL DATE	DESCRIPTION	CURRENT DUE	FUTURE DUE
TOTAL STATEMENT OF ACCOUNT			CURRENT DUE	FUTURE DUE

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HICKMAN EQUIPMENT (1985) LTD

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JOHN DEERE LIMITED - LAWN & GROUNDS CARE STATEMENT  
DIVISION # 6, TERRITORY # 1, DEALER ACCOUNT # 3702

## PARTS STATEMENT

REFERENCE NUMBER	BILL DATE	FREIGHT/PALLETS CURRENT DUE	PARTS CURRENT DUE	PARTS FUTURE DUE	AMOUNT SUBJECT TO GST/PST/HST
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PARTS BILLED IN CURRENT MONTH:

PRODUCT IMPROVEMENT KITS BILLED IN CURRENT MONTH:

PARTS DEBIT MEMOS BILLED IN CURRENT MONTH:

PARTS CREDIT MEMOS CREDITED IN CURRENT MONTH:

## PARTS TRANSACTIONS BILLED IN CURRENT MONTH

TOTAL PARTS BILLED:	(PARTS CURRENT DUE + FUTURE DUE)
TOTAL FRT/PALLETS:	(PARTS FRT. + PRODUCT IMP. FREIGHT)
TOTAL PIP KITS:	(CURRENT DUE + FUTURE DUE)
PARTS DEBIT MEMOS:	(CURRENT DUE + FUTURE DUE)
PARTS CREDIT MEMOS:	(CURRENT DUE + FUTURE DUE)
PARTS DISCOUNTS:	(FOR INFORMATION ONLY)
ST/PST/HST PARTS DEBITS:	(FOR INFORMATION ONLY)
ST/PST/HST PARTS CREDITS:	(FOR INFORMATION ONLY)

## PARTS WITH INSTALLMENT PAYMENTS (INCLUDES ALL FUTURE DUE AMOUNTS BILLED IN CURRENT MONTH)

VOICE NUMBER	ORIGINAL TOTAL	CURRENT DUE	FUTURE DUE	COMMENT
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TOTAL INSTALLMENT  
PAYMENTS

11/08/2002 18:18 FAX 7221428  
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HICKMAN EQUIPMENT (1985) LTD  
MT. PEARL, NF

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JOHN DEERE LIMITED - LAWN & GROUNDS CARE STATEMENT  
DIVISION # 6, TERRITORY # 1, DEALER ACCOUNT # 3702

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TOTAL PARTS STATEMENT	CURRENT DUE	FUTURE DUE	AMOUNT SUBJECT TO GST/PST/HST
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HICKMAN EQUIPMENT (1985) LTD

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JOHN DEERE LIMITED - LAWN & GROUNDS CARE STATEMENT  
DIVISION # 6, TERRITORY # 1, DEALER ACCOUNT # 3702

## INVENTORY STATEMENT

## NEW MACHINES:

REFERENCE HOURS	DATE MACHINE CODE	MACHINE DESCRIPTION SERIAL NUMBER	DUE DATE	QTY	ORIGINAL AMOUNT	AMOUNT OWED
N25144601 HRS: 0007	SEP01 W 19750	DIESEL 6X4 WORKSITE - WOW6X4D002027	OCT02	1	12,511.50	12,511.50
STATUS: GST/HST MERCHANDISE ONLY / ON DEMO						DUTY:
N25144501 HRS: 0007	SEP01 W 19750	DIESEL 6X4 WORKSITE - WOW6X4D002028	OCT02	1	12,511.50	12,511.50
STATUS: GST/HST MERCHANDISE ONLY						DUTY:
N25144701 HRS: 0008	SEP01 W 19750	DIESEL 6X4 WORKSITE - WOW6X4D002069	OCT02	1	12,511.50	12,511.50
STATUS: GST/HST MERCHANDISE ONLY						DUTY:
N25145101 EO99999	AUG01 FR BLADE	BML8522	01-1	1	1,448.25	1,448.25
STATUS: GST/HST MERCHANDISE ONLY						DUTY:
N25145102 EO99999	AUG01 FR BLADE	BML8522	01-1	1	1,448.25	1,448.25
STATUS: GST/HST MERCHANDISE ONLY						DUTY:
19124501 KV02523	DEC00 PIN PALLET FORK 48"		JAN02	1	781.28	781.28
STATUS: GST/HST MERCHANDISE ONLY / CURRENT DUE						DUTY:
19124502 KV02523	DEC00 PIN PALLET FORK 48"		JAN02	1	781.28	781.28
STATUS: GST/HST MERCHANDISE ONLY / CURRENT DUE						DUTY:
TOTAL NEW MACHINE INVENTORY					CURRENT DUE 1,562.56	FUTURE DUE 40,431.00

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HICKMAN EQUIPMENT (1985) LTD

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 JOHN DEERE LIMITED - LAWN & GROUNDS CARE STATEMENT  
 DIVISION # 6, TERRITORY # 1, DEALER ACCOUNT # 3702

## SPECIAL TERMS NEW MACHINES:

REFERENCE HOURS	DATE MACHINE CODE -	MACHINE DESCRIPTION SERIAL NUMBER	DUE DATE	QTY	ORIGINAL AMOUNT	AMOUNT OWED
N19050801	DEC00	250 JOHN DEERE SKID	JAN02	1	23,872.28	23,872.28
HRS: 0365 KV00700 - KV0250A253464						
STATUS: GST/HST MERCHANDISE ONLY / CURRENT DUE DUTY:						
N19050601	DEC00	250 JOHN DEERE SKID	JAN02	1	23,872.28	23,872.28
KV00700 - KV0250A253465						
STATUS: GST/HST MERCHANDISE ONLY / CURRENT DUE DUTY:						

TOTAL SPECIAL TERMS NEW MACHINES	CURRENT DUE	FUTURE DUE
	47,744.56	

## INFORMATIONAL NOTES:

- \*\*\* NOTATION INDICATES INTEREST BEARING.

## ATTACHMENTS WITH INSTALLMENT TERMS:

REFERENCE	BILL DATE	ORIGINAL AMOUNT	TERMS	CURRENT DUE	FUTURE DUE
I 0204N	AUG01		CP ATTACH UNDE 1/APR02		
I 0205N	AUG01		CP ATTACH UNDE 1/MAY02	482.93	
I 0206N	AUG01		CP ATTACH UNDE 1/JUN02		248.25
I 0207N	AUG01		CP ATTACH UNDE 1/JUL02		248.25
I 0208N	AUG01		CP ATTACH UNDE 1/AUG02		248.25
TOTAL ATTACHMENTS WITH INSTALLMENTS				CURRENT DUE 482.93	FUTURE DUE 993.00

## MISCELLANEOUS:

REFERENCE	BILL DATE	ORIGINAL AMOUNT	TERMS	CURRENT DUE	FUTURE DUE
0202	AUG01		OWATONNA TOOLS 1/FEB02	132.92	
0203	NOV01		OWATONNA TOOLS 1/MAR02	107.60	
0204	NOV01		OWATONNA TOOLS 1/APR02	107.60	
0205	NOV01		OWATONNA TOOLS 1/MAY02		107.60
TOTAL MISCELLANEOUS				CURRENT DUE 348.12	FUTURE DUE 107.60

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MT. PEARL, NF

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JOHN DEERE LIMITED - LAWN & GROUNDS CARE STATEMENT  
DIVISION # 6, TERRITORY # 1, DEALER ACCOUNT # 3702

## SHORTAGES:

REFERENCE	BILL DATE	DESCRIPTION	DUE DATE	QTY	CURRENT DUE	FUTURE DUE
S25630671	JAN02	CASH DUE-16" PLANER S.N.: 0000000300103	JAN02	1	14,063.80	
S25630771	JAN02	CASH DUE-48" PALLET S.N.: 0000000000FORK	JAN02	1	809.40	
S25630772	JAN02	CASH DUE-48" PALLET S.N.: 0000000000FORK	JAN02	1	809.40	
DFEB02 01	JAN02	MISC ITEMS - DUE NOW	FEB02	1	3,332.39	

TOTAL SHORTAGES	CURRENT DUE	FUTURE DUE
	19,014.99	

## UNAPPLIED CREDITS:

REFERENCE	DATE	DESCRIPTION	CREDIT AMOUNT
MAR02 01	FEB02	CURRENT DUE CREDIT	5,817.57 CR
TOTAL UNAPPLIED CREDITS			5,817.57 CR

## PAID FOR GOODS:

REFERENCE	DATE	MACHINE DESCRIPTION	QTY	AMOUNT
		MACHINE CODE - SERIAL NUMBER		
25728101	OCT01	DLX PKG BW00485 WL99999	1	1,500.00
25728102	OCT01	DLX PKG BW00485 WL99999	1	1,500.00
25728103	OCT01	DLX PKG BW00485 WL99999	1	1,500.00
7829601	SEP00	PIN PALLET FORK 48" KV02523	1	781.28

TOTAL PAID FOR GOODS (MEMO ITEMS)	TOTAL
	5,281.28
TOTAL INVENTORY STATEMENT	CURRENT DUE
	69,153.16
	FUTURE DUE
	35,714.03



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HICKMAN EQUIPMENT (1985) LTD

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JOHN DEERE LIMITED - LAWN & GROUNDS CARE STATEMENT  
DIVISION # 6, TERRITORY # 1, DEALER ACCOUNT # 3702

## SHIPPING PERIOD INFORMATION:

SHIPPING PERIOD 01-1

TOTAL PURCHASES DURING PERIOD	7,396.50		
TOTAL SETTLEMENTS	4,500.00		
CURRENT INVENTORY BALANCE	2,896.50	INTEREST START & DUE DATES	
INVENTORY INTEREST/DUE DATE	307.73	PREMATURITY	FINAL DUE
INVENTORY INTEREST/DUE DATE	2,588.77	AUG 02	AUG 03
			AUG 03

# **SCHEDULE B**

**Schedule B**

**Equipment Description including Serial Number**

			Final Amount Due to JDL as set out in JDL's Reply Col.1	Amount Allowed by the Trustee on Date of Bankruptcy Col.2	Auction / Sale Amounts Col.3
1	644H 4WD Loader	DW644HX581726 *	\$239,584.83	\$193,603.90	\$182,500.00
2	644H 4WD Loader	DW644HX581986	\$240,636.17	--	--
3	6X4 Worksite Gator	W0W6X4D002027 *	\$12,954.03	\$12,511.50	\$12,000.00
4	6X4 Worksite Gator	W0W6X4D002028 *	\$12,954.03	\$12,511.50	\$12,000.00
5	6X4 Worksite Gator	W0W6X4D002069 *	\$12,954.03	\$12,511.50	\$12,000.00
6	Front Blade	BM18522 6183 (N25145101)*	\$1,549.94	\$1,448.25	not identified
7	Front Blade	BM18522 6185 (N25145102)*	\$1,549.94	\$1,448.25	not identified
8	Pin Pallet Fork 48"	KV02523 (N19124501) *	\$781.28	\$781.28	not identified
9	Pin Pallet Fork 48"	KV02523 (N19124502) *	\$781.28	\$781.28	not identified
10	250 Skid Steer	KV0250A253464 *	\$26,524.76	\$23,872.28	\$23,000.00
11	250 Skid Steer	KV0250A253465 *	\$26,524.76	\$23,872.28	\$24,000.00
12	16" Cold Planer	KVCP16X300103	\$14,616.79	--	--
13	Pin Pallet Fork 48"	N25630701 (invoice number)	\$809.40	--	--
14	Pin Pallet Fork 48"	N25630702 (invoice number)	\$809.40	--	--

# **SCHEDULE C**

### Schedule C

Parts are the portion of the parts identified on the computer system maintained by HEL prior to Bankruptcy as John Deere Parts and/or Timberjack Parts which the Trustee is reasonably satisfied were supplied by JDL.

The book value of the Parts are calculated as follows:

Total	John Deere Parts and/or Timberjack Parts identified on the computer system	\$2,409,682.00
	Less Timberjack Parts	(\$403,601.00)
	Less Parts incorrectly coded	(\$2,667.00)
	Less Used Parts	(\$37,190.00)
	Plus Timberjack Parts existing in Inventory which the Trustee considers it reasonable to accept as having been supplied by JDL	\$80,000.00
		<hr/>
	Parts Total	\$2,046,244.00

# **SCHEDULE D**

<u>STOCK #</u>	<u>MODEL</u>	<u>SERIAL #</u>	<u>NET AMOUNT</u>
N1858	John Deere 330LC Excavator	FF0330X080518	170,000.
N-C001377	John Deere 160LC Excavator	P00160X041741	120,000.
N-C001453	John Deere 160LC Excavator	P00160X041792	132,500.
N-C001454	John Deere 160LC Excavator	P00160X041793	132,500.
N-C001479	John Deere 850C Dozer	T0850CX900908	222,500.
N-C001486	John Deere 1050C Dozer	LU1050C005288	330,000.
C000892	John Deere 200LC Excavator	FF0200X501500	91,834.
C000172	John Deere 644H Loader	DW644HX574161	114,791.
C001343	John Deere 200LC Excavator	FF0200X501969	131,100.
N-C001379	John Deere 200LC Excavator	FF0200X502017	131,100.
C001057	John Deere 330LC Excavator	FF0330X080747	199,500.

Note:

1. Paid for Goods include the following 2 "Wells Fargo" items removed from sale by the Court, which items are in the possession of the Receiver and have now been sold:

	<u>Serial #</u>	<u>Net Amount</u>
John Deere 200LC Excavator	FF0200X500917	103,000.
John Deere 370 Excavator	FF0370X080344	147,250.

2. The following items, which are listed at pages 14-18 of the Industrial Dealer Statement as "Paid for Goods" were not and are not in the Receiver's possession:

<u>Reference #</u>	<u>Model</u>	<u>Serial #</u>
N04857701	200LC Excavator	FF0200X501479
N04997901	310SG Turbo Backhoe	T0310SG894504
T00942601	660G Grapple	TJ1110B001027
T00801501	P/Beam	--