



No. S231791  
VANCOUVER REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

TEAL-JONES GROUP

PLAINTIFF

AND:

HAMPTON LUMBER MILLS – CANADA, LTD., FORT ST. JAMES FOREST  
PRODUCTS HOLDING ULC, FORT ST. JAMES FOREST PRODUCTS LIMITED  
PARTNERSHIP and 0547309 B.C. LTD. doing business as ALLEN'S SCRAP &  
SALVAGE

DEFENDANTS

**RESPONSE TO CIVIL CLAIM**

**Filed by:** 0547309 B.C. Ltd. doing business as Allen's Scrap & Salvage  
("Allen's Scrap")

**Part 1: RESPONSE TO NOTICE OF CIVIL CLAIM FACTS**

**Division 1 – Allen's Scrap's Response to Facts**

1. The facts alleged in paragraph 30 of Part 1 of the Notice of Civil Claim is admitted.
2. The facts alleged in paragraph 6, 7, 29, 31, 32, 34-43, 46 and 47 of Part 1 of the Notice of Civil Claim are denied.
3. The facts alleged in paragraphs 1-5, 8-28, 33, 44 and 45 of Part 1 of the Notice of Civil Claim are outside the knowledge of the Defendant.

**Division 2 – Allen's Scrap's Version of Facts**

4. The Defendant has an address for service for the purpose of this action only c/o Branch MacMaster LLP, 1410 – 777 Hornby Street, Vancouver, British Columbia, V6Z 1S4.
5. Allen's Scrap adopts the terms defined in the Notice of Civil Claim (the "**Claim**"), however, such use of those terms does not constitute an admission of any liability or damages on the part of Allen's Scrap.
6. Any reference to Allen's Scrap in this response to civil claim includes reference to its agents, servants and employees.

7. In response to the whole of the Claim, Allen's Scrap denies each and every allegation of fact contained in the Claim, unless expressly admitted herein, and puts the Plaintiff to the strict proof of all facts and allegations.
8. In or around July 5, 2021 Fort St. James LP contracted with Allen's Scrap to remove and dispose of certain buildings and equipment on Fort St. James LP's plant site in Fort St. James, British Columbia, pursuant to the Sawmill Project Construction Contract Terms & Conditions (the "**Contract**").
9. Pursuant to 2.4 of the Contract, Allen's Scrap's scope of work included:
  - a. Remove and dispose of all buildings, equipment, steel, wire, etc. for the sawmill.
  - b. Remove and dispose of all structures, equipment, steel, wire, etc. at the hog system.
  - c. Remove and dispose of structures and equipment at the chip loading "wig-wag".
  - d. Remove and dispose of all mobile equipment designated by Fort St. James LP.
  - e. Remove and dispose of all equipment designated by Fort St. James LP that has already been previously removed.
  - f. Combustible materials to be hauled to Fort St. James LP's designated on-site location for burning or chipping.
  - g. Land fill materials to be disposed of by Allen's Scrap at an approved landfill.
  - h. Allen's Scrap will work with Fort St. James LP to open up areas for removal of equipment that may be retained by Fort St. James LP or sold by Fort St. James LP.
  - i. Fort St. James LP reserves the right to remove and retain equipment and materials as the demolition is in process.

(the "**Work**")
10. In response to paragraph 6 of Part 1 and the whole of the Claim, Allen's Scrap says that 0547309 B.C. LTD. has not operated as Allen's Scrap and Salvage since September 21, 2021 pursuant to the sale of the business to Central Salvage Ltd. on or about August 13, 2021 (the "**Sale Agreement**").
11. In further response to paragraph 6 of Part 1 and the whole of the Claim, Allen's Scrap says that the directing minds of Central Salvage Ltd. incorporated Allen's

Scrap & Salvage (2021) Ltd. on July 15, 2022, for the purposes of carrying on the business acquired from Allen's Scrap, and performing the business obligations under the Sale Agreement, including the performance of the Scrapping Services.

12. In response to paragraphs 34 to 36 of Part 1 and further response to the whole of the Claim, Allen's Scrap says that it did not perform the Scrapping Services.
13. In further response to the whole of the Claim, Allen's Scrap denies that the Plaintiff suffered loss, damage or expense as alleged or at all.
14. In specific response to paragraph 36 of part 1 and further response to the whole of the Claim, Allen's Scrap specifically denies breaking, scrapping and/or damaging the debarker ring on the Large Canter Line, the motor control centers for the Large Canter Line and Small Canter Line, and electrical components of the Equipment and says that they were not the entity that performed the Work.
15. In further response to the whole of the Claim, Allen's Scrap did not owe the Plaintiff a duty of care as alleged or at all.
16. In further response to the whole of the Claim, Allen's Scrap says it did not cause or contribute to the Plaintiff's loss, damage or expense, as alleged or at all, which loss, damage or expense is not admitted but denied.
17. In further response to the whole of the Claim, and in the alternative, Allen's Scrap says that if the Plaintiff suffered loss, damage or expense as alleged or at all, all of which is not admitted but specifically denied, then such loss, damage or expense was not the result of any act, omission, negligence, breach of duty, statutory or otherwise, or breach of contract on the part of Allen's Scrap, its agents, servants or employees.
18. In further response to the whole of the Claim, and in the alternative, Allen's Scrap says that if the Plaintiff suffered loss, damage or expense as alleged or at all, all of which is not admitted but specifically denied, and if Allen's Scrap committed any acts as alleged or at all then such acts or omissions were not the direct, proximate, or contributory cause of any loss, damage, or expense suffered by the Plaintiff as alleged or at all.
19. In further response to the whole of the Claim, and in the alternative, Allen's Scrap says that if the Plaintiff suffered loss, damage or expense as alleged or at all, all of which is not admitted but specifically denied, then such loss, damage or expense was caused or contributed to by negligence, breach of duty and/or breach of contract of the Plaintiff and/or the other Defendants, and/or or other currently known and/or unknown third parties.
20. The particulars of the Plaintiff's negligence includes but is not limited to:
  - a. failing to properly inspect the Equipment on a regular basis and determine what, if any maintenance or service was required;

- b. failing to maintain the Equipment adequately;
  - c. failing to operate the Equipment in a safe and reasonable manner, in accordance with the manufacturers instructions;
  - d. misusing or improperly using the Equipment;
  - e. failing to service and/or instruct others to service the Equipment adequately;
  - f. failing to take any reasonable steps to identify the alleged deficiencies or defects of the Equipment in a timely manner;
  - g. failing to make appropriate, adequate or any repairs to the Equipment in a timely manner; and
  - h. such further and other particulars as may become known to Allen's Scrap.
21. Allen's Scrap pleads and adopts the allegations set out in Part 3, paragraph 7 of the Claim with respect to the negligence, fault and liability of the other Defendants.
22. If the Plaintiff suffered any loss, damage, or expense, as alleged or at all, which is not admitted but specifically denied, then the Defendant says that the Plaintiff has failed or refused to take any or any reasonable steps to mitigate the said loss, damage, or expense.
23. To the extent that the Plaintiff remediated the damage, such remediation constituted a substantial and unreasonable betterment to the benefit of the Plaintiff, which is not recoverable in law from Allen's Scrap.

### **Division 3 – Additional Facts**

24. Such further and other additional facts as counsel may advise.

### **Part 2: RESPONSE TO RELIEF SOUGHT**

25. Allen's Scrap consents to the granting of the relief sought in NONE of the paragraphs of Part 2 of the Claim.
26. Allen's Scrap opposes the granting of the relief sought in ALL of the paragraphs of Part 2 of the Claim.
27. Allen's Scrap takes no position on the granting of the relief sought in NONE of the paragraphs of Part 2 of the Claim.
28. This action against Allen's Scrap should be dismissed with costs.

**Part 3: LEGAL BASIS**

29. Allen's Scrap did not owe the Plaintiff a duty of care as alleged or at all and say that they were not the entity who performed the Scrapping Services.
30. Allen's Scrap is not negligent and did not breach any duty, statutory or otherwise.
31. Allen's Scrap denies that the Plaintiff suffered any loss, damage or expense as alleged or at all.
32. Further, or in the alternative, if the Plaintiff suffered any loss, damage or expense, which is denied, then such loss, damage or expense was caused solely or contributed to by the negligence of one or more of the other Defendants, or other currently known and/or unknown third parties.
33. Further, or in the alternative, if Allen's Scrap does have any liability as alleged in the Claim, or at all, which is denied, then liability is several and is limited to each party's proportionate degree of fault.
34. Further, or in the alternative, the Plaintiff failed to properly or reasonably mitigate their alleged damages.
35. Further, or in the alternative, any alleged loss or damage was not reasonably foreseeable to Allen's Scrap.
36. Further, or in the alternative, if the Plaintiff has suffered any loss, damage or expense as alleged or at all, which is denied, the Plaintiff is responsible to offset its loss, damage or expense if the remediation results in any betterment.
37. Further, or in the alternative, if the Plaintiff have suffered any loss, damage or expense as alleged or at all, which is denied, such loss or damage is too remote to sustain the cause of action pleaded and is not recoverable against Allen's Scrap.
38. Allen's Scrap relies on the law of contracts and common law of negligence.
39. Allen's Scrap pleads and relies upon the provisions of the *Negligence Act*, RSBC 1996, c 333, and amendments thereto.

Allen's Scrap's address for service:

Branch MacMaster LLP  
1410 - 777 Hornby Street  
Vancouver, BC V6Z 1S4  
Telephone: (604) 654-2999  
(File No.: N11-753)

Fax number address for service (if any): (604) 684-3429

E-mail address for service (if any): [service@branmac.com](mailto:service@branmac.com)

Dated: May 11, 2023

A handwritten signature in blue ink, appearing to read "M. C. C.", with a horizontal line underneath the signature.

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Signature of lawyer for the Defendant,  
0547309 B.C. Ltd. dba Allen's Scrap & Salvage  
Mario Checchia

Rule 7-1(1) of the Supreme Court Civil Rules states:

(1) Unless all parties of record consent or the court otherwise orders, each party of record to an action must, within 35 days after the end of the pleading period,

(a) prepare a list of documents in Form 22 that lists

(i) all documents that are or have been in the party's possession or control and that could, if available, be used by any party at trial to provide or disprove a material fact, and

(ii) all other documents to which the party intends to refer at trial, and

(b) serve the list on all parties of record.