

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
**(COMMERCIAL LIST)**

IN THE MATTER OF THE *COMPANIES' CREDITORS*  
*ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF  
COMPROMISE OR ARRANGEMENT OF  
BARZEL INDUSTRIES CANADA INC.

Applicant

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**SECOND SUPPLEMENTARY MOTION RECORD**  
**(Returnable December 19, 2011)**

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December 19, 2011

**OSLER, HOSKIN & HARCOURT LLP**

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Toronto, ON M5X 1B8

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Lawyers for Deloitte & Touche Inc.

**TO: THE SERVICE LIST**

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
**(COMMERCIAL LIST)**

IN THE MATTER OF THE *COMPANIES' CREDITORS*  
*ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF  
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Applicant

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Court File No. 09-8363-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

**IN THE MATTER OF THE *COMPANIES' CREDITORS  
ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED**

**AND IN THE MATTER OF A PLAN OF  
COMPROMISE OR ARRANGEMENT OF  
BARZEL INDUSTRIES CANADA INC.**

Applicant

**SUPPLEMENTAL REPORT TO THIRTEENTH REPORT OF THE MONITOR  
DATED DECEMBER 16, 2011**

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**INTRODUCTION AND OVERVIEW**

1. This is the supplemental report to the Thirteenth Report (the "**Supplemental Report**") to this Honourable Court of Deloitte & Touche Inc. ("**Deloitte**") in its capacity as Court-appointed monitor (the "**Monitor**") of Barzel Industries Canada Inc. ("**Barzel Canada**") in connection with Barzel Canada's proceeding under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36 (as amended, the "**CCAA**").
2. Capitalized terms not otherwise defined in this report shall have the definitions ascribed to them in the Thirteenth Report of the Monitor dated December 12, 2011 (the "**Thirteenth Report**").

**PURPOSE**

3. The purpose of this Supplemental Report is to provide information to this Honourable Court in respect of:
  - a proof of claim delivered by Revenu Quebec and dated December 13, 2011 (the "**MRQ Proof of Claim**") that was received by the Monitor after the date that the Thirteenth Report was filed;

- the claims asserted in the MRQ Proof of Claim; and
- the payment by the Monitor of the Employee Source Deduction Claim (as defined herein).

#### **TERMS OF REFERENCE**

4. In preparing this Supplemental Report, the Monitor has relied upon unaudited financial information, Barzel Canada's books and records, financial information prepared by Barzel Canada and its advisors and discussions with management of the Barzel Group, including the chief restructuring officer (the "CRO"). The Monitor has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the information. Accordingly, the Monitor expresses no opinion or other form of assurance on the information contained in this report.
5. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian dollars.

#### **MRQ PROOF OF CLAIM**

6. The Thirteenth Report was served on the service list and Revenu Quebec on the evening of December 12, 2011. The Thirteenth Report reported, among other things, that certain issues relating to Barzel Canada's Quebec provincial tax liabilities had not been resolved and that Revenu Quebec had provided no estimated date for the resolution of such issues.
7. On December 13, 2011, the Monitor received a fax from Revenu Quebec attaching the MRQ Proof of Claim. A copy of the MRQ Proof of Claim is attached as Exhibit "A".
8. The MRQ Proof of Claim asserts that Barzel Canada has multiple debts totalling \$1,692,729.12 in respect of three different Quebec provincial tax obligations:
  - (a) employee source deduction obligations (collectively, the "Employee Source Deduction Claim") of (i) \$10,272.17 and (ii) \$393.05;

- (b) corporate income taxes (the “**Corporate Income Tax Claim**”) of \$1,075,764.10;  
and
  - (c) QST liability (the “**QST Claim**”) of \$606,299.80.
9. The MRQ Proof of Claim also asserts that the directors and officers of Barzel Canada are indebted to Revenu Quebec in the amount of \$616,965.02 in respect of the Employee Source Deduction Claim and the QST Claim.
  10. Counsel to the Monitor has advised that the Employee Source Deduction Claim is the subject of a deemed trust under the Quebec *Tax Administration Act* and that such deemed trust maintains its status in an insolvency proceeding under the CCAA and the *Bankruptcy and Insolvency Act*, R.S.C., 1985, c. B-3 (the “BIA”).
  11. Counsel to the Monitor has further advised that the Corporate Income Tax Claim and the QST Claim are unsecured obligations. In particular, counsel to the Monitor has advised that based on sections 18.3 (1) and (2) of the version of the CCAA in force on the filing date (now sections 37(1) and (2) of the CCAA), sections 67(2) and (3) of the BIA and the recent decision of the Supreme Court of Canada in *Century Services Inc. v. Canada (Attorney General)*, any deemed trust created in connection with QST liability should be reversed under the CCAA or a bankruptcy proceeding under the BIA. Because there are insufficient assets in the Barzel Canada estate to satisfy the claims of the Secured Lenders, there will be no recovery by Revenu Quebec in respect of the Corporate Income Tax Claim or the QST Claim.
  12. As reported in the Thirteenth Report, counsel to the Monitor has advised that there is a two year limitation period under the *Tax Administration Act* for the assertion of claims by Revenu Quebec against the directors of a company for tax arrears. The *Tax Administration Act* does not provide for recourse against the officers of a company. Counsel to Barzel Canada has advised that all directors of Barzel Canada resigned in or before November 2009.
  13. Upon receipt of the MRQ Proof of Claim, the Monitor consulted with the Tax Consultant to obtain confirmation of the amounts claimed in respect of source deduction obligations.

The Tax Consultant then requested that Revenu Quebec confirm whether the interest and penalty calculations in the MRQ Proof of Claim included interest and penalties accrued and assessed after the date of the commencement of Barzel Canada's CCAA proceeding.

14. On December 15, 2011, the Monitor contacted Revenu Quebec to request that Revenu Quebec provide a specific breakdown for all obligations asserted in the MRQ Proof of Claim.
15. On December 15, 2011, the Monitor also contacted counsel to the Secured Lenders to confirm that the Secured Lenders did not object to the payment of the Employee Source Deduction Claim. Counsel to the Secured Lenders confirmed that the Secured Lenders did not object to payment of such Employee Source Deduction Claim.
16. On December 16, 2011, Revenu Quebec provided the Monitor with a breakdown of the Employee Source Deduction Claim. The revised amount of the Employee Source Deduction Claim is, collectively, \$10,369.17. A copy of the revised Employee Source Deduction Claim is attached as Schedule "B".
17. On December 16, 2011, the Monitor contacted Revenu Quebec to discuss the Monitor's motion returnable December 19, 2011 in which the Monitor is seeking, among other things, authorization to make payment for the benefit of the Secured Lenders of all excess funds remaining in the Barzel Canada estate (after the payment of the Employee Source Deduction Claim and net of professional fees and the transfer to Barzel Canada's proposed trustee in bankruptcy). The Monitor advised Revenu Quebec that, subject to the granting of the requested relief, there would be no remaining funds for a distribution to the unsecured creditors.
18. On December 16, 2011, the Monitor transferred payment of \$10,369.17 to Revenu Quebec to settle Barzel Canada's Employee Source Deduction Claim.
19. In the afternoon of December 16, 2011, the Monitor received an amended proof of claim from Revenu Quebec (the "Amended MRQ Proof of Claim"). The Amended MRQ Proof of Claim revises the position taken in the MRQ Proof of Claim and asserts a claim of \$1,709,278.08 (in the aggregate) against Barzel Canada in respect of:

- (a) an Employee Source Deduction Claim of (i) \$9,976.12 and (ii) \$393.05 (together, \$10,369.17), which is consistent with the information provided by Revenu Quebec to the Monitor earlier on December 16, 2011 and confirms the accuracy of the amount paid by the Monitor to Revenu Quebec in respect of the Employee Source Deduction Claim;
  - (b) a Corporate Income Tax Claim of \$1,156,975.24; and
  - (c) a QST Claim of \$541,993.67.
20. A copy of the Amended MRQ Proof of Claim is attached as Exhibit "C".
21. The Monitor has prepared a revised Monitor's trust account reconciliation to reflect the payment of the Employee Source Deduction Claim. A copy of the revised trust account reconciliation is attached as Exhibit "D".


#### **MONITOR'S RECOMMENDATIONS**

22. The Monitor recommends that this Honourable Court approve the relief requested on the following basis:
- the Monitor is of the view that the CCAA proceeding should be terminated because there is no longer any support or need for its continuation;
  - after the settlement of the Employee Source Deduction Claim, the Secured Lenders remain the only creditors with an economic interest in the Applicant's assets.

All of which is respectfully submitted this 16th day of December, 2011.

**DELOITTE & TOUCHE INC.**

**In its capacity as Monitor of Barzel Industries Canada Inc.**

  
Paul Casey, CA, CIRP  
Senior Vice-President

**IN THE MATTER OF the Companies' Creditors Arrangement Act, R.S.C. 1985, c. C-36, as amended**

**AND IN THE MATTER OF a Plan of Compromise or Arrangement of Barzel Industries Canada Inc.**

Court File No: 09-8363-00CL

*Ontario*  
**SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

Proceeding commenced at Toronto

**SUPPLEMENTAL REPORT TO THE  
THIRTEENTH REPORT OF THE MONITOR**

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Fax: (416) 862-6666

Lawyers for the Monitor, Deloitte & Touche Inc.

# EXHIBIT A

## Bordereau de transmission

Date : 13 décembre 2011

Nombre total de pages : 8

### Destinataire

Nom : DELOITTE ET TOUCHE INC

À l'attention de M. Neil Jones

Adresse : BAY WELLINGTON TOWER  
 181, STREET BAY, SUITE 1400  
 TORONTO, ON M5J 2V1

Téléphone : 416 874-3142

Télécopieur : 416 601-6690

### Expéditeur

Nom : Louise Gadoua

Téléphone : 514 415-5278 ou

Adresse : 3e étage  
 1600, boulevard René-Lévesque Ouest  
 Montréal (Québec) H3H 2V2

1 866 418-3527, poste 4156 178

Télécopieur : 514 285-3833 ou

Secteur : R23CPF

Dossier : 8012548

### Message

objet: Proofs of claim in regard of the CCAA of Brazel Industries Canada Inc.

### Avis relatif aux renseignements confidentiels

Les renseignements contenus dans ce document peuvent être confidentiels. Ils sont destinés à l'usage du destinataire ci-dessus.

Si vous n'êtes pas le destinataire visé ou une personne autorisée à lui remettre ce document, vous êtes par la présente avisé qu'il est strictement interdit d'utiliser, de copier ou de distribuer ce document, d'en dévoiler la teneur ou de prendre quelque mesure fondée sur l'information qu'il contient. Vous êtes donc prié de détruire ce document et de communiquer immédiatement avec l'expéditeur pour l'aviser de cette erreur.

Revenu

Québec



Direction générale du centre de perception fiscale  
et des biens non réclamés

December 13, 2011

DELOITTE ET TOUCHE INC  
1400  
181, RUE BAY  
TORONTO, ON M5J 2V1

Reference number: 8012548

Debtor: BARZEL INDUSTRIES CANADA INC.

**Subject: Proofs of claim enclosed**

Enclosed you will find a proof of claim in the amount of \$1,692,336.07, and the schedule thereto, submitted by an unsecured creditor respecting the above-mentioned corporation, pursuant to the *Companies' Creditors Arrangement Act*.

The proofs relate to amounts owed by the corporation. See details below:

**Québec tax laws**

- Proof of claim in the amount of \$1,692,336.07, submitted by an unsecured creditor

Please note that the proof of claim is subject to change.

If you require further information, do not hesitate to contact the undersigned, whose address and numbers are given at the bottom of the first page.

Thank you for your cooperation.

Louise Gadoua  
Direction générale  
du centre de perception fiscale  
et des biens non réclamés

Encl. Documents

**PROOF OF CLAIM (UNSECURED CREDITOR)**  
Companies' Creditors Arrangement Act

Reference number: 8012548

In the matter of the 2009-09-15 of BARZEL INDUSTRIES CANADA INC. of WESTMOUNT (QUEBEC), and the claim of the Minister of Revenue of Québec (hereinafter called "the creditor")

All notices or correspondence regarding this claim must be forwarded to the following address:

All notices or correspondence regarding this claim must be forwarded to the following address:

Service des faillites et des propositions, 3e étage, secteur R23CPF, 1600, boulevard René-Lévesque Ouest Montréal (Québec) H3H 2V2.

I, Louise Gadoua, residing in MONTRÉAL, in the province of Québec, certify the following:

1. That I am a civil servant at the Ministère du Revenu du Québec and am duly authorized to act for the purposes of this claim.
2. As the public servant assigned to this file, I have knowledge of all the circumstances connected with this claim.
3. That the above-named debtor was, on the date of the arrangement, namely on September 15, 2009, and is still justly and truly indebted to the creditor in the amount of \$1,692,336.07, as shown in the attached appendix.
4. That the director(s) and officer(s) were, on the date of the arrangement, namely on September 15, 2009, and is still justly and truly indebted to the creditor in the amount of \$616 571.97, as shown in the attached appendix (Taxation act (source deductions) and Act respecting the Québec sales tax).
5. That the creditor holds no assets of the debtor as security.

Signed at MONTREAL, on December 13, 2011.

Witness

Creditor

Ministère du Revenu

PER-6357-V (2008-05)

PROOF OF CLAIM (UNSECURED CREDITOR) - SCHEDULE

In the matter of the proposal of: BARZEL INDUSTRIES CANADA INC..

Reference number: 0012045

Subject: Summary statement respecting the debt as at September 15, 2009

Year or periods	Description	Duties	Penalties	Interest	Charge	Total
<i>Taxation Act (source deductions)</i>						
Reference number: 1021280565						
2009	assessment	\$8,997.15	\$0.00	\$1,275.02	\$0.00	\$10,272.17
<i>Taxation Act (corporations)</i>						
Reference number: 1021280565						
2003 to 2009	assessment	\$839,723.52	\$2,767.86	\$233,272.72	\$0.00	\$1,075,764.10
<i>Act respecting the Québec sales tax</i>						
Reference number: 1021280565						
2009-02 to 2009-08	assessment	\$494,228.07	\$50,487.26	\$61,584.47	\$0.00	\$606,299.80
Amount owed to the ministère du Revenu						\$1,692,336.07

Note: Each time you communicate with the Direction générale du centre de perception fiscale et des biens non réclamés, be sure to provide the reference number.

Direction générale du centre de perception fiscale  
et des biens non réclamés

December 13, 2011

DELOITTE ET TOUCHE INC  
1400  
181, RUE BAY  
TORONTO, ON M5J 2V1

Reference number: 8012548

Debtor: BARZEL INDUSTRIES CANADA INC.

**Subject: Proof of claim enclosed**

Enclosed you will find a proof of claim regarding property in the amount of \$393.05 and the schedule thereto, submitted by a creditor respecting the above-mentioned corporation, pursuant to the *Companies' Creditors Arrangement Act*.

The proof relates to amounts owed by the corporation pursuant to a Québec tax law. See details below:

**Québec tax law**

- Proof of claim regarding property in the amount of \$393.05.

Please note that the proofs of claim are subject to change.

If you require further information, do not hesitate to contact the undersigned, whose address and numbers are given at the bottom of the first page.

Thank you for your cooperation.



Louise Gadoua  
Direction générale  
du centre de perception fiscale  
et des biens non réclamés

Encl. Documents

**PROOF OF CLAIM (PROPERTY)**  
**Companies' Creditors Arrangement Act**

Reference number: 8012548

In the matter of the proposal of BARZEL INDUSTRIES CANADA INC. of WESTMOUNT (QUEBEC), and the claim of the Minister of Revenue of Québec (hereinafter called "the claimant")

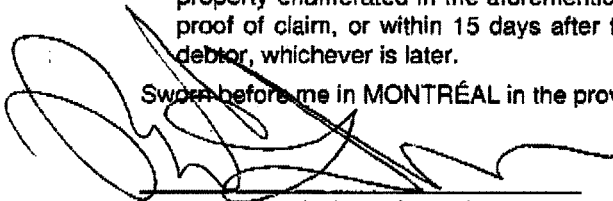
All notices or correspondence regarding this claim must be forwarded to the following address:

Service des faillites et des propositions, 3e étage, secteur R23CPF, 1600, boulevard René-Lévesque Ouest Montréal (Québec) H3H 2V2.

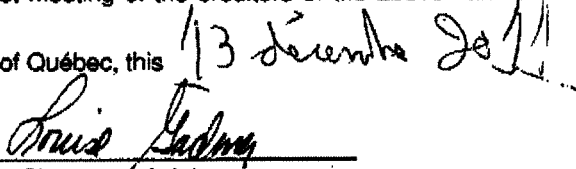
I, Louise Gadoua, residing in MONTRÉAL, in the province of Québec, certify the following:

1. That I am a civil servant at the Ministère du Revenu du Québec and am duly authorized to act for the purposes of this claim.
2. As the public servant assigned to this file, I have knowledge of all the circumstances connected with this claim.
3. That on September 15, 2009, the above-named debtor proposed a compromise or an arrangement under the *Companies' Creditors Arrangement Act*.
4. That, on the said date, the property enumerated in the attached appendix was in the possession of the debtor and remains in the possession of the debtor or the controller.
5. That the claimant hereby claims the said property, or interest therein, by virtue of the attached appendix.
6. That the claimant is entitled to demand from the controller the return of the property enumerated in the aforementioned document(s), in accordance with the provisions concerning deemed trusts (subsection 37(2) of the *Companies' Creditors Arrangement Act*), and totalling \$396.03.
7. That I hereby demand that the controller return to the claimant, whom I represent, the property enumerated in the aforementioned document(s) within 15 days after the filing of this proof of claim, or within 15 days after the first meeting of the creditors of the above-named debtor, whichever is later.

Sworn before me in MONTRÉAL in the province of Québec, this



Commissioner for oaths

13 décembre 2011  


Signature of claimant



**Proof of Claim (Property) - Schedule**

In the matter of the proposal of BARZEL INDUSTRIES CANADA INC..

Reference number: 8012548

**Subject: Summary statement respecting the debt as at September 15, 2009**

**Law concerned**

**Periods**

*Taxation Act* (source deductions)  
Reference number: 1021280565

2009

Amount owed to the ministère du Revenu

**Description**

assessment

**Duties**

\$363.05

\$393.05

168401

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In order for us to deal efficiently with your file, it is important that the documents that you send reach the right person.

For this reason, please

- use the enclosed return envelope to send your documents.
- insert the bottom portion of this page in the return envelope making sure that the name and address appear in the envelope window.

Thank you for your cooperation.

PER-6297-V (2010)

Revenu

Québec 

Direction générale du centre de perception fiscale  
et des biens non réclamés

RETURN TO:

Louise Gadoua  
3e étage, secteur R23CPF  
1600, boulevard René-Lévesque Ouest  
Montréal (Québec) H3H 2V2

REFERENCE NUMBER: 8012548

NAME: DELOITTE ET TOUCHE INC  
1400  
181, RUE BAY  
TORONTO, ON M5J 2V1

168401

**EXHIBIT B**



# EXHIBIT C

**PROOF OF CLAIM (UNSECURED CREDITOR)**  
Companies' Creditors Arrangement Act

Reference number: 8012548

In the matter of the 2009-09-15 of BARZEL INDUSTRIES CANADA INC. of WESTMOUNT (QUEBEC), and the claim of the Minister of Revenue of Québec (hereinafter called "the creditor")

All notices or correspondence regarding this claim must be forwarded to the following address:

All notices or correspondence regarding this claim must be forwarded to the following address:

Service des faillites et des propositions, 3e étage, secteur R23CPF, 1600, boulevard René-Lévesque Ouest Montréal (Québec) H3H 2V2.

I, Louise Gadoua, residing in MONTRÉAL, in the province of Québec, certify the following:

1. That I am a civil servant at the Ministère du Revenu du Québec and am duly authorized to act for the purposes of this claim.
2. As the public servant assigned to this file, I have knowledge of all the circumstances connected with this claim.
3. That the above-named debtor was, on the date of the arrangement, namely on September 15, 2009, and is still justly and truly indebted to the creditor in the amount of \$1,708 885.03, as shown in the attached appendix.
4. That the director(s) and officer(s) were, on the date of the arrangement, namely on September 15, 2009, and is still justly and truly indebted to the creditor in the amount of \$541 933.67, as shown in the attached appendix (Taxation act (source deductions) and Act respecting the Québec sales tax).
5. That the creditor holds no assets of the debtor as security.

Signed at MONTREAL, on December 16, 2011.

  
Witness

  
Creditor

## PROOF OF CLAIM (UNSECURED CREDITOR) - SCHEDULE

In the matter of the proposal of: BARZEL INDUSTRIES CANADA INC.

Subject: Summary statement respecting the debt as at September 15, 2009

Laws concerned	Description	Duties	Penalties	Interest	Charge	Total
Year or periods						
Taxation Act (source deductions) Reference number: 1021280565						
2009	assessment	\$8,997.15	\$0.00	\$978.97	\$0.00	\$9,976.12
Taxation Act (corporations) Reference number: 1021280565						
2000 to 2008	assessment	\$1,156,975.24	\$0.00	\$0.00	\$0.00	\$1,156,975.24
Act respecting the Québec sales tax Reference number: 1021280565						
2009-02 to 2009-08	assessment	\$541,933.67	\$0.00	\$0.00	\$0.00	\$541,933.67
Amount owed to the ministère du Revenu						\$1,708,985.03

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For this reason, please

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- insert the bottom portion of this page in the return envelope, making sure that the name and address appear in the envelope window.

Thank you for your cooperation.

PER-6297-V (2010-01)



Revenu

Québec



Direction générale du centre de perception fiscale  
et des biens non réclamés

RETURN TO:

Louise Gadoua  
3e étage, secteur R23CPF  
1600, boulevard René-Lévesque Ouest  
Montréal (Québec) H3H 2V2

REFERENCE NUMBER: 8012548

NAME: DELOITTE ET TOUCHE INC  
BAY WELLINGTON TOWER  
181, STREET BAY, SUITE 1400  
TORONTO, ON M5J 2V1

134801

Gouvernement du Québec  
Ministère du Revenu

ETAT DE COMPTE AU 2009-09-15

Le Revenu  
société (s'il y a lieu)  
0  
a comptable  
0  
Code postal  
0

Nom de la loi:  
Loi sur les impôts (corporation)  
Loi sur les impôts (particulier)

Numéro d'identification  
0  
Numéro TPS  
0  
Dossier (SPCI)  
0

Mois	année	Description	Date	Droits (\$)	Pénalités (\$)	Intérêts (\$)	Paiements (\$)	Total (\$)	Frais (\$)	Paiements ou crédits (\$)	Intérêts additionnels (\$)	Saldo (\$)
11		RESSORTMENT	2004-12-22	182 484,00		98 233,10		280 717,10				280 717,10
11		RESSORTMENT	2005-01-14	242 543,00		146 914,39		378 457,39				378 457,39
11		RESSORTMENT	2005-03-18	303 204,00		102 287,02		405 491,02				405 491,02
		paiement	2005-06-10				1 382,05			1 382,05		1 392,00
		paiement	2005-08-15				2 554,00			2 554,00		2 554,00
		paiement	2005-10-19				5 886,00			5 886,00		5 886,00
		paiement	2006-01-27				3 376,00			3 376,00		3 376,00
		RESSORTMENT	2005-12-22	108 662,00		18 766,23		127 428,23				127 448,23
		paiement	2006-04-27				1 668,00			1 668,00		1 668,00
		paiement	2006-08-08				8 095,00			8 095,00		8 095,00
11		RESSORTMENT	2007-11-25	375 099,47				375 099,47				375 099,47
		paiement	2007-12-03				50 382,00			50 382,00		50 382,00
		paiement	2007-12-19				3 687,00			3 687,00		3 687,00
		paiement	2007-12-21				60 000,00			60 000,00		60 000,00
		paiement	2008-01-10				50 382,00			50 382,00		50 382,00
		paiement	2008-01-24				3 687,00			3 687,00		3 687,00
		paiement	2008-01-25				60 000,00			60 000,00		60 000,00
		paiement	2008-02-08				3 687,00			3 687,00		3 687,00

25 11 2009  
 a sociale (s'it y a lieu)  
 0  
 se complète  
 0  
 Code fiscal  
 0

Nom de la loi:  
 Loi sur les impôts (corporation)  
 Loi sur les impôts (particulier)

Numéro d'identification  
 Numéro TPS  
 0  
 0  
 Dossier (SPIC)

Folio	année	Description	Date	COURTAGE				Frais	Paiements ou crédits	Intérêts additionnels	Solde
				Droits	Pénalités	Intérêts	Paiements				
11		ASSESSMENT	2008-02-25					60 000,00		60 000,00-	
		paiement	2008-03-27					60 000,00		60 000,00-	
		paiement	2008-04-09					3 687,00		3 687,00-	
		paiement	2008-04-24					14 959,00		14 959,00-	
		paiement	2008-04-25					4 557,47		4 557,47-	
		compensation	2008-08-11					55 442,53		55 442,53	
		compensation	2009-08-11					1 032,00		1 032,00-	
		compensation	2009-08-11					60 000,00		60 000,00-	
		compensation	2009-08-11					60 000,00		60 000,00-	
		compensation	2009-08-11					7 453,00		7 453,00-	
		ACEN NORVAKENCA CANADA INC.									
11		ASSESSMENT		29 435,58		15 843,93		45 279,51		45 279,51	
11		ASSESSMENT		89 089,00		36 654,55		124 723,55		124 723,55	
11		ASSESSMENT		993 366,30		4 373,76		997 740,06		997 740,06	
		paiement	2004-11-06					36 975,00		36 975,00-	
		paiement	2004-12-22					20 000,00		20 000,00-	
		paiement	2005-01-27					20 000,00		20 000,00-	
		paiement	2005-02-28					470 000,00		470 000,00-	
		paiement	2005-03-22					170 000,00		170 000,00-	
		paiement	2005-04-29					170 000,00		170 000,00-	
		paiement	2005-05-27					88 488,00		88 488,00-	
1		ASSESSMENT		1 428 047,00		62 028,41		1 490 075,41		1 490 075,41	
		paiement	2005-12-21					70 000,00		70 000,00-	
		paiement	2006-01-27					70 000,00		70 000,00-	
		paiement	2006-02-24					70 000,00		70 000,00-	

de l'usager  
 0  
 se compte  
 0  
 Code postal  
 0

Loi sur les impôts (corporation)  
 Loi sur les impôts (particulier)

Numéro	0
Numéro d'identification	0
Numéro TPS	0
Dossier (SPICI)	0

Mode émission	Description	Date	COTISATION				Total	Frais	Paiements ou crédits	Intérêts additionnels	SOUS					
	paiement	2006-03-23						70 000,00		70 000,00						
	paiement	2006-04-28						70 000,00		70 000,00						
	paiement	2006-05-26						70 000,00		70 000,00						
	paiement	2006-06-23						172 263,00		172 263,00						
	paiement	2006-07-28						84 609,00		84 609,00						
	paiement	2005-08-25						84 609,00		84 609,00						
	paiement	2006-09-29						84 609,00		84 609,00						
	paiement	2006-10-27						84 609,00		84 609,00						
	paiement	2006-11-23						414 125,46		414 125,46						
	paiement	2007-01-23						55 233,00	984,02	405,62						
	Argo Steel Inc.															
	Chrismop LLC															
<b>TOTAL</b>								3 786 487,35	4,74	481 278,46	79,00	4 278 691,55	7,21	3 123 700,38	984,02	1 156 975,24

Intérêts à compter de la date suivante: 1 156 975,24 \$ 0,00%  
 de l'intérêt: 0,00%  
 Préparé par: Louise Gauthier 11-12-16  
 Secrétaire: R230PF Téléphone: 514-410-5278  
 b) est capitalisé quotidiennement en vertu de l'article 28.1 de la Loi sur le Ministère du Revenu  
 venant la T.P.S., une pénalité et des intérêts s'ajoutent au solde impayé de la dette suivant le paragraphe 28(11) de la Loi sur la Taxe d'accise.



Direction générale du centre de perception fiscale  
et des biens non réclamés

December 13, 2011

DELOITTE ET TOUCHE INC  
1400  
181, RUE BAY  
TORONTO, ON M5J 2V1

Reference number: 8012548

Debtor: BARZEL INDUSTRIES CANADA INC.

**Subject: Proof of claim enclosed**

Enclosed you will find a proof of claim regarding property in the amount of \$393.05 and the schedule thereto, submitted by a creditor respecting the above-mentioned corporation, pursuant to the *Companies' Creditors Arrangement Act*.

The proof relates to amounts owed by the corporation pursuant to a Québec tax law. See details below:

**Québec tax law**

- Proof of claim regarding property in the amount of \$393.05.

Please note that the proofs of claim are subject to change.

If you require further information, do not hesitate to contact the undersigned, whose address and numbers are given at the bottom of the first page.

Thank you for your cooperation.

Louise Gadoua  
Direction générale  
du centre de perception fiscale  
et des biens non réclamés

Encl. Documents

**PROOF OF CLAIM (PROPERTY)**  
**Companies' Creditors Arrangement Act**

Reference number: 8012548

In the matter of the proposal of BARZEL INDUSTRIES CANADA INC. of WESTMOUNT (QUEBEC), and the claim of the Minister of Revenue of Québec (hereinafter called "the claimant")

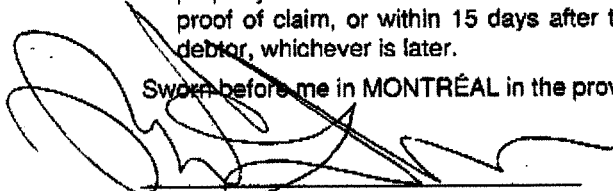
All notices or correspondence regarding this claim must be forwarded to the following address:

Service des faillites et des propositions, 3<sup>e</sup> étage, secteur R23CPF, 1600, boulevard René-Lévesque Ouest Montréal (Québec) H3H 2V2.

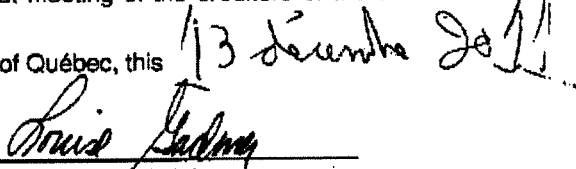
I, Louise Gadoua, residing in MONTRÉAL, in the province of Québec, certify the following:

1. That I am a civil servant at the Ministère du Revenu du Québec and am duly authorized to act for the purposes of this claim.
2. As the public servant assigned to this file, I have knowledge of all the circumstances connected with this claim.
3. That on September 15, 2009, the above-named debtor proposed a compromise or an arrangement under the *Companies' Creditors Arrangement Act*.
4. That, on the said date, the property enumerated in the attached appendix was in the possession of the debtor and remains in the possession of the debtor or the controller.
5. That the claimant hereby claims the said property, or interest therein, by virtue of the attached appendix.
6. That the claimant is entitled to demand from the controller the return of the property enumerated in the aforementioned document(s), in accordance with the provisions concerning deemed trusts (subsection 37(2) of the *Companies' Creditors Arrangement Act*), and totalling \$396.03.
7. That I hereby demand that the controller return to the claimant, whom I represent, the property enumerated in the aforementioned document(s) within 15 days after the filing of this proof of claim, or within 15 days after the first meeting of the creditors of the above-named debtor, whichever is later.

Sworn before me in MONTRÉAL in the province of Québec, this



Commissioner for oaths

13 Septembre 2011  


Signature of claimant



**Proof of Claim (Property) - Schedule**

in the matter of the proposal of BARZEL INDUSTRIES CANADA INC..

Reference number: 8012548

**Subject: Summary statement respecting the debt as at September 15, 2009**

**Law concerned**

**Periods**

*Taxation Act* (source deductions)  
Reference number: 1021280565

2009

Amount owed to the ministère du Revenu

**Description**

assessment

**Duties**

\$363.05

\$393.05

158401

**Note:** Each time you communicate with the Direction générale du centre de perception fiscale et des biens non réclamés, be sure to provide the reference number (numbers).

# EXHIBIT D

**Deloitte & Touche Inc.**  
**CCAA Monitor of Barzel Industries Canada Inc.**  
**Reconciliation of Funds Held by Monitor**  
**As at December 16, 2011**

<b>Notional Reserve for Administration Charge</b>		\$	750,000
Less: Professional fees incurred post-closing			
Monitor	\$	(404,527)	
Monitor's Counsel		(164,797)	
Applicant's Counsel		(180,384)	(749,708)
		<u>                    </u>	
			<u>\$</u> 292
<b>Notional Reserve for D&amp;O Charge</b>		\$	500,000
Less: Claims settled by D&O Charge			
CRA - Deemed Trust Claim	\$	(10,727)	
MRQ - Deemed Trust Claim		(10,369)	(21,097)
		<u>                    </u>	
			<u>\$</u> 478,903
<b>Notional Reserve for Wind-down Charge</b>		\$	500,000
Less: Wind-down related expenses			
Consulting Fee of Tax Consultant - Gerard Char	\$	(128,706)	
Monitor - Professional fees		(109,567)	
Monitor's counsel - Professional fees		(50,163)	(288,436)
		<u>                    </u>	
			<u>\$</u> 211,564
<b>Other</b>			
Add: AR Collections	\$	45,938	
Transfer from CRO Trust Account		247,759	
Interest Earned		7,726	\$ 301,424
		<u>                    </u>	
Less: Interim Distribution to Secured Lender		<u>\$ (300,000)</u>	\$ (300,000)
Less: Miscellaneous Expenses			
Bank Charges	\$	(166)	(166)
		<u>                    </u>	
			<u>\$</u> 1,258
<b>Total Funds in Possession of Monitor</b>			<u>\$</u> 692,018

**IN THE MATTER OF the Companies' Creditors Arrangement Act, R.S.C. 1985, c. C-36, as amended**

Court File No: 09-8363-00CL

**AND IN THE MATTER OF a Plan of Compromise or Arrangement of Barzel Industries Canada Inc.**

*Ontario*  
**SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

Proceeding commenced at Toronto

**SECOND SUPPLEMENTARY MOTION  
RECORD  
(Motion Returnable December 19, 2011)**

OSLER, HOSKIN & HARCOURT LLP  
1 First Canadian Place  
P.O. Box 50  
Toronto, ON M5X 1B8

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Tel: (416) 862-6835  
Fax: (416) 862-6666

Lawyers for the Monitor, Deloitte & Touche Inc.