

CANADA  
PROVINCE OF QUÉBEC  
DISTRICT OF BEDFORD

SUPERIOR COURT  
(Commercial Division)

In bankruptcy and insolvency

COURT NO.: 460-11-000938-046  
Estate No.: 42-043090

IN THE MATTER OF THE NOTICE OF  
INTENTION TO MAKE A PROPOSAL OF

J.L. DE BALL CANADA INC.,

Debtor

- and -

RSM RICHTER INC.,

Trustee

**PROPOSAL**

WE, J.L. DE BALL CANADA INC., THE DEBTOR, HEREBY SUBMITS THE  
FOLLOWING PROPOSAL UNDER THE *BANKRUPTCY AND INSOLVENCY ACT*:

I. DEFINITIONS:

For purposes hereof:

“ACT” means the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended.

“AMENDED PROPOSAL” means any amendment of this PROPOSAL, which will be tabled by the DEBTOR at the first meeting of creditors or pursuant to any postponement thereof.

“APPROVAL” means the situation arising from the AMENDED PROPOSAL having been duly accepted by the creditors and having been approved by the COURT in a Judgment that has become executory as a result of the delay for appeal having expired without there having been an appeal, or an appeal having been lodged and the Judgment approving the AMENDED PROPOSAL having been confirmed or the appeal withdrawn.

“COMMITTEE” means the committee comprising up to five (5) individuals to be named as inspectors, pursuant to the ACT, by the creditors at the meeting of creditors called to consider the AMENDED PROPOSAL.

“COURT” means the Superior Court of the District of Bedford sitting in bankruptcy and insolvency matters (Commercial Division);

“CROWN CLAIMS” means all amounts owing to Her Majesty the Queen in Right of Canada or a province of Canada of a kind that would be subject to a demand under Subsection 224(1.2) of the *Income Tax Act* (Canada) or any provision of the *Canada Pension Plan* or the *Employment Insurance Act* that refers to Subsection 224(1.2) of the *Income Tax Act* (Canada), or any substantially similar provision of provincial legislation that were outstanding at the time of the

FILING DATE and remain outstanding as well as all DIRECTOR LIABILITIES in respect thereof.

"DEBTOR" means J.L. de Ball Canada Inc.

"DIRECTOR LIABILITIES" means any claim against any and all present and past directors of the DEBTOR that arose before the FILING DATE and related to the DEBTOR's obligations for which such directors are, by law, liable in their capacity as directors for payment of such obligations, other than and excluding claims against such directors that are based on allegations of misrepresentation made by directors to creditors or of wrongful or oppressive conduct by directors.

"EMPLOYEE CLAIMS" means all amounts, up to the amount that the employee or former employee would be entitled to receive under section 60(1.3)(a) of the ACT, due to the present or former employees of the DEBTOR but other than claims for any notice of termination or severance indemnity..

"FILING DATE" means February 4, 2004, being the date on which the DEBTOR filed the NOTICE OF INTENTION pursuant to the relevant provisions of the ACT.

"NOTICE OF INTENTION" means the Notice of Intention to file a proposal filed by the DEBTOR under the ACT on February 4, 2004.

"POST-FILING GOODS AND SERVICES" means all accrued expenses and debts arising in respect of goods supplied, guarantees issued, services rendered or other consideration given to the DEBTOR as and from the FILING DATE.

"PREFERRED CLAIMS" means all claims directed by Section 136 of the ACT to be paid in priority to all other claims in the distribution of the property of an insolvent party.

"PROPOSAL" means the present holding proposal by the DEBTOR to its creditors, which will be amended.

"PROPOSAL EXPENSES" means all proper fees, expenses, liabilities and obligations of the DEBTOR and the TRUSTEE only, related or incidental to the NOTICE OF INTENTION and/or the PROPOSAL, and any AMENDED PROPOSAL, including, without limitation, all legal fees and accounting fees and the fees and expenses of the legal representatives of the DEBTOR and the TRUSTEE in connection therewith.

"SECURED CLAIMS" means claims of secured creditors as defined in section 2 of the ACT.

"SECURED CREDITORS" means the holders of the SECURED CLAIMS.

"TRUSTEE" means RSM Richter Inc. in its capacity of Trustee to the PROPOSAL and any AMENDED PROPOSAL.

"UNSECURED CLAIMS" means every "*provable claim*" (as defined in the ACT) against the DEBTOR, including claims of every nature and kind whatsoever, including all DIRECTORS LIABILITIES, whether due or not due for payment as of the FILING DATE, including contingent or unliquidated claims arising out of any transaction, repudiation or termination of contracts by the DEBTOR prior to such date including any claims by present or former employees, including any claim for notice of termination or severance indemnity, but specifically excluding the PROPOSAL EXPENSES, CROWN CLAIMS, EMPLOYEE CLAIMS, PREFERRED CLAIMS and SECURED CLAIMS.

"UNSECURED CREDITORS" means the holders of the UNSECURED CLAIMS.

## II. SECURED CREDITORS

1. The SECURED CLAIMS will be paid in accordance with existing or future agreements existing between the DEBTOR and SECURED CREDITORS or pursuant to the rights which the ACT grants to each of their holders. The DEBTOR declares that this PROPOSAL and any AMENDED PROPOSAL is not and shall not be, made in respect of the SECURED CLAIMS and the security of the SECURED CREDITORS.

## III. PREFERRED CREDITORS

2. Immediately upon APPROVAL, the EMPLOYEE CLAIMS, without interest, shall be paid in full.
3. The PROPOSAL EXPENSES will be paid in full, as they become due, in priority to all PREFERRED CLAIMS, CROWN CLAIMS and UNSECURED CLAIMS.
4. The CROWN CLAIMS will be paid in full within six (6) months of the APPROVAL.
5. PREFERRED CLAIMS, other than the EMPLOYEE CLAIMS, without interest, will be paid in full within sixty (60) days of APPROVAL in priority to all UNSECURED CLAIMS.

## IV. UNSECURED CREDITORS

6. The following provisions will apply to UNSECURED CLAIMS:
  - a) The DEBTOR will defer the payment of UNSECURED CLAIMS until it tables at the first meeting of creditors or at any postponement thereof an AMENDED PROPOSAL under which the DEBTOR will propose a basis of payments to be made in full and final settlement of the UNSECURED CLAIMS.

## V. OTHER CLAIMS

7. POST-FILING GOODS AND SERVICES will be paid in full in the ordinary course of business and on regular trade terms or as may have been arranged by the DEBTOR or as may hereafter be arranged by the DEBTOR and/or the TRUSTEE.

## VI. DIRECTORS LIABILITY

8. In accordance with section 50(13) of the ACT, the AMENDED PROPOSAL will constitute a compromise of claims against the present and past directors of the DEBTOR that arose before the filing of the NOTICE OF INTENTION and that relate to the obligations of the DEBTOR for which the directors may, by law, be liable in their capacity as directors. Moreover, the AMENDED PROPOSAL, upon APPROVAL, will operate as a discharge in favour of such present and past directors with respect to such obligations. Nothing herein shall be interpreted as an acknowledgment of any liability or obligation of the directors.

**VII. COMMITTEE**

9. The DEBTOR agrees to the formation of the COMMITTEE at the meeting of creditors called to consider an AMENDED PROPOSAL.
10. The COMMITTEE shall have the powers given by the ACT to inspectors in a bankruptcy in addition to the following powers:
  - a) Advise the TRUSTEE on matters relating to the administration of the AMENDED PROPOSAL;
  - b) Postpone the payment of any dividends to UNSECURED CREDITORS herein provided;

**VIII. PAYMENTS**

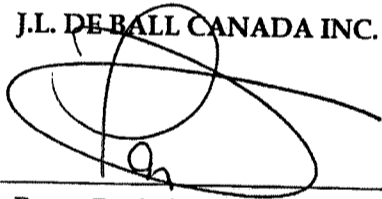
11. All monies payable under the AMENDED PROPOSAL shall be paid over to the TRUSTEE who shall make the payments of the dividends, the whole in accordance with the terms of the AMENDED PROPOSAL.

**IX. OFFICIAL VERSION**

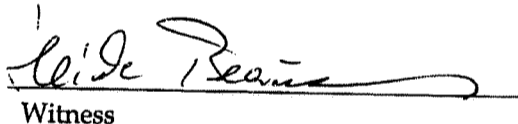
12. Notwithstanding the filing of the PROPOSAL or any AMENDED PROPOSAL in both English and French, in the event of any discrepancy between the English and French texts, the English version shall prevail.

DATED AT MONTREAL, this 4th day of August 2004

J.L. DE-BALL CANADA INC.



Per: Paul Flay  
Duly Authorized



Witness

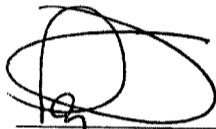
**EXTRACT OF RESOLUTION OF THE BOARD OF  
DIRECTORS  
OF  
J.L. DE BALL CANADA INC.**

(the "Corporation")

**BE IT RESOLVED THAT:**

1. The Corporation be and it is hereby authorized to file a Notice of Intention to Make a Proposal pursuant to Subsection 50.4(1) of the BIA;
2. The Corporation be and it is hereby authorized to appoint Richter & Partners Inc. (Yves Vincent, CA, CIRP) as trustee to the proposal;
3. The Corporation be and it is hereby authorized to acknowledge the receipt and adequacy of the Demand for Payment;
4. The Corporation be and it is hereby authorized to acknowledge the receipt and adequacy of the NOI, to waive the ten-day delay referred to in the NOI;
5. Paul Flay or any other director of the Corporation be and he or she is authorized to:
  - (a) execute (under corporate seal or otherwise) and deliver a Notice of Intention to Make a Proposal pursuant to Subsection 50.4(1) BIA;
  - (b) execute (under corporate seal or otherwise) and deliver such other documents and take such other actions as shall appear to be necessary or desirable in order to carry out this resolution.

I certify that the foregoing is a true copy of a resolution consented to by all the directors of J.L. de Ball Canada Inc., pursuant to subsection 117(1) of the *Canada Business Corporations Act*, effective as of February 2, 2004.



---

Paul Flay  
President & CEO



Industry Canada

Industrie Canada

Office of the Superintendent of Bankruptcy

Bureau du Surintendant des faillites

# ESTATE INFORMATION SUMMARY

-Version française disponible sur demande-



Original



Amendment

## I - COMPLETE THE FOLLOWING IN ALL CASES

PROCEEDING  Assignment  Receiving order  Referral  Bankruptcy order  Proposal  Individual  Corporation  Pending proceeding

Estate Name: **J. L. DE BALL CANADA INC.**

Ind. date of birth: D M Y Occupation S.I.N. Taxation account no. Previously bankrupt  Yes  No Language  English  French  Other specify

Address (Street No. and Apt. No.): **835 INDUSTRIAL BLVD.**

City: **GRANBY** Province: **QUEBEC** Postal code: **J2J 1A5** Home telephone no. Work telephone no.

Consumer debts only?  Yes  No **100%** of the total debt is business The debtor resides or has carried on business at the above address since: D M Y Receivership prior to this proceeding  No  Yes D M Y

Joint Estate Name

Ind. date of birth: D M Y Occupation S.I.N. Taxation account no. Previously bankrupt  Yes  No Language  English  French  Other specify

## II - COMPLETE THE FOLLOWING IF THE DEBTOR HAS GUARANTEED THE DEBTS OF ANOTHER PERSON

N/A

The debtor is the guarantor of  Business debts  Consumer debts  Other specify

Name of persons whose debts are guaranteed: **ASHEVILLE VELOUR INC** Amount guaranteed: **1,741,091 (BANK OF MONTREAL)** Name of business if business debts: Is the person bankrupt? Yes No **X**

## III - COMPLETE THE FOLLOWING IF THE DEBTOR WAS PREVIOUSLY OR IS PRESENTLY IN BUSINESS

N/A

Trade name(s) if different from the estate name: Place of business: **GRANBY** Nature of business: **TEXTILE MANUFACTURE** Corporation, partnership or sole proprietorship (specify): **CORPORATION**

Names of the partners if a partnership:

## IV - COMPLETE THE FOLLOWING IF THE DEBTOR IS A CORPORATION

N/A

Are the corporation's shares publicly traded?  Yes  No Federal Charter?  Yes  No Charter Number: **011144 BN**

Names of the Corporation's officers: **DIRK BUSSE, KORNEL WOLTERS, WILHELM TRIENEKENS**

Name of person to be examined: **PAUL R. FLAY** Title: **PRESIDENT** Telephone No.

Address (Street No. and Apt. No.): **1105 RANG DE LA MONTAGNE**

City: **SAINT-PAUL-D'ABBOISFORD** Province: **QUEBEC** Postal code: **JOE 1A0** Language  English  French  Other specify

## V - TO BE COMPLETED AND SIGNED BY THE TRUSTEE IN ALL CASES

Creditor's Meeting Suggested Time and Place: **25.08.04 11h00** Location: **MONTREAL (Bureau de Surintendant)**

Examination requested  No  Yes Comments

TRUSTEE APPOINTMENT Name & Licence number of the Trustee or, if a Corporate Trustee, the name & licence number of the person responsible for the administration of the estate: **RST RICHTER INC. YVES VINCENT, CA** Licence number: **1664**

A possible conflict of interest situation exists  No  Yes If yes, explain Indemnification:  N/A  Deposit  Guarantee Name of depositor or guarantor

Amount or extent of indemnity:  Trustee absent when file submitted - Amended summary to follow Signature of Trustee:

## VI - OFFICIAL RECEIVER USE ONLY

NOTE: QUOTE THIS NUMBER IN ALL FUTURE CORRESPONDENCE No. Administration  Summary  Ordinary Date of filing: D M Y Type

Industry District Division Court No. Licence No. of appointed Trustee  As above  Other Resp. O.R.

Assets Liabilities Security

Creditor's Meeting  As above  Or Date: D M Y Time Location Chairperson  O.R.  Trustee

Debtor Examination  No  Yes Date: D M Y Time Location

Official Receiver Comments Note to file  A  B  C Data Processing Initials Official Receiver's Initials Document Production Initials


**STATEMENT OF AFFAIRS (Sec 158)  
IN THE MATTER OF THE PROPOSAL OF  
J.L. DE BALL CANADA INC.**

You are required to carefully and accurately complete this form and the applicable attachments, showing the state of your affairs on the date of your proposal, August 4, 2004. When completed, this form and the applicable attachments will constitute your Statement of Affairs and must be verified by oath or solemn declaration:

<b>Liabilities</b>		<b>Assets</b>	
(as stated and estimated by debtor)		(as stated and estimated by debtor)	
1. Unsecured creditors as per list 'A' .....	4,835,914.34	1. Inventory .....	2,500,000.00
2. Secured creditors as per list 'B' .....	11,116,494.64	2. Trade fixtures, fittings, utensils, etc.....	NIL
3. Preferred creditors as per list 'C' .....	9,420.20	3. Accounts Receivable, etc. as per list 'E'	
4. Contingent or other liabilities as per list 'D'	NIL	Good .....	5,600,000.00
estimated to be reclaimable for .....		Doubtful .....	NIL
Total Liabilities .....	\$15,961,829.18	Bad .....	NIL
Surplus .....	NIL	Estimated to produce .....	4,100,000.00
		4. Bills of exchange, promissory notes, etc. as	
		per list 'F' .....	NIL
		5. Deposits in Financial Institutions.....	NIL
		6. Cash .....	NIL
		7. Livestock .....	NIL
		8. Machinery, equipment and plant .....	5,000,000.00
		9. Real property as per list 'G' .....	NIL
		10. Furniture.....	NIL
		11. RRSPs, RRIFs, Life Insurance, etc .....	NIL
		12. Securities (Shares, bonds, debentures, etc) .....	NIL
		13. Interest under wills .....	NIL
		14. Vehicles .....	NIL
		15. Other Property as per list 'H'.....	
		Trade marks and intellectual property .....	To determine
		<b>If Bankrupt is a Corporation add:</b>	
		Amount of capital subscribed .....	NIL
		Amount paid thereon .....	NIL
		Balance subscribed and unpaid .....	NIL
		Estimated to produce .....	NIL
		Total Assets .....	\$11,600,000.00
		Deficiency .....	\$4,361,829.18

I, Paul R. Flay, President of J.L. de Ball Canada Inc., do swear that this statement and attached lists are to the best of my knowledge a full, true and complete statement of its affairs on August 4, 2004, and fully disclose all property of every description that is in its possession or that may devolve on it in accordance with Section 67 of the Act.

SWORN before me in the City of Montreal in the Province of Quebec this 4th day of August, 2004.

  
\_\_\_\_\_  
Signature of Debtor or Officer



STATEMENT OF AFFAIRS (Sec 158)  
IN THE MATTER OF THE PROPOSAL OF  
J.L. DE BALL CANADA INC.

List 'A'  
Unsecured Creditors

No	Name	Address	Account No.	Amount of claim
1	3A MOULINAGE THROWING	1001 CHEMIN DION ST-ELIE-D'ORFORD QC J0B 2S0		7,591.46
2	A.B. BLAKE	3596 BOULEVARD POIRIER SAINT-LAURENT QC H4R 2J5		96.90
3	ACC. SOUDURE DE GRANBY	691 RUE COWIE GRANBY QC J2G 3X5		51.75
4	ACIER A. MENARD & FILS INC.	585 SIMONDS GRANBY QC J2J 1C1		365.02
5	ADT SECURITY SERVICES CANADA INC.	940 - 6th AVENUE S. W. SUITE 700 CALGARY AB T2P 3T1		112.73
6	AMERICAN & EFIRD INC.	C.P. 11013, SUCC. CENTRE-VILLE MONTREAL QC H3C 4T9		530.32
7	AMEX BANK OF CANADA	CP 4500 SUCC. AGINCOURT SCARBOROUGH ON M1S 4B1		2,938.49
8	ARMATURES SHERFFORD	200 RUE CARTIER GRANBY QC J2G 5A6		907.55
9	ART COTTAGE*	63B KING STREET LEICESTER L1E 6RP ENGLAND		2,200.00
10	ARTWORK DESIGN LIMITED	11 RAILWAY STREET HYDE, CHESHIRE SK 14 1DF ENGLAND		3,900.00
11	ASALCO	44 CHEMIN DES URSULINES STANSTEAD QC J0B 3E0		159.42
12	ASHEVILLE VELOUR, INC.*	12 OLD CHARLOTTE HIGHWAY ASHEVILLE, NC 28803-9404 U.S.A.		750,000.00
13	ATELIER D'USINAGE MORRIS	98 RUE DENISON EST GRANBY QC J2G 4C6		5,955.86
14	ATLANTIC YARNS INC.	2600 MATHESON BLVD. EAST MISSISSAUGA ON L4W 4J1		27,741.41
15	BALANCE EXPERT	171 RUE LEGER SHERBROOKE QC J1L 1M2		715.36
16	BASF CANADA	C.P. 3768, STATION B MONTREAL QC H3B 3L7		6,390.36
17	BAYER CANADA INC.	BOX 1000, STATION B ETOBICOKE ON M9W 7A5		186,598.89
18	BEAUDIN LE PROHON INC.	6171 BOULEVARD BOURQUE ROCK FOREST QC J1N 1H2		929.23
19	BELI CANADA	C.P. 8712, SUCC. A MONTREAL QC H3C 3P6		7,972.51
20	BELL MOBILITE PAGETTE	P.O. BOX 11097 STATION CENTRE-VILLE MONTREAL QC H3C 5E9		217.92
21	BELL MOBILITY CELLULAR	3E ETAGE SUD OUESR 200 BOUL BOUCHARD DORVAL QC H9S 5X5		226.62
22	BERMATEX INC.	175, 4e RUE MONTMAGNY QC G5V 3L6		41,170.17
23	BINETTE	405 MONTPELLIER		116.91

Dated: August 04, 2014

  
\_\_\_\_\_  
Signature of Debtor or Officer

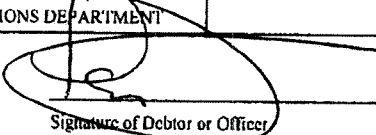


**STATEMENT OF AFFAIRS (Sec 158)  
IN THE MATTER OF THE PROPOSAL OF  
J.L. DE BALL CANADA INC.**

List 'A'  
Unsecured Creditors

No	Name	Address	Account No.	Amount of claim
24	BMP TEXTILE AGENTS	VILLE ST LAURENT QC H4N 2G6 53154 COVENT GARDEN STORKPORT U.K. SK1 3AX		834.94
25	BODYCOTE CANADA INC.	P.O. BOX 332, SUCC. PLACE D'ARMES MONTREAL QC H1Y 2H1		214.00
26	BOEHME FILATEX CANADA INC.	C.P. 3721, STATION B 1250 UNIVERSITY MONTREAL QC H3B 3L7		4,044.04
27	BRENNTAG CANADA INC.	43 JUTLAND ROAD ETOBICOKE ON M8Z 2G6		1,651.60
28	BUREAU EN GROS	CENTRE DE PAIEMENT 328 GREEN ROAD STONEY CREEK ON L8E 5T7		257.27
29	CANADA COLORS AND CHEMICALS*	80 SCARSDALE ROAD DON MILLS ON M3B 2R7		46,457.78
30	CANADIAN INSTITUTE OC CHARTERED A	277 RUE WELLINGTON OUEST TORONTO ON M5V 3H2		402.59
31	CANADIAN TEXTILES INSTITUTE	222 SOMERSET STREET WEST SUITE 500 OTTAWA ON K2P 2G3		7,243.75
32	CHT R. BEITLICH CORP	P.O. BOX 240497 CHARLOTTE NC 28224 U.S.A.		5,490.84
33	CLARIANT CANADA INC.	P.O. BOX 2030, STATION B MONTREAL QC H3B 4H4		7,725.07
34	CLAUDE CHIASSON	208 VICTORIA FARNHAM QC J2N 1S2		263.35
35	COGNIS CANADA CORPORATION	2290 ARGENTIA ROAD MISSISSAUGA ON L5N 6H9		849.41
36	CONCORD TRANSPORTATION INC	PO BOX 310 STATION A ETOBICOKE ON M9C 4V3		222.15
37	CORRUPAL INC.	ATTN: M. YVAN QUIRION 225 AVENUE LIBERTE CANDIAC QC J5R 3X8		13,648.88
38	CRANE CANADA INC.	DIVISION EN GROS 4805 AVENUE DUNN MONTREAL QC H4E 1B9		991.41
39	CS BROOK CANADA INC.	250 RUE PRINCIPALE EST MAGOG QC J1X 3X2		1,428.93
40	CULLIGAN	662 RUE DUFFERIN GRANBY QC J2G 8C9		330.70
41	D.A. STUART INC.	43 UPTON ROAD SCARBOROUGH ON M1L 2C1		182.74
42	DBR INFORMATIQUE	390 RUE SIMONDS SUD GRANBY QC J2J 1G8		4,584.98
43	DECHI-TECH MOBILE	2180 RUE DESNOYERS SAINT-HYACINTHE QC J2S 8Y9		120.78
44	DEVAL COMBUSTION	5041 BD SAINT-JEAN-BAPTISTE MONTREAL QC H1B 5V3		2,379.18
45	DHL EXPRESS CANADA LTEE (LOOMIS)	CASH APPLICATIONS DEPARTMENT		3,054.86

Dated: August 04, 2004

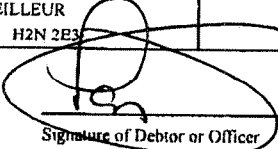
  
Signature of Debtor or Officer

**STATEMENT OF AFFAIRS (Sec 158)  
IN THE MATTER OF THE PROPOSAL OF  
J.L. DE BALL CANADA INC.**

List 'A'  
Unsecured Creditors

No	Name	Address	Account No.	Amount of claim
46	DISMED INC.	200 WESTCREEK BLVD. BRAMPTON ON L6T 5T7		85.42
47	DISTRIBUTION LABEL'EAU	9950 BOULEVARD PARKWAY ANJOU QC H1J 1P5		151.95
48	DOUBLETEX	950 RUE ALBERT COWANSVILLE QC J2K 3G6		62,506.87
49	DUBE & LOISELLE INC.	9785 RUE JEANNE-MANCE MONTREAL QC H3L 3B6		206.70
50	ECO-GESTENV INC.	635 DUVERNAY GRANBY QC J2C 9H4		534.87
51	ELIZABARTH CITY COTTON*	121 BOULEVARD HYMUS POINTE-CLAIRES QC H9R 1E6		37,858.82
52	EMBALLAGE ECO-PACK PACKAGING	P.O. BOX 186 ELIZABETH CITY, NC 27907-0186 U.S.A.		8,328.53
53	EMBALLAGES JEAN CARTIER	(2970-9052 QUEBEC INC.) 101 - 1650 SAINT-FRANCOIS-XAVIER TROIS-RIVIERES QC G9A 5X9		2,913.05
54	ENTREPRISES L. BEAUDOIN ENR.	2325 BD INDUSTRIEL SAINT-CESAIRE QC J0L 1T0		6,878.51
55	ENTREPRISES MICHEL LAROUCHE	1030 RUE DESCHAGNON SHERBROOKE QC J1G 1X7		63.84
56	ENTREPRISES PIERRE JUTRAS INC.	2129 CHEMIN DU LAC ROXTON POND QC J0E 1Z0		247.21
57	ENTRETIEN DYNAMO ENR.	423 DEBUSSY GRANBY QC J2G 8S6		800.00
58	ENVIRONNEMENT E.S.A. INC.	7750 RUE CARTIER MONTREAL QC H2E 2J8		1,519.48
59	EQUIPEMENTS SANITAIRES PRODEC	207 RUE BELVEDERE NORD SHERBROOKE QC J1H 4A7		1,786.00
60	ESPACE BELL	760 BD INDUSTRIEL GRANBY QC J2G 9J5		67.86
61	EXCEL DISTRIBUTEUR INDUSTRIEL	590 BOULEVARD BOIVIN GRANBY QC J2G 2L7		1,372.11
62	FARO DISEGNI*	CASE POSTALE 566 GRANBY QC J2G 8E9		3,600.00
63	FEDERAL EXPRESS CANADA LTEE	22100 COMO (ITALIA) VIA RODARI, 9 PALAZZO PANTERA ITALIA		18,537.05
64	FEDEX TRADE NETWORKS *	ATTN: FREDA BARLOW P.O. BOX 4626, STATION A TORONTO ON M5W 5B4		58.50
65	FILS SPECIALISES CAVALIER INC.	PO BOX 600 NIAGARA FALLS ON L2E 6V2		192,810.99
66	FLAY, PAUL. R.	ATTN: M. JEAN-PIERRE CHELHOT 4500 THIMENS SAINT-LAURENT QC H4R 2P2		39.00
67	FOURNITURES DE BUREAU ASTRAL	1105 RANG DE LA MONTAGNE ST-PAUL D'ABBOTSFORD QC J0E 1A		206.94
		845 - 9600 RUE MEILLEUR MONTREAL QC H2N 2E3		

Dated: August 04, 2004

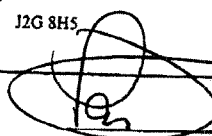
  
Signature of Debtor or Officer

**STATEMENT OF AFFAIRS (Sec 158)  
IN THE MATTER OF THE PROPOSAL OF  
J.L. DE BALL CANADA INC.**

List 'A'  
Unsecured Creditors

No	Name	Address	Account No.	Amount of claim
68	GARAGE ANDRE GIRARD & FILS INC.	1048 RUE DENISON EST GRANBY QC J2G 8C7		135.81
69	GAZ METROPOLITAIN	ATTN: MARTINE LEMAY, SERVICE CLI 1717 RUE DU HAYRE MONTREAL QC H2K 2X3		187,816.20
70	GAZ PROPANE RAINVILLE	280 RUE SAINT-CHARLES SUD GRANBY QC J2G 7A9		31.05
71	GDS TRANSPORT	1607, 10e RANG OUEST STE-CECILE-DE-MILTON QC J0E 2C0		26,887.79
72	GEOLISTICS	203 - 407 MCGILL STREET MONTREAL QC H2Y 2G5		464.25
73	GESTION DE DOCUMENTS DE L'ESTRIE I	4340 BD BERTRAND-FABI ROCK-FOREST QC J1N 1Y7		43.71
74	GESTION ROLFQUO	18900 CLARK GRAHAM BAIE D'URFE QC H9X 3R8		3,804.47
75	GIRMES GmbH**	JOHANNES-GIRMES-STRASSE 27-29 47929 GREFRATH GERMANY		235,000.00
76	GREENWOOD MILLS INC.*	ATTN: MR. JAY SBLF 300 MORGAN AVENUE GREENWOOD, SC 29646 U.S		148,672.76
77	GROUPE CTT	3000 RUE BOULLE SAINT-HYACINTHE QC J2S 1H9		40,258.75
78	GROUPE LSI	802 - 2120 RUE SHERBROOKE EST MONTREAL QC H2K 1C3		115.03
79	GROUPE MEDI-RESSOURCES	506 RUE BONAVENTURE TROIS-RIVIERES QC G9A 2B4		1,437.81
80	GROUPE MEGA SERVICE INC.	1150 SAINT-CHARLES SUD GRANBY QC J2G 8C6		251.44
81	GROUPE ROBERT INC.	130 PREMIERE AVENUE C.P. 39 ROUDEMONT QC J0L 1M0		6,824.21
82	GUILLEVIN INTERNATIONAL	C.P. 900 ANJOU QC H1K 4H2		1,022.64
83	HAFNER	C.P. 3000 GRANBY QC J2G 8G2		412.94
84	HEINRICH DERIX BETRIEBSGES MBH**	POSTFACH 101026 47919 GREFRATH GERMANY		2,885.90
85	HORLOGES INTERNATIONALES CIE LTEE	7A TAYMALL AVE TORONTO ON M8Z 3Y8		111.01
86	HYDRO-QUEBEC	ATTN: LAURENT L'HEUREUX, GESTION 140 BD CREMAZIE, 1er ETAGE MONTREAL QC H2P 1C3		118,241.30
87	IBM	P.O. BOX 450 MONTREAL QC H4Z 1K6		468.85
88	IMPRIMERIE PHIL LIEBERMAN	400B - 4810 RUE JEAN-TALON OUEST MONTREAL QC H4P 2N5		2,091.56
89	IMPRIMERIE SHEFFORD INC.	365 RUE YORK GRANBY QC J2G 8H5		1,570.02
90	INTERMEC SYSTEMS INC.	P.O. BOX 3605		2,033.97

Dated: August 04, 2004

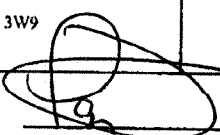
  
Signature of Debtor or Officer

**STATEMENT OF AFFAIRS (Sec 158)  
IN THE MATTER OF THE PROPOSAL OF  
J.L. DE BALL CANADA INC.**

List 'A'  
Unsecured Creditors

No	Name	Address	Account No.	Amount of claim
91	INTEX CONSULTING GmbH**	COMMERCE COURT POSTAL STATION TORONTO ON M5L 1K1 OTTO HAUSMANN RING 107 42115 WUEPPERTAL GERMANY		6,135.50
92	J.L. DE BALL AMERICA INC.*	111 WEST 40th STREET NEW YORK, NY 10018 U.S.A.		780,000.00
93	JH RYDER MACHINERIE LTEE	3430 RUE GRIFFITH SAINT-LAURENT QC H4T 1A7		1,168.28
94	KINECOR INC.	PLACE D'ARMES POSTAL STATION 36 MONTREAL QC H2Y 3E9		2,724.85
95	KONE CRANES CANADA INC.	1040 SUTTON DRIVE BURLINGTON ON L7L 6B8		3,464.55
96	KPMG	200 AVE MCGILL COLLETE SUITE 1900 MONTREAL QC H3A 3H8		13,227.88
97	LABRADOR LAURENTIENNE INC.	P.O. BOX 4514, STATION A TORONTO ON M5W 4L7		80.65
98	LES CARRIERES JOBWINGS.COM INC.	2821 - 1 PLACE VILLE-MARIE MONTREAL QC H3B 4R4		287.56
99	LES EDITIONS YVON BLAIS INC.	C.P. 180 COWANSVILLE QC J2K 3H6		265.22
100	LES GRAVEURS D'ORFORD LTEE	C.P. 398 MAGOG QC J1X 3W9		2,372.26
101	LES PRODUITS DE PLASTIQUE AGE INC.	7295 TELIER MONTREAL QC H1N 3S9		5,582.96
102	LES SERVICES KELLY QUEBEC INC.	P.O. BOX 9488, POSTAL STATION A TORONTO ON M5W 4E1		225.00
103	LEVITT-SECURITE LIMITEE	2872 BRISTOL CIRCLE OAKVILLE ON L6H 5T5		98.52
104	LIVRAISON INDEPENDANTE	C.P. 241 GRANBY QC J2G 8E5		559.02
105	LV LOMAS LIMITED	99 SUMMERLEA ROAD BRAMPTON ON L6T 4V2		634.94
106	LYRECO (CANADA) INC.	1545 RUE DE BEAUHARNOIS MONTREAL QC H4N 2T6		71.22
107	MACHINAGE GAGNE	82 - 6 IRWIN GRANBY QC J2J 2P1		1,793.82
108	MAGNOR INC.	1271 RUE AMPERE BOUCHERVILLE QC J4B 5Z5		2,983.37
109	MINISTERE DE REVENU DU QUEBEC	CENTRE PERCEPTION FISCALR/SECTE 3800 RUE MARLY SAINTE-FOY QC G1X 4A5		202.50
110	MINISTRE DES FINANCES			114.28
111	MINOLTA (MONTREAL) INC.	2705 PITFIELD BLVD. ST-LAURENT QC H4S 1T2		78.21
112	NELSON GRAVEL	SERVICE SANITAIRE 549 RUE COWIE GRANBY QC J2G 3W9		4,685.82
113	NEW BEDFORD THREAD CO.*	P.O. BOX 7072		979.20

Dated: August 04, 2004

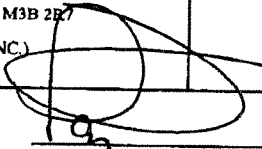
  
Signature of Debtor or Officer

**STATEMENT OF AFFAIRS (Sec 158)  
IN THE MATTER OF THE PROPOSAL OF  
J.L. DE BALL CANADA INC.**

**List 'A'  
Unsecured Creditors**

No	Name	Address	Account No.	Amount of claim
114	NEW PENN MOTOR EXPRESS*	NEW BEDFORD, MA 02742 U.S.A. 50 ROUTE 147 STANHOPE QC J0B 3C0		5,525.41
115	NOEVEON CANADA INC.	P.O. BOX 70159 TORONTO ON M5W 2X5		16,288.92
116	NORAMPAC INC.	DIVISION DRUMMONDVILLE 600 RUE JANELLE DRUMMONDVILLE QC J2C 5Z3		29,138.05
117	NORMAN G. JENSEN	C/O NORAM INTERNATIONAL P.O. BOX 3777, COMMERCE COURT P. ST TORONTO ON M5L 1K1		3,091.92
118	NORMAN G. JENSEN INC.*	BOX 3479 COMMERCE COURT POSTAL STATION TORONTO ON M5L 1K1		13,485.29
119	ONDEO NALCO CANADA CO.	P.O. BOX 11522 SUCC. CENTRE-VILLE MONTREAL QC H3C 5N7		3,911.54
120	OTHER PAYABLES	AND ACCRUED LIABILITIES		250,000.00
121	OTHER PAYABLES*	AND ACCRUED LIABILITIES		150,000.00
122	OXYGENE GRANBY LTEE	461 RUE ROBINSON SUD GRANBY QC J2G 7N3		63.04
123	PAPETERIE ATLAS	32 BOULEVARD PIE IX GRANBY QC J2G 9G9		2,403.39
124	PAPETERIE HAUTE-VILLE INC.	163 RUE COWIE GRANBY QC J2G 3V5		835.24
125	PAPETERIE LA LIBERTE INC.	209 RUE PRINCIPALE GRANBY QC J2G 2V7		1,251.07
126	PATENAUDE ET FRERES	62 RUE IRWIN GRANBY QC J2J 2P1		103.52
127	PEIGNE A METIER LPL	1125 ROBERVAL GRANBY QC J2G 8C8		184.31
128	PETRO SUD OUEST	619 RUE LAURENT GRANBY QC J2G 8Y3		54,665.42
129	PHARR YARNS INC.*	P.O. BOX 65133 CHARLOTTE, NC 28265 U.S.A.		3,993.38
130	PIECES D'AUTO BEAUREGARD	342 RUE NOTRE-DAME GRANBY QC J2G 3L3		84.39
131	PINCHEVSKY & CO.	255 - 4141 RUE SHERBROOKE OUEST MONTREAL QC H3Z 1B8		23,151.08
132	PNEUMAX CANADA	561 RUE EDOUARD GRANBY QC J2G 3Z5		338.23
133	PRESTON PHIPPS INC.	6400 RUE VANDEN-ABEELE SAINT-LAURENT QC H4S 1R9		886.15
134	PRISMADYE INC.	9737 CHEMIN COTE-DE-LIESSE DORVAL QC H9P 1A3		10,260.23
135	PRODUITS CHIMIQUES CCC	80 SCARSDALE ROAD DON MILLS ON M3B 2E7		163.63
136	PRO-JEL-TEST	(159691 CANADA INC.) 687 COWIE		769.52

Dated: August 04, 2004

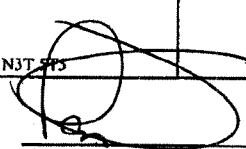
  
\_\_\_\_\_  
Signature of Debtor or Officer

**STATEMENT OF AFFAIRS (Sec 158)  
IN THE MATTER OF THE PROPOSAL OF  
J.L. DE BALL CANADA INC.**

List 'A'  
Unsecured Creditors

No	Name	Address	Account No.	Amount of claim
137	PSI PRO.F.W INC	GRANBY QC J2G 3X5 163 L.ABROSSE POINTE-CLAIRE QC H9R 1A3		2,038.81
138	PURALATOR COURIER LTD.	C.P. 1100 ETOBICOKE POSTAL STATION ETOBICOKE ON M9C 5K2		161.13
139	QUEBEC LINGE INDUSTRIEL	C.P. 200, SUCC. M MONTREAL QC H1V 3M2		196.08
140	QUINCAILLERIE NOUVELLE-FRANCE	419 RUE NOTRE-DAME GRANBY QC J2G 3L6		229.69
141	R.L. STOWE MILLS INC.*	P.O. BOX 601596 CHARLOTTE, NC 28260-1596 U.S.A.		115,647.09
142	RECEVEUR GENERAL DU CANADA	AGENCE DES RECOUVREMENTS A/S M 50 PLACE DE LA COTE SHERBROOKE QC J1H 5L8		12,617.73
143	REGITEX	745 AVENUE GUY-POULIN SAINT-JOSEPH QC G0S 2V0		599.14
144	RELIURE CONCEPT INC.	1390-A RUE NEWTON BOUCHERVILLE QC J4B 5M2		17,761.86
145	ROBERT & C.O. LTEE	96 RUE SIMONDS SUD GRANBY QC J2G 7Z5		6,919.61
146	RODRIGUEZ O'DONNELL FUERST *	1211 CONNECTICUT AVE NW SUITE 812 WASHINGTON DC USA 20036		748.00
147	ROGERS AT&T (CANTEL)	C.P. 3100 SAINT-LAURENT QC H4L 5J8		106.61
148	ROTATRONIQUE INC.	551 RUE EDOUARD GRANBY QC J2G 8E7		293.57
149	SB CREATION*	25 RUE TITON 75011 PARIS FRANCE		1,200.00
150	SERRURES DE L'ESTRIE INC.	156 ALEXANDRA GRANBY QC J2G 2R1		3.45
151	SERTI INFORMATIQUE	7555 RUE BECLARD ANJOU QC H1J 2S5		1,364.00
152	SERVICE TECHNIQUE LANTEK	549 CHEMIN KNOWLTON C.P. 392 LAC BROME QC J0E 1V0		439.03
153	SERVICES ADMINISTRATIFS C. PINSONN	203 RUE BOIVIN GRANBY QC J2G 2J9		467.00
154	SERVICES KYD	P.O. BOX 312, STATION A MONTREAL QC H3C 2S1		77.20
155	SIFTO CANADA INC.	B.P. 19071, STATION A TORONTO ON M5W 1P8		2,333.50
156	SOCIETE DE SERVICES INDECK	4300 BEAUDRY ST-HYACINTHE QC J2S 8A5		741.62
157	SOCIETE D'EMBALLSGE DEN	1211 MONTEE DE LIESSE ST-LAURENT QC H4S 1J7		788.47
158	SONOCO CANADA	33 PARK AVENUE P.O. BOX 1208 BRANTFORD ON N3T 5Y5		20,080.76

Dated: August 04, 2004

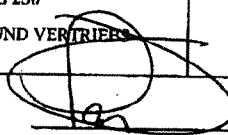
  
\_\_\_\_\_  
Signature of Debtor or Officer

**STATEMENT OF AFFAIRS (Sec 158)  
IN THE MATTER OF THE PROPOSAL OF  
J.L. DE BALL CANADA INC.**

List 'A'  
Unsecured Creditors

No	Name	Address	Account No.	Amount of claim
159	SOUTHEAST FREIGHT LINES INC.*	P.O. BOX 100104 COLUMBIA, SC 29202-3104 U.S.A.		319.57
160	ST INDUSTRIEL	43, RUE GUY GRANBY QC J2G 7J3		421.23
161	STR INC.*	P.O. BOX 40000, DEPT. 541 HARTFORD, CT 06151-0541 U.S.A.		100.00
162	SUPER NATIONALE BERAS	11 CHEMIN YVON C.P. 908 GRANBY QC J2G 8W9		14,227.91
163	SYFILCO LTD.	320 THAMES ROAD EAST EXETER ON N0M 1S3		850.56
164	SYSTEME DE SECURITE CHUBB	6680 AVENUE DU PARC MONTREAL QC H2V 4H9		199.67
165	TACTIC SAMPLING	395, 32e RUE OUEST SAINT-GEORGES QC G5Y 4G8		4,096.81
166	TCA CANADA	SECTION LOCALE 777 UNITE J.L. DE BALL		3,067.98
167	TEXTILES HUMAN RESOURCES COUNCI	1720, 66 SLATER OTTAWA ON K1P 5H1		669.00
168	TRADELCO INC.	C.P. 56 GRANBY QC J2G 8E2		2,052.53
169	TRANSPORT BOURRET	C.P. 816 230 BD SAINT-JOSEPH OUEST DRUMMONDVILLE QC J2B 8G8		364.26
170	TRANSPORT R.P.R. INC.	555 SAINT-JEAN-BAPTISTE SAINTE-MARTINE QC J0S 1V0		637.59
171	TRIBOSPEC	220 AVENUE LAFLEUR LASALLE QC H8R 4C9		463.63
172	TRI-TEX CO. INC.	1001 BD INDUSTRIEL SAINT-BUSTACHE QC J7R 6C3		108.70
173	TYCO VALVES & CONTROLS CANADA I	3003 16TH STREET N.E. CALGARY AB T2E 7K8		172.54
174	UNION TRANSPORT OF CANADA INC.*	7725 HENRI BOURASSA BLVD. W. ST-LAURENT QC H4S 1P7		932.72
175	UNITED PARCEL SERVICE	CP 6158 MONCTON NB E1C 9X1		6.84
176	UNIVAR CANADA L.TEE	2700 RUE JEAN-BAPTISTE-DESCHAMPS LACHINE QC H8T 1E1		292.64
177	UTI CANADA INC.	7725 BD HENRI-BOURASSA OUEST ST-LAURENT QC H4S 1P7		9,411.22
178	VILLE DE GRANBY	87 RUE PRINCIPALE GRANBY QC J2G 2T8		51,914.76
179	VITRERIE MAURICE INC.	460 RUE COWIE GRANBY QC J2G 3W5		75.92
180	VOYAGES TRANSATLANTIQUES INTER	(GRANBY) INC. 90 RUE DRUMMOND GRANBY QC J2G 2S6		184.00
181	WET-THERMPATE**	MASCHINENBAU UND VERTRIEBS SIEMENSRING 110		8,329.30

Dated: August 04, 2004

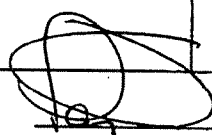
  
Signature of Debtor or Officer

**STATEMENT OF AFFAIRS (Sec 158)  
IN THE MATTER OF THE PROPOSAL OF  
J.L. DE BALL CANADA INC.**

List 'A'  
Unsecured Creditors

No	Name	Address	Account No.	Amount of claim
182	XEROX CANADA LTFE	47877 WILLICH GERMANY 900 - 3400 BD DE MAISONNEUVE OUES MONTREAL QC H3Z 3G1		53.82
183	YELLOW FREIGHT SYSTEM INC.*	P.O. BOX 2431A, STATION A TORONTO ON M5W 2K6		38,794.15
184	ZZ_EURO EXCHANGE 1,6000 (0,6300)**			151,410.42
185	ZZ_US EXCHANGE 1,3300 (0,7500)*			693,188.98
*TOTAL*				\$ 4,835,914.34

Dated: August 04, 2004

  
\_\_\_\_\_  
Signature of Debtor or Officer

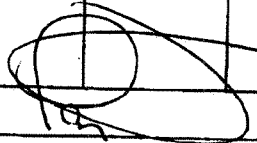


**STATEMENT OF AFFAIRS (Sec 158)  
IN THE MATTER OF THE PROPOSAL OF  
J.L. DE BALL CANADA INC.**

**List 'B'  
Secured Creditors**

No	Name & Address Nature of Claim Particulars of Security	Amount of Claim	When Given	Estimated Value of Security	Estimated Surplus from Security	Balance of Claim Unsecured
1	BMO BANK OF MONTREAL (SHORT TERM LOC) ATT.: MR. GUY ROULEAU 105 ST-JACQUES STREET, 2e ETAGE MONTREAL QC H2Y 1L6	3,807,222.00		3,807,222.00		
2	BMO (Guarantee for Ashville Velour Inc)* 105 ST JACQUES 2E ETAGE MONTREAL QC H2Y 1L6	1,309,090.90		1,309,090.90		
3	ZZ_US EXCHANGE 1,3300 (0,7500)*	432,000.00		432,000.00		
4	BMO BANK OF MONTREAL (LONG TERM DBBT) ATT.: MR. GUY ROULEAU 05 ST-JACQUES STREET, 2e ETAGE MONTREAL QC H2Y 1L6	5,568,181.74		5,568,181.74		
Note: All of the debtor's assets are pledged to BMO Bank of Montreal.						
		11,116,494.64				

Dated: August 04, 2004

  
Signature of Debtor or Officer

**STATEMENT OF AFFAIRS (Sec 158)  
IN THE MATTER OF THE PROPOSAL OF  
J.L. DE BALL CANADA INC.**

**List 'C'  
Preferred Creditors for Wages, Rent, Etc.**

No	Name of Creditor Address and Occupation	Nature of Claim	Period During Which Claim Accrued	Amount of Claim	Amount Payable in Full	Ranking for Dividend
1	433 BUILDING CORPORATION 510 - 333 RUE CHABANEL OUEST MONTREAL QC H2N 2E7		/	2,477.80		
2	CHASCO INC. C.P. 666 GRANBY QC J2G 8W7		/	6,942.40		
3	EMPLOYEES SALARIES AND VACATION PAY		/	UNKNOWN		
	<b>*TOTAL*</b>				<b>\$ 9,420.20</b>	

Dated: August 04, 2004

  
\_\_\_\_\_  
Signature of Debtor or Officer

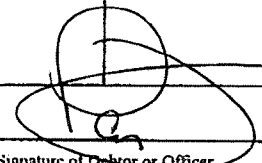


**STATEMENT OF AFFAIRS (Sec 158)  
IN THE MATTER OF THE PROPOSAL OF  
J.L. DE BALL CANADA INC.**

**List 'E'  
Debts Due to the Estate**

No	Name, Address & Occupation of Debtor	Nature of Debt Particulars of Security Folio Ledger for Particulars	Amount of Debt		Contracted Yr Mo	Estimated to Produce
			Good	Doubtful Bad		
1	Accounts Receivable at book value		4,600,000.00			3,100,000.00
			0.00			
			0.00			
2	GST/QST Receivable - to be determined		0.00			0.00
			0.00			
			0.00			
3	Income Tax Receivables		1,000,000.00			1,000,000.00
			0.00			
			0.00			
<p>Note: All of the debtor's assets are pledged to BMO Bank of Montreal.</p>						
<p>*TOTAL*</p>						\$ 4,100,000.00

Dated: August 04, 2004

  
 \_\_\_\_\_  
 Signature of Debtor or Officer





**STATEMENT OF AFFAIRS (Sec 158)  
IN THE MATTER OF THE PROPOSAL OF  
J.L. DE BALL CANADA INC.**

List 'H'

Property

Give full particulars of property of every description that is in the Debtor's possession, or that may devolve on the Debtor in accordance with section 67 of the act and that are not included in any other list.

Nature of Property	Location Details of Property	Original Cost	Estimated to Produce
(a) Stock-in-Trade	Inventory at book value	5,483,254.00	2,500,000.00
(b) Trade fixtures, etc.			NIL
(c) Cash in financial institutions			NIL
(d) Cash on hand			NIL
(e) Livestock			NIL
(f) Machinery, equipment and plant	Machinery, equipment and plant	6,302,748.00	5,000,000.00
(g) Furniture			NIL
(h) Life insurance policies, RRSPs, etc.			NIL
(i) Securities			NIL
(j) Interests under wills, etc.			NIL
(k) Vehicles			NIL
(l) Taxes			NIL
(m) Other property	Trade marks and intellectual property		To determine
	Investment in subsidiaries (Asheville Velour Inc. and Girmes Special Textiles (Zhangjiagang) Co. Ltd.)	10,800,000.00	To determine
	Prepaid expenses	460,000.00	Nil
Note: All of the debtor's assets are pledged to BMO Bank of Montreal.			
<b>*TOTAL*</b>			<b>\$ 7,500,000.00</b>

Dated: August 04, 2004

  
Signature of Debtor or Officer

CANADA  
PROVINCE OF QUÉBEC  
DISTRICT OF QUÉBEC  
DIVISION NO.: 04-GRANBY  
COURT NO.: 460-11-000938-046  
ESTATE NO.: 42-043090

SUPERIOR COURT  
(In Bankruptcy and Insolvency)

IN THE MATTER OF THE PROPOSAL OF:

J.L. de Ball Canada Inc.,

a body politic and corporate, duly incorporated according  
to law and having its head office and its principal place of  
business at:  
835 Industriel Blvd.  
Granby QC J2J 1A5

Debtor

---

**Report on Cash-Flow Statement by the Person Making the Proposal**  
(Paragraph 50(6)(c) of the Act)

The Management of the above-noted Debtor has developed the assumptions and prepared the attached statement of projected cash flow of the insolvent person, as of the 2<sup>nd</sup> day of August, 2004, consisting of a statement of projected cash receipts and disbursement, including notes thereto, covering the period from the 2<sup>nd</sup> day of August, 2004 to the 27<sup>th</sup> day of August, 2004.

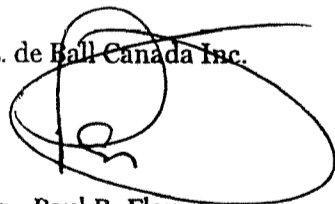
The hypothetical assumptions are reasonable and consistent with the purpose of the projection described in Note 1, and the probable assumptions are suitably supported and consistent with the plans of the insolvent person and provide a reasonable basis for the projection. All such assumptions have been disclosed in Note 2.

Since the projection is based on assumptions regarding future events, actual results will vary from the information presented and the variations may be material.

The projection has been prepared solely for the purpose described in Note 1, using a set of probable and hypothetical assumptions set out in Note 2. Consequently, readers are cautioned that it may not be appropriate for other purposes.

Dated at Montréal, Province of Québec, this 4<sup>th</sup> day of August, 2004.

J.L. de Ball Canada Inc.



Per: Paul R. Flay



# RSM Richter Inc.

RSM Richter Inc.

2, Place Alexis Nihon  
Montréal (Québec) H3Z 3C2  
Téléphone / Telephone : (514) 934-3497  
Télécopieur / Facsimile : (514) 934-3504  
www.rsmrichter.com

CANADA  
PROVINCE OF QUÉBEC  
DISTRICT OF QUÉBEC  
DIVISION NO.: 04-GRANBY  
COURT NO.: 460-11-000938-046  
ESTATE NO.: 42-043090

**SUPERIOR COURT**  
(In Bankruptcy and Insolvency)

IN THE MATTER OF THE PROPOSAL OF:

**J.L. de Ball Canada Inc.,**

a body politic and corporate, duly incorporated according to law and having its head office and its principal place of business at:  
835 Industriel Blvd.  
Granby QC J2J 1A5

**Debtor**

---

## **Trustee's Report on Cash-Flow Statement** (Paragraph 50(6)(b) of the Act)

The attached Statement of Projected Cash-Flow of the above-named debtor as of the as of the 2<sup>nd</sup> day of August, 2004, consisting of a statement of projected cash receipts and disbursements, including notes thereto, covering the period from the 2<sup>nd</sup> day of August, 2004 to the 27<sup>th</sup> day of August, 2004 has been prepared by the management of the insolvent Company for the purpose described in Note 1, using probable and hypothetical assumptions set out in Note 2.

Our review consisted of inquiries, analytical procedures and discussion related to information supplied to us by the management and employees of the debtor Company. Since hypothetical assumptions need not be supported, our procedures with respect to them were limited to evaluating whether they were consistent with the purpose of the projection. We have also reviewed the support provided by management for the probable assumptions and the preparation and presentation of the projection.

Based on our review, nothing has come to our attention that causes us to believe that, in all material respects:

- (a) the hypothetical assumptions are not consistent with the purpose of the projection;
- (b) as at the date of this report, the probable assumptions developed by management are not suitably supported and consistent with the plans of the insolvent person or do not provide a reasonable basis for the projection, given the hypothetical assumptions; or
- (c) the projection does not reflect the probable and hypothetical assumptions.

Since the projection is based on assumptions regarding future events, actual results will vary from the information presented even if the hypothetical assumptions occur, and the variations may be material. Accordingly, we express no assurance as to whether the projection will be achieved.

The projection has been prepared solely for the purpose described in Note 1 and readers are cautioned that it may not be appropriate for other purposes.

Dated at Montréal, Province of Québec, this 4<sup>th</sup> day of August, 2004.

RSM Richter Inc. (formerly Richter & Associés Inc.)

Trustee

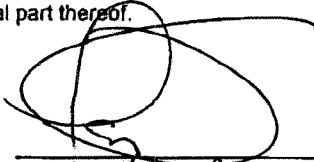
Per: Yves Vincent, CA  
Trustee

**J.L. de Ball Canada Inc.**  
**Projected Statement of Receipts and Disbursements**  
**For the Period from Aug 2, 2004 to August 27, 2004**  
**Court No. : 460-11-000938-046**  
**Estate no. : 42-043090**

	<u>Total</u>
<b>Cash receipts</b>	
Collection of accounts receivable	\$2,305,415
Tax credits	-
GST/QST tax refund	-
Income tax refund	-
<b>Total Receipts</b>	<u><b>2,305,415</b></u>
<b>Cash disbursements</b>	
Raw Material Purchases	891,428
Weekly Payroll	305,550
Bi-Weekly Payroll	152,000
Energy	128,000
Rent	39,367
Direct Selling Expenses	385,000
Professional Fees	50,000
Interest Expenses	48,000
Contract labour	30,800
Packaging Material	60,000
Insurance premium	20,000
Bank charges	8,000
Other warehouse expenses	15,800
Other manufacturing expenses	105,200
Other selling expenses	33,400
Other administrative expenses	17,000
Capital expenditures	10,000
Taxes other than Income Taxes	135,592
<b>Total Disbursements</b>	<u><b>2,435,137</b></u>
<b>Net cash outflow</b>	<b>(129,722)</b>
<b>Beginning Bank Position *</b>	<b>(3,807,222)</b>
<b>Closing Bank Position</b>	<u><b>(\$3,936,944)</b></u>

\* Beginning Bank Position is based on the reconciled bank operating credit as at August 2, 2004.

This projected Statement of Receipts and Disbursements should be read in conjunction with the accompanying notes annexed hereto, which form an integral part thereof.

Dated:  4th August 2004



**J.L. de Ball Canada Inc.**

**Notes and Assumptions to the Projected Statement of Receipts and Disbursements  
for the Period August 2, 2004 to August 27, 2004**

**Note 1: General**

The attached Projected Statement of Receipts and Disbursements has been prepared by Management for the sole purpose of assessing the cash availability of the Company for the period. As the Projected Statement of Receipts and Disbursements is based upon various assumptions about future events and circumstances, variances will exist and said variances may be material.

**Note 2: Assumptions and Notes**

This financial forecast is management's estimate of J.L. de Ball Canada Inc.'s most probable financial position and results of operations for the forecast period. Accordingly, the forecast reflects management's judgment, based on present circumstances, of the most likely set of conditions and its most likely course of action. The assumptions disclosed herein are those that management believes are significant to the forecast or are key factors upon which the financial results of J.L. de Ball Canada Inc. depends. These assumptions do not take into consideration the contemplated sale of certain assets since such sale is not yet completed at the time of issuance of the forecast.

*Receipts:*

- Collections of accounts receivables are based on Management's best estimates and on the accounts due dates;

*Disbursements:*

- Operating expenses include payments to vendors on a C.O.D. basis;
- Payroll is based on existing wages and salaries;
- Utilities (Gas, Electricity) represents estimated disbursements for the period based on historical figures;
- Professional fees are an estimate and relate to the filing of the Notice of Intention to Make a Proposal and to any other proceedings before the Superior Court of Quebec.

*Banking Arrangements:*

- J.L. de Ball Canada Inc. has obtained interim financial support from BMO Bank of Montreal.

