

CANADA
Province of Quebec
District of: Quebec
Division No.: 01 - Montréal
Court No.: 500-11-039458-100
Estate No.: 41-1393388

SUPERIOR COURT
In Bankruptcy and Insolvency
(Commercial Division)

Report of Trustee on Proposal
(Section 59(1) and paragraph 58(d) of the Act)

In the Matter of the Proposal of
Power Canada Cables Ltd.
Of the City of Saint-Leonard
In the Province of Quebec

We, RSM Richter Inc., the Trustee acting in the Proposal of Power Canada Cables Ltd., hereby report to the Court as follows:

1. That a Proposal (hereinafter referred to as the "Original Proposal") was filed with us on the 3rd day of December 2010, a copy of which is attached and marked as Exhibit "A", and that we filed a copy of the Original Proposal with the Official Receiver on the 3rd day of December 2010.
2. That on the 3rd day of December 2010, we gave notice to the debtor, to the division office and to every known creditor affected by the Proposal, whose names and addresses are shown in Exhibit "B" to this report, of the calling of a meeting of creditors to be held on the 17th day of December 2010 to consider the Original Proposal.
3. That with the notice was included a condensed statement of the assets and liabilities of the debtor, a list of the creditors affected by the Original Proposal who have claims of \$250 or more and showing the amounts of their claims, a copy of the Original Proposal, a form of proof of claim and proxy in blank, a voting letter and a Notice of hearing of application for Court approval of the Original Proposal. Copies of the Notice, the condensed statement and the list of creditors are attached and marked as Exhibits "C1", "C2" and "C3", respectively.
4. That prior to the meeting of creditors we made a detailed and careful inquiry into the liabilities of the debtor, the debtor's assets and their value, the debtor's conduct and the causes of the debtor's insolvency.
5. That the meeting of creditors was held on the 17th day of December 2010, and was presided over by the Official Receiver.
6. That, at the commencement of the meeting of creditors called to consider and vote on the Original Proposal, the debtor filed with the Trustee an Amended Proposal dated the 17th day of December 2010 (hereinafter referred to as the "Amended Proposal"), copies of which Amended Proposal were distributed to all of the debtor's creditors who were present at the meeting. The Amended Proposal has been filed with the Official Receiver on the 17th day of December 2010 and is attached and marked as Exhibit "D".
7. That at such meeting of creditors held on the 17th day of December 2010, the Trustee distributed to all creditors present a Second Report of the Trustee on the Financial Situation of the debtor and on the Proposal (updated the 17th day of December 2010) (hereinafter referred to as the "Second Report"), in which Second Report the Trustee summarized the elements of the Original Proposal that have been amended by the debtor in the Amended Proposal. The Trustee concluded that the Amended Proposal was better for the debtor's creditors than the Original Proposal and therefore the votes received before the meeting of creditors in favor of

the Original Proposal were considered as votes in favor of the Amended Proposal. A copy of the Second Report is attached and marked as Exhibit "E". The Trustee recommended the approval of the Amended Proposal.

8. That the Amended Proposal was accepted by the required majority of creditors.
9. That a copy of the Minutes of the meeting will be filed with the court at the hearing of application for Court approval of the Amended Proposal.
10. That we are of the opinion that:
 - (a) the assets of the debtor and their fair realizable value are as follows:

Power Canada Cables Ltd. Assets as at December 17, 2010		
(000's)	Book Value Unaudited	Estimated Gross Realization Value
Cash	\$ 183	\$ 183
Accounts receivable	422	220
Intercompany receivables	225	-
Inventory	420	250
Capital Assets	315	200
	<u>\$ 1,565</u>	<u>\$ 853</u>

- (b) the liabilities of the debtor are as follows:

Power Canada Cables Ltd. Liabilities		
(000's)	As per Statement of Affairs dated December 2, 2010	As at December 17, 2010 ¹
Secured Claims	\$ 15,956	\$ 729
Preferred Claims	-	-
Unsecured Claims	606	431
	<u>\$ 16,562</u>	<u>\$ 1,160</u>

¹ The secured claim is limited to \$1MM following the obtention of a legal opinion on the validity of the security on the assets of Power Canada Cables Ltd. Claims as filed, subject to verification by the debtor.

11. That we are also of the opinion that:
 - (a) the causes of the insolvency of the debtor are as follows:

The insolvency of the debtor is due to the fact that it has been marginally profitable for the past two fiscal years; however, its financing is intertwined with that of its related entities who have incurred significant losses during that period. The interrelationship between the debtor and the other entities part of the related group has resulted in a significant cash flow pressure on the debtor's operations.

(b) the conduct of the debtor is subject to censure in the following respects:

not applicable.

(c) the following facts, mentioned in section 173 of the Act, may be proved against the debtor:

not applicable.

10. That we are further of the opinion that the debtor's Amended Proposal is an advantageous one for the creditors, for the following reasons:


The estimated distribution to the Ordinary Creditors in the Amended Proposal is approximately \$0.17 on the dollar, which is marginally greater than the estimated dividend of approximately \$0.16 on the dollar in the event of a bankruptcy; however, the Creditor's recovery in the event of a bankruptcy is subject to significant uncertainty in regard to the net realizable value of the assets.

12. That we forwarded a copy of this report to the Official Receiver on this day.

Dated at the City of Montréal in the Province of Quebec, this 17th day of December 2010.

RSM Richter Inc. - Trustee

Per:



Benoit Gingues, CA, CIRP
2 Place Alexis Nihon, Suite 1820
Montréal QC H3Z 3C2
Phone: (514) 934-3497 Fax: (514) 934-3504

Exhibit A

CANADA

PROVINCE OF QUEBEC
DISTRICT OF MONTREAL

SUPERIOR COURT
(Commercial Division)

NO: 500-11-039458-100

SUPERINTENDENT'S NO:
41-1393388

IN THE MATTER OF THE PROPOSAL OF:

POWER CANADA CABLES LTD./
LES CÂBLES POWER CANADA LTÉE

Debtor

PROPOSAL

(under the provisions of the *BIA*)

POWER CANADA CABLES LTD./LES CÂBLES POWER CANADA LTÉE ("Debtor"),
hereby submits the following Proposal under the *BIA*:

1. DEFINITIONS AND INTERPRETATION

1.1 In addition to words and terms otherwise defined herein, whenever used herein:

1.1.2 "Approval" means:

- (a) acceptance of this Proposal (or the PBI Proposal or the BU Proposal, as the case may be) by the statutory majority of Creditors (or PBI's creditors or BU's creditors, as the case may be) entitled to vote thereon in accordance with the relevant provisions of the *BIA*;
- (b) the approval of this Proposal (or the PBI Proposal or the BU Proposal, as the case may be) by the Court by judgment rendered by such Court which has become executory as a result of the delay for appeal having expired without there having been an appeal lodged therefrom or, if an appeal is lodged therefrom, such judgment of the Court having been confirmed or such appeal withdrawn; and
- (c) the approval and the ordering of the Equity Restructuring by the Court by judgment rendered by such Court which has become executory as a result of the delay for appeal having

expired without there having been an appeal lodged therefrom or, if an appeal is lodged therefrom, such judgment of the Court having been confirmed or such appeal withdrawn;

1.1.3 "Approval Motion" has the meaning set forth in **Section 16.1** hereof;

1.1.4 "BIA" means the *Bankruptcy and Insolvency Act*, Canada, RSC 1985, c.B-3, as amended;

1.1.5 "BU" means Batterie Universelle Ltée;

1.1.6 "BU Proposal" means the "Proposal" made by BU under even date herewith pursuant to the relevant provisions of the *BIA* as well as any and all future amendments thereto;

1.1.7 "CBCA" means the *Canada Business Corporations Act*, Canada, RSC 1985, c.C-44, as amended;

1.1.8 "Civil Code" means the *Civil Code of Quebec*;

1.1.9 "Committee" has the meaning set forth in **Section 12.1** hereof;

1.1.10 "Court" means the the Québec Superior Court for the District of Montréal, sitting as both:

(a) the "court" as envisaged and defined in Section 2(1) *BIA* and includes any Justice thereof or, if applicable, the Registrar or any Deputy Registrar thereof; and

(b) sitting as the "court" as envisaged in Section 191 *CBCA* and includes any Justice thereof;

1.1.11 "Creditors" means all creditors affected by the Proposal, namely the Crown, the Preferred Creditors, the Employee Creditors and the Ordinary Creditors, and "**Creditor**" means any of them. All other creditors of the Debtor shall not be, in any manner whatsoever, affected or bound by this Proposal;

1.1.12 "Crown" means Her Majesty in Right of Canada or any province of Canada;

1.1.13 "Crown Claims" means all claims of the Crown as set forth and described in Section 60(1.1) *BIA*, which were outstanding on the Proposal Date, and "**Crown Claim**" means any of them;

1.1.14 "Dividend" have the meaning set forth in **Section 8.2** hereof;

1.1.15 "Electing Creditor Claims" means all Proven Ordinary Claims in respect of which the Ordinary Creditors have elected (as set forth in **Section 8.1** hereof) to receive the lesser of \$300.00 or the amount of their Ordinary Claims or to reduce their respective Ordinary Claims to \$300.00, and **"Electing Creditor Claim"** means any of them;

1.1.16 "Electing Creditors" means Ordinary Creditors having Electing Creditor Claims and **"Electing Creditor"** means any of them;

1.1.17 "Employee Claims" means:

- (a) all amounts which the Debtor's present or former employees would have been entitled to receive under Section 136(1)(d) *B/A* if the Debtor had become bankrupt on the Proposal Date as well as wages, salaries, commissions or compensation for services rendered from and after the Proposal Date up to and including the date of Approval of this Proposal, together with, in the case of traveling salesmen, disbursements properly incurred by those salesmen in and about the Debtor's business during the same period, all as envisaged by Section 60(1.3) *B/A*; and
- (b) to the extent that the Debtor participated in a "prescribed pension plan" as envisaged by Section 60(1.5) *B/A*, all amounts envisaged by Section 60(1.5)(a) *B/A* which may be unpaid on the Proposal Date and which are required to be paid from and after the Proposal Date up to and including the Date of Approval of this Proposal,

and **"Employee Claim"** means any of them;

1.1.18 "Employee Creditors" means all of the Debtor's past and present employees having Employee Claims and **"Employee Creditor"** means any of them;

1.1.19 "Equity Restructuring" has the meaning set forth in the PBI Proposal;

1.1.20 "Ordinary Claims" means all claims other than Crown Claims, Employee Claims, Preferred Claims and Secured Claims, of any nature or source whatsoever, resulting from and/or arising out of any transaction entered into by the Debtor prior to the Proposal Date or any event which occurred prior to the Proposal Date, whether due or not due as of the Proposal Date and includes all such claims which are contingent and unliquidated (once quantified or liquidated) and **"Ordinary Claim"** means any of them. In

addition to and notwithstanding the foregoing, "Ordinary Claims" include, under all circumstances:

- (a) all Electing Creditor Claims;
- (b) all claims resulting from or arising out of any breaches of any obligations contracted by the Debtor prior to the Proposal Date where such breaches occurred (i) at any time prior to the Proposal Date, or (ii) at any time between the Proposal Date and the date hereof; and
- (c) any proof of claim which may be filed by a Secured Creditor in excess of the Value of such Secured Creditor's Security, as envisaged by **Paragraph 6.2.3** hereof.

1.1.21 "Ordinary Creditors" means all persons having Ordinary Claims and "**Ordinary Creditor**" means any of them;

1.1.22 "PBI" means "Power Battery (Iberville) Ltd./Batteries Power (Iberville) Ltée;

1.1.23 "PBI Proposal" means the "Proposal" made by PBI under even date herewith pursuant to the relevant provisions of the *BIA* (including a reorganization under the relevant provisions of the *CBCA*) as well as any and all future amendments thereto;

1.1.24 "Postponed Claims" means any and all Ordinary Claims and any and all Secured Claims of any or all of the Postponing Creditors, as well as, any and all other claims of any nature or source whatsoever, of any or all of the Postponing Creditors against the Debtor which existed as at the Proposal Date;

1.1.25 "Postponing Creditors" means each and every one of PBI, BU, Les Investissements Rasmussen Inc., William A. Rasmussen and any other person which is "related" to William A. Rasmussen (as envisaged by Section 4 *BIA*), and "**Postponing Creditor**" means any of them;

1.1.26 "Preferred Claims" means all claims, other than Employee Claims, as set forth and described in Sections 136(1)(a) through 136(1)(c) *BIA* and in Sections 136(1)(e) through 136(1)(j) *BIA*, being such claims directed by the *BIA* to be paid in priority to all other claims in the distribution of the property of a bankrupt to the extent applicable to this Proposal and "**Preferred Claim**" means any of them;

1.1.27 "Preferred Creditors" means all persons having Preferred Claims and "**Preferred Creditor**" means any of them;

1.1.28 "Proposal" means the "Proposal" as well as any and all future amendments hereto, which amendments may be made at any time prior to a vote by the Creditors hereon or by the Court at the time of Approval;

1.1.29 "Proposal Conditions" means the occurrence and/or fulfillment of each of each and every one of the following conditions precedent (unless expressly waived in writing, in whole or in part, by both the Debtor and the Investor), namely:

- (a) the Approval of this Proposal;
- (b) the Approval of the PBI Proposal;
- (c) the Approval of the BU Proposal; and
- (d) the entering into between the Debtor and each of the Secured Creditors (including, without limitation, National Bank of Canada) of binding agreements restructuring all indebtedness owing by the Debtor to such Secured Creditors on terms and conditions satisfactory to the Debtor;

1.1.30 "Proposal Date" means **August 12, 2010**, being the date upon which the Debtor filed its Notice of Intention to Make a Proposal pursuant to Section 50.4(1) *BIA*;

1.1.31 "Proposal Expenses" means all proper fees, expenses, liabilities and obligations of the Trustee as well as all legal fees, accounting fees and consulting fees for, in respect of and/or incidental to all proceedings and matters pertaining to the Debtor's notice of intention to make a proposal and the Proposal and includes, without limitation, all advice to the Debtor in connection therewith;

1.1.32 "Proven" with reference to any Crown Claims, Employee Claims, Preferred Claims and Ordinary Claims, all such claims that have been the object of a proof of claim in accordance with Section 124 *BIA*, filed with the Trustee in due time and allowed by the latter. With respect thereto to all such claims:

- (a) contingent and unliquidated claims and claims payable at a future time shall be governed by Sections 121(2) and 121(3) *BIA*;
- (b) every provision of the *BIA* dealing with the right to vote a claim shall apply to this Proposal; and
- (c) Proven Ordinary Claims under successive performance contracts which have not been repudiated or terminated by

the Debtor shall be limited to amounts owing by the Debtor thereunder accruing only up to (but not after) the Proposal Date;

1.1.33 "Secured Claim" means the claim of each Secured Creditor and "Secured Claims" means all of them;

1.1.34 "Secured Creditor" means all creditors holding Security and "Secured Creditor" means any of them;

1.1.35 "Security" means:

- (a) all of the mortgages, hypothecs, pledges, charges, liens or other rights as set forth in and envisaged under the definition of "secured creditor" in Section 2(1) *BIA*; and
- (b) the rights of a lessor under any contract of leasing as envisaged by Articles 1842 and following of the *Civil Code*;

1.1.36 "Trustee" means RSM Richter Inc., the trustee under the Debtor's Notice of Intention to Make a Proposal and the trustee named herein; and

1.1.37 "Value" means, with respect to any claim filed by a Secured Creditor, the value of such Secured Creditor's Security as assessed by the Secured Creditor and accepted by the Trustee or as determined by the Court;

1.2 The paragraph headings herein contained are for ease of reference only, shall not form part of the Proposal and shall not be utilized, in any manner whatsoever, in the interpretation of the Proposal.

1.3 Whenever the context so provides, all references to the masculine shall include the feminine and *vice versa* and all references to the singular shall include the plural and *vice versa*.

1.4 In the event of any inconsistencies or discrepancies between the English language version of the Proposal and the French language version of the Proposal, the English language version of the Proposal shall govern and prevail under all circumstances.

2. PROPOSAL EXPENSES

2.1 All Proposal Expenses, to the extent not already paid by the Debtor in the ordinary course of the Debtor's business, shall be paid by the Debtor in priority to all Preferred Claims and Ordinary Claims.

3. **EMPLOYEE CLAIMS**

- 3.1** Subject to **Paragraphs 3.2 and 3.3** hereof, all Proven Employee Claims will be paid in full, immediately after Approval.
- 3.2** With respect to all of the Employee Creditors who are currently employed by the Debtor, all of their Employee Claims have been or shall have been fully paid by the Debtor to such Employees, in the normal course of the Debtor's business.
- 3.3** With respect to the Employee Creditors who are not currently employed by the Debtor (being, for greater certainty, all of the Employee Creditors other than those referred to in **Paragraph 3.2** hereof), all of their Proven Employee Claims will be paid in full on the latest of the following dates, namely:
- 3.3.1** 5 days after acceptance of a valid proof of claim from such Employee Creditor or the Court's definitively determining such proof of claim to be valid;
 - 3.3.2** the date of Approval; or
 - 3.3.3** the date of receipt of the relevant certificates required in virtue of Section 46 of the *Employment Insurance Act*, Canada.
- 3.4** The Debtor undertakes to request all relevant certificates required in virtue of Section 46 of the *Employment Insurance Act*, Canada upon acceptance of each Employee Claim.

4. **CROWN CLAIMS**

- 4.1** All Proven Crown Claims, to the extent not already paid by the Debtor in the ordinary course of the Debtor's business, shall be paid in full, within 6 months after Approval or as may otherwise be arranged with the Crown.

5. **PREFERRED CLAIMS**

- 5.1** Within 30 days following Approval or as may otherwise be arranged with each individual Preferred Creditor, all Proven Preferred Claims of Preferred Creditors, without any interest whatsoever thereon, shall be paid prior to payment of all Ordinary Claims and after payment of all Crown Claims and Employee Claims.

6. **SECURED CREDITORS**

- 6.1** All Secured Claims shall be paid in accordance with existing agreements with each relevant Secured Creditor or as may be otherwise agreed with each such Secured Creditors;

6.2 For greater certainty:

6.2.1 This Proposal is not addressed to the Secured Creditors;

6.2.2 All Secured Creditors and their Secured Claims shall not, in any manner whatsoever, be affected or bound by this Proposal to the extent of their Secured Claims; and

6.2.3 If a Secured Creditor chooses to file a proof of claim and values its Security in order to be considered as an Ordinary Creditor, then the Proven claim of each such Secured Creditor in excess of the Value of its Security shall be included in the class of Ordinary Claims under this Proposal unless such Secured Creditor has agreed otherwise in writing.

7. SUBSEQUENT CLAIMS

7.1 All claims arising in respect of property supplied, services rendered or other consideration given to the Debtor subsequent to the Proposal Date, including, without limitation, all salaries, remuneration and other compensation of the Debtor's employees for current services, have been or shall be paid in full by the Debtor in the ordinary course of the Debtor's business.

8. ORDINARY CLAIMS

8.1 At any time within (but not after) 15 days following Approval, any Ordinary Creditor may elect in writing (as provided for in its proof of claim or in any other manner acceptable to the Trustee) to receive the lesser of \$300.00 or the amount of its Proven Ordinary Claim or to irrevocably and unconditionally reduce such Proven Ordinary Claim to \$300.00, whereupon:

8.1.1 any such Proven Ordinary Claim in excess of \$300.00 shall be deemed, for all purposes, to have been irrevocably and unconditionally reduced to \$300.00 and the Ordinary Creditor having a Proven Ordinary Claim in excess of \$300.00 shall be deemed to have irrevocably and unconditionally waived and renounced to any rights to file a proof of claim in this Proposal in excess of \$300.00 or to participate in any further amount of the Dividend; and

8.1.2 any such Ordinary Creditor shall be treated as an Electing Creditor and such Ordinary Creditor's Ordinary Claim shall be treated as an Electing Creditor Claim under this Proposal.

8.2 The following shall be paid by the Debtor, without any interest thereon whatsoever, in full and final settlement, release and discharge of all

Ordinary Claims (collectively the "**Dividend**"), namely:

- 8.2.1 the full amount of all Proven Electing Creditor Claims shall be paid to the Trustee, no later than 60 days following Approval, for distribution to all Electing Creditors as herein set forth, in full and final settlement, release and discharge of all Electing Creditor Claims; and
- 8.2.2 an amount of \$35,000.00 (less all amounts set forth in **Section 8.2.1** hereof) shall be paid to the Trustee, no later than 60 days following Approval, for distribution on a *pro rata* basis to all Ordinary Creditors (other than Electing Creditors) as herein set forth.
- 8.3 All amounts referred to in **Section 8.2** shall be paid by the Debtor to the Trustee no later than 60 days following Approval and shall thereafter be distributed by the Trustee to the Ordinary Creditors, according to the amount of their respective Proven Ordinary Claims, as follows:
 - 8.3.1 the amount set forth in **Section 8.2.1** hereof shall be distributed by the Trustee to the Electing Creditors according to the amounts of their respective Proven Electing Creditor Claims; and
 - 8.3.2 the amounts set forth in **Section 8.2.2** shall be distributed by the Trustee to the Ordinary Creditors (other than the Electing Creditors), on a *pro rata* basis, according to the amounts of their respective Proven Ordinary Claims.
- 8.4 The Dividend, without any interest whatsoever thereon, once paid by the Debtor to the Trustee in accordance with the provisions of this Proposal, shall constitute full and final settlement of and shall operate as a complete release and discharge of all Ordinary Claims.

9. **UNAFFECTED CREDITORS**

- 9.1 All creditors of the Debtor other than the Creditors shall be unaffected and not bound by this Proposal except to the extent set forth in this Proposal;

10. **CLAIMS AGAINST DIRECTORS**

- 10.1 In accordance with Section 50(13) *BIA*, Approval of the Proposal shall be deemed, for all purposes whatsoever, to constitute the complete release and discharge of all claims, of any nature or source whatsoever, of all Creditors and any other persons against all of the Debtor's past and present directors which arose before the Proposal Date and which relate to obligations of the Debtor where such directors are by law liable in their capacity as directors for payment of such obligations.

- 10.2** Nothing in the Proposal shall be deemed, in any manner whatsoever, to constitute any acknowledgement of any liability or obligations of any of the Debtor's past or present directors.

11. PREFERENCES, TRANSFERS AT UNDER VALUE, ETC.

- 11.1** All of the provisions of and all rights, remedies and recourses under and/or pursuant to:

11.1.1 Sections 95 through 101 *BIA*;

11.1.2 Articles 1631 through 1636 of the *Civil Code of Québec*; and

11.1.3 all other provisions of law, rights, remedies and recourses similar to the provisions of law, rights, remedies and recourses set forth in **Sections 11.1.1** and/or **11.1.2** hereof in any province of Canada other than the Province of Québec,

shall not, in any manner whatsoever, apply to this Proposal.

- 11.2** As a result of and in accordance with the provisions of **Section 11.1** hereof and all of the rights, remedies, recourses and claims therein described:

11.2.1 all of such provisions, rights, remedies and recourses and any claims based thereon shall be completely unavailable to the Trustee or any Creditors against the Debtor, any of the Debtor's property, any other Creditor or any other person whatsoever; and

11.2.2 the Trustee and all of the Creditors shall be deemed, for all purposes whatsoever, to have irrevocably and unconditionally waived and renounced to such provisions, rights, remedies and recourses and any claims based thereon against the Debtor, the Debtor's property, any other Creditor or any other persons,

arising from and/or as a result of any matter whatsoever which occurred at any time prior to the Proposal Date.

12. COMMITTEE

- 12.1** A committee (the "**Committee**") of up to 5 individuals shall be appointed by the Ordinary Creditors at a meeting of the Creditors called to consider the Proposal. Such Committee shall be thereafter deemed to have been formed and constituted for the purposes hereafter set forth.

- 12.2** The powers of the Committee shall be limited to the following:

12.2.1 to advise the Trustee in connection with the Trustee's actions under the Proposal, as the Trustee may, from time to time, request;

12.2.2 to postpone, suspend or cause the postponement or suspension of Approval, if deemed necessary by the Trustee and the Committee;

12.2.3 to advise the Trustee concerning any dispute which may arise as to the validity or valuation of any proofs of claim under the Proposal; and

12.2.4 to authorize the deferment of any payment of any of the Dividend under the terms of **Section 8.2** hereof, either in whole or in part, and entirely at the discretion of the Committee.

13. POSTPONED CLAIMS

13.1 Subject to the occurrence and/or fulfillment of each and every one of the Proposal Conditions, each of the Postponing Creditors hereby unconditionally and irrevocably:

13.1.1 subordinates and postpones its entire Postponed Claim to and in favour of full payment of all of the Dividends, such that each of the Postponing Creditors shall not be entitled to receive any payment from the Debtor of any principal of or interest on its Postponed Claim unless and until all of the Dividends shall have been fully paid to the Ordinary Creditors as set forth in the Proposal; and

13.1.2 waives and renounces to any right to prove the whole or any portion of its Postponed Claim as an Ordinary Claim under the Proposal.

13.2 Nothing set forth in **Section 13.1** hereof shall restrict or prohibit any sale or transfer by any Postponing Creditor of its Postponed Claim, provided always that such Postponed Claim has not been repaid by the Debtor and remains owing by the Debtor.

13.3 The provisions of **Section 13.1** hereof shall survive:

13.3.1 any annulment of the Proposal; or

13.3.2 any bankruptcy of the Debtor occurring after occurrence and/or fulfillment of each and every one of the Proposal Conditions but prior to satisfaction of the Proposal.

13.4 Prior to the vote of the Creditors on this Proposal, the Debtor shall provide the Trustee with a written undertaking from each of the Postponing Creditors whereby each of the Postponing Creditors, subject to the occurrence and/or fulfillment of all of the Proposal Conditions, shall agree

to the subordinations and postponements set forth in **Section 13.1** hereof. Nothing herein contained shall constitute any agreement or undertaking by the Postponing Creditors to agree to such subordinations and postponements unless and until such written undertakings is delivered to the Trustee as aforesaid.

14. POWERS OF THE TRUSTEE

14.1 Subject to the rights of the Secured Creditors, the Trustee shall have the following rights, powers and authority, namely:

14.1.1 to have full access to the Debtor's premises as well as the Debtor's books, records and documents in order to obtain such information on the Debtor's activities as the Trustee may consider appropriate, in its sole discretion; and

14.1.2 to examine, accept or contest any security or alleged security of any Secured Creditor or the evaluation thereof.

14.2 The rights, powers and authority set forth and enumerated in **Section 14.1** hereof are in addition to and not in lieu of all of the Trustee's rights, powers and authorities under the *BIA* and any other applicable laws.

15. TRUSTEE

15.1 The Trustee will be the trustee under the Proposal. All monies payable to the Creditors affected by the Proposal shall be paid over to the Trustee which shall make all payments provided for hereunder (including, without limitation, payment of the Dividend), in accordance with the provisions of the Proposal.

16. NOTICE OF PRESENTATION OF APPROVAL MOTION

16.1 Each of:

16.1.1 the Creditors; and

16.1.2 the official receiver (as defined in the *BIA*),

are hereby given notice that, after acceptance of this Proposal by the Creditors entitled to vote thereon in accordance with the relevant provisions of the *BIA*, the Trustee and/or the Debtor will present an application to the Court (the "**Approval Motion**") for Approval;

16.2 The Approval Motion will be presented before the Court (namely the Commercial Division of the Québec Superior Court for the District of Montreal in **Room 16.10** of the Palais de Justice, 1 Notre Dame Street, East, City of Montreal, Province of Québec on **December 21, 2010** at **9**

o'clock a.m. or so soon thereafter as counsel may be heard.

- 16.3** The forwarding of this Proposal to the Creditors, and the official receiver (as defined in the *B/A*) shall avail, for all purposes, as valid and proper signification and service of the Approval Motion on all of the Creditors, and the official receiver (as defined in the *B/A*).

17. PROPOSAL CONDITIONS

- 17.1** This Proposal is expressly subject to the occurrence and/or fulfillment of each and every one of the Proposal Conditions by no later than the date of presentation of the Approval Motion before the Court as set forth in **Section 16.2** above (or such later date as may be agreed to in writing by both the Debtor).
- 17.2** In the event of the non occurrence and/or unfulfillment of any of the Proposal Conditions within the delay set forth in **Section 17.1** above, then this Proposal shall become null, void and inoperative for all purposes.

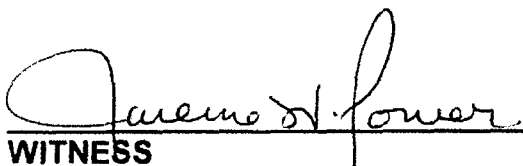
Montreal, Province of Québec, Canada
this 1st day of December, 2010.

**POWER CANADA CABLES LTD./
LES CÂBLES POWER CANADA LTÉE**

Per:



Régis Rehel, President



WITNESS



Office of the Superintendent
of Bankruptcy Canada
An Agency of
Industry Canada

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E-Filing | update an estate:

The Reference Number for this transaction is: 5645025.
Submitted by Carol O'Donnell.
(2010-12-03 11:16 EST)

Please Note: The following estate(s) were updated:

- **Estate Number:** 41-1393388
Estate Name: Power Canada Cables Ltd.

The following document(s) have been successfully submitted:

- proposal

Click [here](#) if you would like to submit another document for this estate.

If you would like to submit a document against a different estate, please click on the "Update" button in the navigation bar at the top of the screen.





**Bureau du surintendant
des faillites Canada**

Un organisme
d'Industrie Canada

**Office of the Superintendent
of Bankruptcy Canada**

An Agency of
Industry Canada

District de Québec
No division : 01 - Montreal
No cour : 500-11-039458-100
No dossier : 41-1393388

Dans l'affaire de la proposition de :

Power Canada Cables Ltd.

Débiteur

RSM RICHTER INC.

Syndic

Date de la proposition :	03 décembre 2010	Garantie :	\$
Assemblée des créanciers :	17 décembre 2010, 10:30 5, Place Ville Marie, 8e étage Montréal Canada,		
Président :	Séquestre officiel		

CERTIFICAT DU DEPOT D'UNE PROPOSITION - Article 62

Je soussigné, séquestre officiel pour ce district de faillite, certifie par les présentes que :

- une proposition à l'égard du débiteur susmentionné a été déposée en vertu de l'article 62 de la *Loi sur la faillite et l'insolvabilité*.

Le syndic susmentionné doit :

- me fournir, sans délai, une garantie selon la somme susmentionnée; et
- envoyer à tous les créanciers, aux moins dix jours avant l'assemblée, un avis de l'assemblée des créanciers, laquelle sera tenue à la date et à l'endroit susmentionnés.

Date : 03 décembre 2010, 11:29

E-File/Dépôt Electronique

Séquestre officiel

, 5, Place Ville Marie, 8e étage, Montréal Canada, H3B2G2, (514)283-6192

Canada

Exhibit B

CANADA
PROVINCE DE QUÉBEC
District de : Québec
No Division : 01-Montréal
No Cour : 500-11-039458-100
No Dossier : 41-1393388

COUR SUPÉRIEURE
En matière de faillite et d'insolvabilité
(Chambre commerciale)

**Affidavit d'envoi
Avis de la proposition aux créanciers**

Dans l'affaire de la proposition de
Les Câbles Power Canada Ltée

Je, soussignée, du cabinet de RSM Richter Inc., 2 Place Alexis Nihon, bureau 1820, Montréal, Québec, déclare et dis ce qui suit :

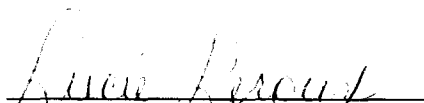
Que j'ai fait expédier, par courrier ordinaire dûment affranchi, du bureau de poste de la ville de Westmount, province de Québec, le , à tous les créanciers connus apparaissant à la Liste de poste ci-jointe, au dirigeant de la personne morale insolvable, ainsi qu'à la cour, l'*Avis de la proposition aux créanciers*, incluant une copie de la proposition, d'un état succinct de son actif et de son passif; une liste des créanciers visés par la proposition et dont les réclamations se chiffrent à 250 \$ ou plus; un formulaire de preuve de réclamation et de procuration et un formulaire de votation; et un *Avis d'audition de la demande d'approbation par le tribunal d'une proposition*, et le *Rapport du syndic sur la situation financière de la débitrice et sur la proposition*, dont copies conformes desdits documents sont annexées au présent affidavit.

Qu'à cette même date, j'ai fait expédier, par courriel, à toutes les personnes apparaissant à la Liste des envois supplémentaires par courriel, une copie du formulaire 01.1, l'*Avis de la proposition aux créanciers*, l'*Avis d'audition de la demande d'approbation par le tribunal d'une proposition*, et le *Rapport du syndic sur la situation financière de la débitrice et sur la proposition*, dont copie conforme desdits documents sont annexées au présent affidavit; et

Que j'ai également déposé électroniquement, le 6 décembre 2010, auprès du Bureau de division l'*Avis de la proposition aux créanciers* et le *Rapport du syndic sur la situation financière de la débitrice et sur la proposition*, dont copies des confirmations de dépôt sont jointes au présent affidavit.


Heather Chennell

Assermentée dans la ville de Montréal, en la
province de Québec, le 6 décembre 2010.


Commissaire à l'assermentation pour la
province de Québec



- Creditor Mailing List -

In the Matter of the Proposal of
Power Canada Cables Ltd.
Of the City of Saint Leonard
In the Province of Quebec

Creditor Type	Name	Attention	Address
Director	Regis J Rehel		6030 rue Cavalieri Brossard QC J4Z 0H2
Preferred	VACATIONS		- --
Secured	BANQUE NATIONALE DU CANADA		600 RUE DE LA GAUCHETIER O. MONTREAL QC H3B 4L2
Unsecured	A.S.E. EQUIPEMENT INC		2153 ROUTE 133 ST-JEAN-SUR-RICHELIEU QC J2X 5K9 Fax: (450) 542-9252
	ACCESSOTRONIK		9305 TRANS-CANADA ST-LAURENT QC H4S 1V3 Fax: (514) 335-9741
	ALARME SPL ATOUT INC.		357 RUE DE L' ÉGLISE NAPIERVILLE QC J0J 1L0 Fax: (450) 245-0343 alarme_spl_atout@hotmail.com
	ANIXTER INC.		A/S M9017C CASE POSTALE 11792 DEPARTEMENT 5 MONTREAL QC H3C 0C6 Fax: (514) 636-1286
	BELL CANADA		SUCCURSALE CENTRE-VILLE CASE POSTALE 8712 MONTREAL QC H3C 3P6
	BGL BROKERAGE LTD		SUITE 123 300 RUE ST-SACREMENT MONTREAL QC H2Y 1X4 Fax: (514) 288-6226
	CANADIAN BRASS AND COPPER PROCESSING CO.		225 DONEY CRES. CONCORD ON L4K 1P9
	CEB COURRIER		LOCAL 4 2045 de la Métropole Longueuil QC J4G 1S9 Fax: (450) 653-5888
	COMMISSION SCOLAIRE DES GRANDE SEIGNEURIES		CASE POSTALE 11482 MONTREAL QC H3C 5P7
	DELTA GROUP		STATION A P.O. BOX 15030 TORONTO ON M5W 1C1 Fax: (877) 449-9115
	DIRECT WIRE AND CABLE INC *		P.O. BOX 57 68 DENVER ROAD DENVER PA 17517 USA Fax: (800) 752-2654
	EMF CORPORATION *		P.O. BOX 389 505 POKAGON TRAIL ANGOLA IN 46703 USA Fax: (260) 668-4400
	EXM MANUFACTURING LTD.		870 BOUL. MICHELE-BOHEC BLAINVILLE QC J7C 5E2

- Creditor Mailing List -

In the Matter of the Proposal of
Power Canada Cables Ltd.
Of the City of Saint Leonard
In the Province of Quebec

Creditor Type	Name	Attention	Address
Unsecured	FEDERAL EXPRESS CANADA LTD.		Stn A P.O. BOX 4626 TORONTO ON M5W 5B4
	FUTECH HITECH INC.		A/S PAYABLES 352 RUE McARTHUR ST-LAURENT QC H4T 1X8 Fax: (450) 442-2676
	GAZ METROPOLITAIN		1717 RUE DU HAVRE MONTREAL QC H2K 2X3
	GMAC		333 BOUL DE LA COTE VERTU MONTREAL QC H4R 2N1
	INTERTEK TESTING SERVICES NA LTD.		PLACE D'ARMES P.O. BOX 1626 MONTREAL QC H2Y 3L2 Fax: (514) 631-1133
	ITM INSTRUMENTS INC.		20800 BOULEVARD INDUSTRIEL STE-ANNE-DE-BELLEVUE QC H9X 0A1
	JEAN-PIERRE GUAY TRANSPORT		1700 GRAND BERNIER ST-BLAISE QC J0J 1L0 Fax: (450) 291-3816
	KIRK KEY INTERLOCK *		211 WETMORE AVE S.E. MASSILLON OH 44646 USA Fax: (330) 833-1528
	LAREAU ET FILS ASSURANCES INC.		C.P. 580 353 ST-JACQUES NAPIERVILLE QC J0J 1L0 Fax: (450) 245-7538
	LAUSERCO		7950 RUE VAUBAN ANJOU QC H1J 2X5 Fax: (514) 354-8545
	LIFT CAPITAL		300 THE EAST MALL, SUITE 401 TORONTO ON M9B 6B7
	METAL SIGMA INC.		LOCAL 218 200A ST-LOUIS. ST-JEAN-SUR-RICHELIEU QC J3B 1Y1 Fax: (450) 348-7452
	MIZE & COMPANY INC. *		P.O. BOX 516 KINGMAN KS 67068 USA Fax: (620) 532-2459
	MUN. ST-CYPRIEN-DE-NAPIERVILLE		121 RANG CYR ST-CYPRIEN-DE-NAPIERVILLE QC J0J 1L0
	NATIK		SUITE 702 2001 DE LA METROPOLE LONGUEUIL QC J4G 1S9 Fax: (450) 677-5528
	NET COMMUNICATIONS		BUREAU 109 923 BOUL. DU SEMINAIRE NORD ST-JEAN-SUR-RICHELIEU QC J3B 1B6 Fax: (450) 346-3587
	NORMAN G. JENSEN, INC. *		BOX 3479 TORONTO ON M5L 1K1

- Creditor Mailing List -

In the Matter of the Proposal of
Power Canada Cables Ltd.
Of the City of Saint Leonard
In the Province of Quebec

Creditor Type	Name	Attention	Address
Unsecured	PEI-GENESIS *		2180 HORNIG ROAD PHILADELPHIA PA 19116-4289 USA Fax: (905) 448-9569
	POWER BATTERY IBERVILLE		770 THOMAS St Jean sur Richelieu QC
	PROSTATIX		9055 MILTON MONTREAL QC H4X 2H1
	PROTO PLUS/LCP PRECISION INC.		415 RUE NORMAN LACHINE QC H8R 1A4 Fax: (514) 369-4566
	PUROLATOR COURRIER LTD		P.O.BOX 1100 ETOBICO POSTAL STATION ETOBICOKE ON M9C 5K2
	QUICK CABLE CANADA LTD.		6395 KESTREL ROAD MISSISSAUGA ON L5T 1Z5
	QUINCAILLERIE DEMERS		2166 MARIE-VICTORIN LONGUEIL QC J4G 1A9 Fax: (450) 674-9742
	RAYMOND, CHABOT, GRANT,		600 DE LA GAUCHETIERE ST. W, SUITE 2000 MONTREAL QC H3B 4L8
	RECEIVER GENERAL DU CANADA		305, RENE LEVESQUE OUEST MONTREAL QC H2Z 1A6
	ROSSPAR LIMITED		17-1755 PLUMMER STREET PICKERING ON L1W 3S1 Fax: (905) 837-5006
	SCHLEUNIGER INC.		1492 WALLACE RD, UNIT 4 OAKVILLE ON L6L 2Y2
	SENCOM INFORMATIQUE INC.		1186 ROUTE 133 SAINTE-ANNE-DE-BELLEVUE QC J0J 2G0
	SURE SEAL CONNECTIONS *		2180 HORNIG ROAD PHILADELPHIA PA 19116-4289 USA Fax: (905) 448-9569
	TERMACO LTEE		325 BOUL. INDUSTRIEL ST-JEAN-SUR-RICHELIEU QC J3B 7M3 Fax: (450) 346-4368
	TRANSPORT BOURASSA INC.		800 RUE DIJON ST-JEAN-SUR-RICHELIEU QC J3B 8G3 Fax: (450) 346-5150
	TRANSPORT L-60		115-A CHAMPLAIN ST-JEAN-SUR-RICHELIEU QC J3B 6V1
	TTI INC. *		SUITE 102 52 HYMUS POINTE-CLAIRE QC H9R 1C9 Fax: (514) 426-1409
	TYCO ELECTRONICS CANADA LTD		20 ESNA PARK DR. MARKHAM ON L3R 1E1
	U.P.S.		P.O.BOX 2127 CRO HALIFAX NS B3J 3B7
	UNDERWRITERS' LABORATORIES OF CANADA		POSTAL STATION A P.O. BOX 57063 TORONTO ON M5W 5M5 Fax: (416) 757-8727

- Creditor Mailing List -

In the Matter of the Proposal of
Power Canada Cables Ltd.
Of the City of Saint Leonard
In the Province of Quebec

Creditor Type	Name	Attention	Address
Unsecured	ZUS EXCHANGE 1.0434		- --

Dans l'affaire de la proposition de / In the Matter of the Proposal of
Les Câbles Power Canada Ltée / Power Canada Cables Ltd.

LISTE DES ENVOIS SUPPLÉMENTAIRES / SUPPLEMENTARY MAILINGS LIST

December 03, 2010

AGENCE DU REVENU DU CANADA
CENTRE D'ARRIVAGE REGIONAL EN
INSOLVABILITE
25, RUE DES FORGES, BUREAU 111
TROIS-RIVIERES QC G9A 2G4

BELL CANADA
BUREAU INSOLVABILITÉ – AFFAIRES
600, JEAN-TALON, 10^E ÉTAGE
MONTRÉAL (QUÉBEC) H2R 3A8

COMMISSION DES NORMES DU TRAVAIL
A/S JEAN-GUY LABERGE, SERV.
SURVEILLANCE
500, RENÉ-LÉVESQUE O., 26 ÉTAGE
MONTRÉAL (QUÉBEC) H2Z 2A5

REVENU QUÉBEC
1600, BOUL. RENÉ-LÉVESQUE OUEST
MONTRÉAL QC H3H 2V2

CSST
1, COMPLEXE DESJARDINS
TOUR SUD, SUCC. DESJARDINS
MONTRÉAL QC H5B 1H1

DUN & BRADSTREET DU CANADA LTÉE
À L'ATTENTION DE DONNA COPELLI
5770 HURON ONTARIO
MISSISSAUGA ON L5R 3G5

EQUIFAX CANADA INC.
C.P. 190, SUCC. JEAN-TALON
MONTRÉAL QC H1S 2Z2

EQUIFAX CANADA INC.
VICE-PRESIDENT COMMERCIAL SOLUTIONS
5650 YONGE STREET, 13TH FLOOR
TORONTO ON M2M 4G3

GAZ MÉTROPOLITAIN
1717, RUE DU HAVRE
MONTRÉAL QC H2K 2X3

GREFFE DE LA FAILLITE ET DE
L'INSOLVABILITÉ
(CHAMBRE COMMERCIALE)
1, NOTRE-DAME EST, BUR.1.146
MONTREAL QC H2Y 1B6

HYDRO-QUÉBEC
BUREAU DU RECouvreMENT
140, CRÉMAZIE O., 1^{ER} ÉTAGE
MONTRÉAL QC H2P 1C3

EDC-EXPORT DEVELOPMENT CANADA
151 O'CONNOR
OTTAWA ON K1A 1K3

EULER HERMES
1155 RENÉ-LÉVESQUE O.
BUREAU 1702
MONTRÉAL QC H3B 3Z7

December 1, 2010

**RE: Power Battery (Iberville) Ltd.
Power Canada Cables Ltd.
Batterie Universelle Ltée
(collectively the "Power Battery Group")**

Dear Suppliers & Creditors:

As you are aware, each member of the Power Battery Group filed a *Notice Of Intention To Make A Proposal* under the Canadian *Bankruptcy and Insolvency Act* on August 12, 2010. From that time onward, Power Battery Group began immediate steps to restructure its business and seek solutions to its financial problems.

Through the auspices of Power Battery Group's Trustee, RSM Richter Inc., a process was conducted whereby the Trustee sought out purchasers of Power Battery Group's businesses and/or investors in Power Battery Group's businesses.

In parallel with this process, we implemented measures with a view to restoring our business operations to profitability. These measures include the following:

- The US operations of Power Battery Co., Inc. are in the process of being wound down and will be consolidated into the Canadian operations of Power Battery Group.
- New senior management has been engaged by Power Battery Group.
- Power Battery Group's Canadian production has been radically re-engineered and made more efficient.
- An agreement has been made by Power Battery Group and its unionized employees under which significant concessions have been granted to Power Battery Group.

The process conducted by the Trustee resulted in our closing down and selling our truck parts business. This will enable us to focus on our core battery business.

The Trustee's process also attracted various interested parties in our battery business. After careful examination, it became clear that the best alternative for all of Power Battery Group's stakeholders was to enter into a transaction with a group led by Michel Caron. Under this transaction, a significant investment of \$2 Million will be made by the new investors into Power Battery Group.

The Caron group's investment is subject to your agreeing to accept the Proposals which Power Battery Group is now making, court approval of such Proposals and satisfactory arrangements between Power Battery Group and its secured creditors (principally, National Bank of Canada, GE Real Estate Financing business Property Company and Alter Moneta Corporation). We and the investor group are in mature stages of an acceptable deal with National Bank of Canada and will hope to shortly complete acceptable deals with our other secured creditors.

The Proposals to you, our unsecured creditors, will give you a single lump-sum payment within 60 days of Court approval. This payment, while less than your total claims, is still dramatically better than you would achieve through a bankruptcy liquidation. If all goes according to plan, we anticipate receiving court approval on December 21, 2010.

A successful restructuring will enable the Caron group to make its investment into Power Battery Group and will allow Power Battery Group to emerge from this insolvency process as a strong and viable business. Your support and acceptance of the Proposals which we are now making to you are a key component in this restructuring.

On behalf of Power Battery Group, I want to apologize to you for the losses that you have incurred. We hope that the new restructured Power Battery Group can continue to count on your support and that we can re-establish our good business relations with you.

I invite you to read the Trustee's report which is enclosed herewith for all of the details of our proposed restructuring. If you have any enquiries, feel free to contact us or the Trustee.

We sincerely hope that we can count on your support.

Yours truly,

**POWER BATTERY (IBERVILLE) LTD.
POWER CANADA CABLES LTD.,
BATTERIE UNIVERSELLE LTÉE**

Per:



Régis Rehé, President

RSM Richter Inc.

RSM Richter Inc.
2, Place Alexis Nihon, bureau 1820
Montréal (Québec) H3Z 3C2
Téléphone / Telephone : 514.934.3497
Télécopieur / Facsimile : 514.934.3504
www.rsmrichter.com

CANADA

Province de Québec
District de : Québec
No division : 01 - Montréal
No cour : 500-11-039458-100
No dossier : 41-1393388

COUR SUPÉRIEURE

En matière de faillite et d'insolvabilité
(Chambre commerciale)

Avis de la proposition aux créanciers (article 51 de la Loi)

Dans l'affaire de la proposition de
Les Câbles Power Canada Ltée

Avis est donné que Les Câbles Power Canada Ltée de la ville de Saint-Léonard, en la province de Québec, a déposé une proposition entre nos mains, en vertu de la Loi sur la faillite et l'insolvabilité.

Ci-inclus une copie de la proposition, d'un état succinct de son actif et de son passif ainsi qu'une liste des créanciers visés par la proposition et dont les réclamations se chiffrent à 250 \$ ou plus.

Une assemblée générale des créanciers sera tenue au Bureau du surintendant des faillites au 5, Place Ville Marie, 8^e étage, Montréal, le 17 décembre 2010 à 10 H 30.

Les créanciers ou toute catégorie de créanciers ayant droit de voter à l'assemblée peuvent, au moyen d'une résolution, accepter la proposition, telle que formulée ou telle que modifiée à l'assemblée. Si la proposition est ainsi acceptée et si elle est approuvée par le tribunal, elle deviendra obligatoire pour tous les créanciers ou pour la catégorie de créanciers visés.

Les preuves de réclamation, procurations et formulaires de votation dont l'usage est projeté à l'assemblée doivent nous être remises au préalable.

Daté le 3 décembre, à Montréal en la province de Québec.

RSM Richter Inc. - Syndic
Par :


Benoit Gingues, CA, CIRP

(English – over)

RSM Richter Inc.

RSM Richter Inc.
2, Place Alexis Nihon, Suite 1820
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. 01 - Montréal
Court No. 500-11-039458-100
Estate No. 41-1393388

SUPERIOR COURT
In Bankruptcy and Insolvency
(Commercial Division)

Notice of Proposal to Creditors (Section 51 of the Act)

In the Matter of the Proposal of
Power Canada Cables Ltd.

Take notice that Power Canada Cables Ltd. of the City of Saint Léonard in the Province of Quebec has lodged with us a proposal under the Bankruptcy and Insolvency Act.

A copy of the proposal, a condensed statement of the debtor's assets, and liabilities, and a list of the creditors affected by the proposal and whose claims amount to \$250 or more are enclosed herewith.

A general meeting of the creditors will be held at the Office of the Superintendent of Bankruptcy at 5 Place Ville Marie, 8th Floor, Montréal, on December 17, 2010 at 10:30 A.M.

The creditors or any class of creditors qualified to vote at the meeting may by resolution accept the proposal either as made or as altered or modified at the meeting. If so accepted and if approved by the court the proposal is binding on all the creditors or the class of creditors affected.

Proofs of claim, proxies and voting letters intended to be used at the meeting must be lodged with us prior to the commencement of the meeting.

Dated at Montréal, in the Province of Quebec, December 3, 2010.

RSM Richter Inc. - Trustee
Per:


Benoit Gingues, CA, CIRP

(français – au recto)

District de: Québec
No division: 01 - Montréal
No cour: 500-11-039458-100
No dossier: 41-1393388

☒ original

☐ modifié

TRADUCTION

-- FORMULAIRE 78 --
Bilan - proposition déposée par une entité
(paragraphe 49(2), alinéa 158d) et paragraphes 50(2) et 62(1) de la Loi)

Dans l'affaire de la proposition de
Les Câbles Power Canada Ltée
de la ville de St. Leonard
en la province de Québec

Au débiteur

Vous êtes tenu de remplir avec soin et exactitude le présent formulaire et les annexes applicables indiquant la situation de vos affaires à la date du dépôt de votre proposition (ou de votre avis d'intention) le 12 août 2010. Une fois complété, ce formulaire et les listes annexées, constituent votre bilan, qui doit être vérifié sous serment ou par une déclaration solennelle.

PASSIF

(Tel que déclaré et estimé par l'officier)

1. Créanciers non garantis: voir liste "A"	606,518.31
Équilibre de réclamations non garantis: voir liste "A"	15,286,000.00
Créanciers non garantis total	15,892,518.31
2. Créanciers garantis: voir liste "B"	670,000.00
3. Créanciers privilégiés: voir liste "C"	24,000.00
4. Dettes éventuelles, réclamations de fiducie ou autres (voir liste D) pouvant être réclamées pour une somme de	0.00
Total du passif	16,586,518.31
Surplus	NIL

ACTIF

(Tel que déclaré et estimé par l'officier)

1. Inventaire	250,000.00
2. Aménagements	0.00
3. Comptes à recevoir et autres créances: voir liste E	
Bonnes	220,000.00
Douteuses	0.00
Mauvaises	427,000.00
Estimation des créances qui peuvent être réalisées ..	220,000.00
4. Lettres de change, billets à ordre, etc., voir liste F	0.00
5. Dépôts en institutions financières	0.00
6. Espèces	0.00
7. Bétail	0.00
8. Machines, outillage et installation	200,000.00
9. Immeubles et biens réels: voir liste G	0.00
10. Ameublement	0.00
11. REER, FERR, Assurances-vie etc	0.00
12. Valeurs mobilières (actions, obligations, débentures etc.	0.00
13. Droits en vertu de testaments	0.00
14. Véhicules	0.00
15. Autres biens: voir liste H	0.00
Si le débiteur est une personne morale, ajoutez	
Montant du capital souscrit	53,383.00
Montant du capital payé	53,383.00
Solde souscrit et impayé	0.00
Estimation du solde qui peut être réalisé	0.00
Total de l'actif	670,000.00
Déficit	15,916,518.31

Je, Regis J Rehel, de Brossard en la province de Québec, étant dûment assermenté (ou ayant déclaré solennellement) déclare que le bilan qui suit et les listes annexées sont, à ma connaissance, un relevé complet, véridique et entier de mes affaires en ce 12 août 2010, et indiquent au complet tous mes biens de quelque nature qu'ils soient, en ma possession et réversibles, tels que définis par la Loi.

ASSERMENTÉ (ou DÉCLARÉ SOLENNELLEMENT)
devant moi le 2 décembre 2010,
à Montréal en la province de Québec.

Renia Rudnicki, Commissaire à l'Assermentation
pour la province de Québec
Expire le 12 fév 2011

Regis J Rehel

District of: Quebec
Court No. 01 - Montréal
Court No. 500-11-039458-100
Estate No. 41-1393388

☒ Original

☐ Amended

-- FORM 78 --

Statement of Affairs (Business Proposal) made by an entity
(Subsection 49(2) and Paragraph 158(d) of the Act / Subsections 50(2) and 62(1) of the Act)

In the Matter of the Proposal of
Power Canada Cables Ltd.
Of the City of Saint Leonard
In the Province of Quebec

To the debtor

You are required to carefully and accurately complete this form and the applicable attachments showing the state of your affairs on the date of the filing of your proposal (or notice of intention, if applicable), on the 12th day of August 2010. When completed, this Form and the applicable attachments will constitute the Statement of Affairs and must be verified by oath or solemn declaration.

LIABILITIES

(As stated and estimated by the officer)

1. Unsecured creditors as per list "A"	606,518.31
Balance of claims unsecured as per list "A" ..	15,286,000.00
Total unsecured creditors	15,892,518.31
2. Secured creditors value of security as per list "B"	670,000.00
3. Preferred creditors as per list "C"	24,000.00
4. Contingent, trust claims or other liabilities as per list "D" estimated to be reclaimable for	0.00
Total liabilities	16,586,518.31
Surplus	NIL

ASSETS

(as stated and estimated by the officer)

1. Inventory	250,000.00
2. Trade fixtures, etc.	0.00
3. Accounts receivable and other receivables, as per list "E" Good	220,000.00
Doubtful	0.00
Bad	427,000.00
Estimated to produce	220,000.00
4. Bills of exchange, promissory note, etc., as per list "F" ...	0.00
5. Deposits in financial institutions	0.00
6. Cash	0.00
7. Livestock	0.00
8. Machinery, equipment and plant	200,000.00
9. Real property or immovables as per list "G"	0.00
10. Furniture	0.00
11. RRSPs, RRIFs, life insurance, etc.	0.00
12. Securities (shares, bonds, debentures, etc.)	0.00
13. Interests under wills	0.00
14. Vehicles	0.00
15. Other property, as per list "H"	0.00

If debtor is a corporation, add:


Amount of subscribed capital	53,383.00
Amount paid on capital	53,383.00
Balance subscribed and unpaid	0.00
Estimated to produce	0.00

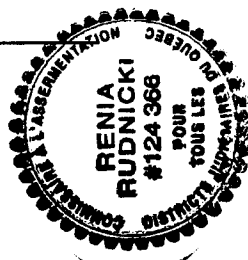
Total assets	670,000.00
Deficiency	15,916,518.31

I, Regis J Rehel, of the City of Brossard in the Province of Quebec, do swear (or solemnly declare) that this statement and the attached lists are to the best of my knowledge, a full, true and complete statement of my affairs on the 12th day of August 2010 and fully disclose all property of every description that is in my possession or that may devolve on me in accordance with the Act.

SWORN (or SOLEMNLY DECLARED)

before me at the Ville of Montréal in the Province of Quebec,
on this 2nd day of December 2010.


Renia Rudnicki, Commissioner of Oaths
For the Province of Quebec
Expires Feb. 12, 2011




Regis J Rehel

District of Quebec
Division No. 01- Montréal
Court No. 500-11-039458-100
Estate No. 41-1393388

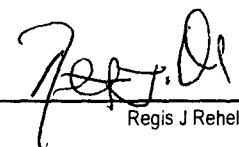
-- FORM 78 -- Continued --

List "A"
Unsecured Creditors
Power Canada Cables Ltd.

No.	Name of creditor	Address	Unsecured claim	Balance of claim unsecured	Total claim
1	A.S.E. EQUIPEMENT INC	2153 ROUTE 133 ST-JEAN-SUR-RICHELIEU QC J2X 5K9	627.27	0.00	627.27
2	ACCESSOTRONIK	9305 TRANS-CANADA ST-LAURENT QC H4S 1V3	1,465.16	0.00	1,465.16
3	ALARME SPL ATOUT INC.	357 RUE DE L'ÉGLISE NAPIERVILLE QC J0J 1L0	395.06	0.00	395.06
4	ANIXTER INC.	A/S M9017C CASE POSTALE 11792 DEPARTEMENT 5 MONTREAL QC H3C 0C6	149,581.77	0.00	149,581.77
5	BANQUE NATIONALE DU CANADA	600 RUE DE LA GAUCHETIER O. MONTREAL QC H3B 4L2	0.00	15,286,000.00	15,286,000.00
6	BELL CANADA	SUCCURSALE CENTRE-VILLE CASE POSTALE 8712 MONTREAL QC H3C 3P6	835.99	0.00	835.99
7	BGL BROKERAGE LTD	SUITE 123 300 RUE ST-SACREMENT MONTREAL QC H2Y 1X4	618.03	0.00	618.03
8	CANADIAN BRASS AND COPPER PROCESSING CO.	225 DONEY CRES. CONCORD ON L4K 1P9	598.50	0.00	598.50
9	CEB COURRIER	LOCAL 4 2045 de la Métropole Longueuil QC J4G 1S9	696.20	0.00	696.20
10	COMMISSION SCOLAIRE DES GRANDE SEIGNEURIES	CASE POSTALE 11482 MONTREAL QC H3C 5P7	3,497.54	0.00	3,497.54
11	DELTA GROUP	STATION A P.O. BOX 15030 TORONTO ON M5W 1C1	38,896.73	0.00	38,896.73
12	DIRECT WIRE AND CABLE INC *	P.O. BOX 57 68 DENVER ROAD DENVER PA 17517 USA	363.58	0.00	363.58
13	EMF CORPORATION *	P.O. BOX 389 505 POKAGON TRAIL ANGOLA IN 46703 USA	13,701.71	0.00	13,701.71
14	EXM MANUFACTURING LTD.	870 BOUL. MICHELE-BOHEC BLAINVILLE QC J7C 5E2	7,956.40	0.00	7,956.40
15	FEDERAL EXPRESS CANADA LTD.	Stn A P.O. BOX 4626 TORONTO ON M5W 5B4	270.81	0.00	270.81
16	FUTECH HITECH INC.	A/S PAYABLES 352 RUE McARTHUR ST-LAURENT QC H4T 1X8	9,767.76	0.00	9,767.76
17	GAZ METROPOLITAIN	1717 RUE DU HAVRE MONTREAL QC H2K 2X3	20.57	0.00	20.57
18	GMAC	333 BOUL DE LA COTE VERTU MONTREAL QC H4R 2N1	0.00	0.00	0.00

02-Dec-2010

Date


Regis J Rehel

District of Quebec
Division No. 01- Montréal
Court No. 500-11-039458-100
Estate No. 41-1393388

-- FORM 78 -- Continued --

List "A"
Unsecured Creditors

Power Canada Cables Ltd.

No.	Name of creditor	Address	Unsecured claim	Balance of claim unsecured	Total claim
19	INTERTEK TESTING SERVICES NA LTD.	PLACE D'ARMES P.O. BOX 1626 MONTREAL QC H2Y 3L2	4,864.56	0.00	4,864.56
20	ITM INSTRUMENTS INC.	20800 BOULEVARD INDUSTRIEL STE-ANNE-DE-BELLEVUE QC H9X 0A1	487.17	0.00	487.17
21	JEAN-PIERRE GUAY TRANSPORT	1700 GRAND BERNIER ST-BLAISE QC J0J 1L0	2,409.30	0.00	2,409.30
22	KIRK KEY INTERLOCK *	211 WETMORE AVE S.E. MASSILLON OH 44646 USA	16,589.60	0.00	16,589.60
23	LAREAU ET FILS ASSURANCES INC.	C.P. 580 353 ST-JACQUES NAPIERVILLE QC J0J 1L0	871.75	0.00	871.75
24	LAUSERCO	7950 RUE VAUBAN ANJOU QC H1J 2X5	1,084.58	0.00	1,084.58
25	LIFT CAPITAL	300 THE EAST MALL, SUITE 401 TORONTO ON M9B 6B7	0.00	0.00	0.00
26	METAL SIGMA INC.	LOCAL 218 200A ST-LOUIS, ST-JEAN-SUR-RICHELIEU QC J3B 1Y1	11,100.46	0.00	11,100.46
27	MIZE & COMPANY INC. *	P.O. BOX 516 KINGMAN KS 67068 USA	62.13	0.00	62.13
28	MUN. ST-CYPRIEN-DE-NAPIERVILLE	121 RANG CYR ST-CYPRIEN-DE-NAPIERVILLE QC J0J 1L0	4,573.36	0.00	4,573.36
29	NATIK	SUITE 702 2001 DE LA METROPOLE LONGUEUIL QC J4G 1S9	5,459.32	0.00	5,459.32
30	NET COMMUNICATIONS	BUREAU 109 923 BOUL. DU SEMINAIRE NORD ST-JEAN-SUR-RICHELIEU QC J3B 1B6	133.08	0.00	133.08
31	NORMAN G. JENSEN, INC. *	BOX 3479 TORONTO ON M5L 1K1	216.91	0.00	216.91
32	PEI-GENESIS *	2180 HORNIG ROAD PHILADELPHIA PA 19116-4289 USA	10,013.32	0.00	10,013.32
33	POWER BATTERY IBERVILLE	770 THOMAS St Jean sur Richelieu QC	277,517.00	0.00	277,517.00
34	PROSTATIX	9055 MILTON MONTREAL QC H4X 2H1	1,605.08	0.00	1,605.08
35	PROTO PLUS/LCP PRECISION INC.	415 RUE NORMAN LACHINE QC H8R 1A4	7,292.80	0.00	7,292.80
36	PUROLATOR COURRIER LTD	P.O.BOX 1100 ETOBICO POSTAL STATION ETOBICOKE ON M9C 5K2	265.15	0.00	265.15
37	QUICK CABLE CANADA LTD.	6395 KESTREL ROAD MISSISSAUGA ON L5T 1Z5	203.65	0.00	203.65
38	QUINCAILLERIE DEMERS	2166 MARIE-VICTORIN LONGUEIL QC J4G 1A9	1,469.83	0.00	1,469.83

02-Dec-2010

Date


Regis J Rehel

District of Quebec
Division No. 01- Montréal
Court No. 500-11-039458-100
Estate No. 41-1393388

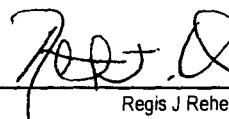
-- FORM 78 -- Continued --

List "A"
Unsecured Creditors
Power Canada Cables Ltd.

No.	Name of creditor	Address	Unsecured claim	Balance of claim unsecured	Total claim
39	RAYMOND, CHABOT, GRANT,	600 DE LA GAUCHETIERE ST. W, SUITE 2000 MONTREAL QC H3B 4L8	677.25	0.00	677.25
40	RECEIVER GENERAL DU CANADA	305, RENE LEVESQUE OUEST MONTREAL QC H2Z 1A6	1,542.27	0.00	1,542.27
41	ROSSPAR LIMITED	17-1755 PLUMMER STREET PICKERING ON L1W 3S1	4,472.70	0.00	4,472.70
42	SCHLEUNIGER INC.	1492 WALLACE RD, UNIT 4 OAKVILLE ON L6L 2Y2	882.93	0.00	882.93
43	SENCOM INFORMATIQUE INC.	1186 ROUTE 133 SAINTE-ANNE-DE-BELLEVUE QC J0J 2G0	95.94	0.00	95.94
44	SURE SEAL CONNECTIONS *	2180 HORNIG ROAD PHILADELPHIA PA 19116-4289 USA	1,860.00	0.00	1,860.00
45	TERMACO LTEE	325 BOUL INDUSTRIEL ST-JEAN-SUR-RICHELIEU QC J3B 7M3	180.60	0.00	180.60
46	TRANSPORT BOURASSA INC.	800 RUE DIJON ST-JEAN-SUR-RICHELIEU QC J3B 8G3	3,763.69	0.00	3,763.69
47	TRANSPORT L-60	115-A CHAMPLAIN ST-JEAN-SUR-RICHELIEU QC J3B 6V1	338.34	0.00	338.34
48	TTI INC. *	SUITE 102 52 HYMUS POINTE-CLAIRE QC H9R 1C9	8,008.03	0.00	8,008.03
49	TYCO ELECTRONICS CANADA LTD	20 ESNA PARK DR. MARKHAM ON L3R 1E1	3,980.35	0.00	3,980.35
50	U.P.S.	P.O.BOX 2127 CRO HALIFAX NS B3J 3B7	109.54	0.00	109.54
51	UNDERWRITERS' LABORATORIES OF CANADA	POSTAL STATION A P.O. BOX 57063 TORONTO ON M5W 5M5	2,847.84	0.00	2,847.84
52	ZUS EXCHANGE 1.0434	-	2,246.70	0.00	2,246.70
Total:			606,518.31	15,286,000.00	15,892,518.31

02-Dec-2010

Date


Regis J Rehel

District of Quebec
Division No. 01- Montréal
Court No. 500-11-039458-100
Estate No. 41-1393388

-- FORM 78 -- Continued --

List "B"
Secured Creditors

Power Canada Cables Ltd.

No.	Name of creditor	Address	Amount of claim	Particulars of security	When given	Estimated value of security	Estimated surplus from security	Balance of claim unsecured
1	BANQUE NATIONALE DU CANADA	600 RUE DE LA GAUCHETIER O. MONTREAL QC H3B 4L2	15,956,000.00	Debts Due - Business - Inter company receivables		0.00		
				Debts Due - Business - Accounts receivable		220,000.00		
				Business Assets - Machinery - Equipment		200,000.00		
				Business Assets - Trade Fixtures - Office equipment and fixtures		0.00		
				Business Assets - Stock In Trade - Inventory		250,000.00		15,286,000.00
Total:			15,956,000.00			670,000.00	0.00	15,286,000.00

02-Dec-2010

Date


Regis J Rehel

District of Quebec
Division No. 01 - Montréal
Court No. 500-11039458-100
Estate No. 41-1393388

-- FORM 78 -- Continued --

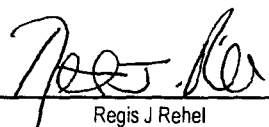
List "C"
Preferred Creditors for Wages, Rent, etc.

Power Canada Cables Ltd.

No.	Name of creditor	Address and occupation	Nature of claim	Period during which claim accrued	Amount of claim	Amount payable in full	Difference ranking for dividend
1	VACATIONS	- --		-	24,000.00	0.00	24,000.00
Total:					24,000.00	0.00	24,000.00

02-Dec-2010

Date


Régis J Rehel

CANADA

PROVINCE OF QUEBEC
DISTRICT OF MONTREAL

SUPERIOR COURT
(Commercial Division)

NO: 500-11-039458-100

SUPERINTENDENT'S NO:
41-1393388

IN THE MATTER OF THE PROPOSAL OF:

POWER CANADA CABLES LTD./
LES CÂBLES POWER CANADA LTÉE

Debtor

PROPOSAL
(under the provisions of the *B/A*)

POWER CANADA CABLES LTD./LES CÂBLES POWER CANADA LTÉE ("Debtor"),
hereby submits the following Proposal under the *B/A*:

1. DEFINITIONS AND INTERPRETATION

1.1 In addition to words and terms otherwise defined herein, whenever used herein:

1.1.2 "Approval" means:

- (a) acceptance of this Proposal (or the PBI Proposal or the BU Proposal, as the case may be) by the statutory majority of Creditors (or PBI's creditors or BU's creditors, as the case may be) entitled to vote thereon in accordance with the relevant provisions of the *B/A*;
- (b) the approval of this Proposal (or the PBI Proposal or the BU Proposal, as the case may be) by the Court by judgment rendered by such Court which has become executory as a result of the delay for appeal having expired without there having been an appeal lodged therefrom or, if an appeal is lodged therefrom, such judgment of the Court having been confirmed or such appeal withdrawn; and
- (c) the approval and the ordering of the Equity Restructuring by the Court by judgment rendered by such Court which has become executory as a result of the delay for appeal having

expired without there having been an appeal lodged therefrom or, if an appeal is lodged therefrom, such judgment of the Court having been confirmed or such appeal withdrawn;

1.1.3 "Approval Motion" has the meaning set forth in **Section 16.1** hereof;

1.1.4 "BIA" means the *Bankruptcy and Insolvency Act*, Canada, RSC 1985, c.B-3, as amended;

1.1.5 "BU" means Batterie Universelle Ltée;

1.1.6 "BU Proposal" means the "Proposal" made by BU under even date herewith pursuant to the relevant provisions of the *BIA* as well as any and all future amendments thereto;

1.1.7 "CBCA" means the *Canada Business Corporations Act*, Canada, RSC 1985, c.C-44, as amended;

1.1.8 "Civil Code" means the *Civil Code of Quebec*;

1.1.9 "Committee" has the meaning set forth in **Section 12.1** hereof;

1.1.10 "Court" means the the Québec Superior Court for the District of Montréal, sitting as both:

(a) the "court" as envisaged and defined in Section 2(1) *BIA* and includes any Justice thereof or, if applicable, the Registrar or any Deputy Registrar thereof; and

(b) sitting as the "court" as envisaged in Section 191 *CBCA* and includes any Justice thereof;

1.1.11 "Creditors" means all creditors affected by the Proposal, namely the Crown, the Preferred Creditors, the Employee Creditors and the Ordinary Creditors, and "**Creditor**" means any of them. All other creditors of the Debtor shall not be, in any manner whatsoever, affected or bound by this Proposal;

1.1.12 "Crown" means Her Majesty in Right of Canada or any province of Canada;

1.1.13 "Crown Claims" means all claims of the Crown as set forth and described in Section 60(1.1) *BIA*, which were outstanding on the Proposal Date, and "**Crown Claim**" means any of them;

1.1.14 "Dividend" have the meaning set forth in **Section 8.2** hereof;

1.1.15 "Electing Creditor Claims" means all Proven Ordinary Claims in respect of which the Ordinary Creditors have elected (as set forth in **Section 8.1** hereof) to receive the lesser of \$300.00 or the amount of their Ordinary Claims or to reduce their respective Ordinary Claims to \$300.00, and **"Electing Creditor Claim"** means any of them;

1.1.16 "Electing Creditors" means Ordinary Creditors having Electing Creditor Claims and **"Electing Creditor"** means any of them;

1.1.17 "Employee Claims" means:

- (a) all amounts which the Debtor's present or former employees would have been entitled to receive under Section 136(1)(d) *BIA* if the Debtor had become bankrupt on the Proposal Date as well as wages, salaries, commissions or compensation for services rendered from and after the Proposal Date up to and including the date of Approval of this Proposal, together with, in the case of traveling salesmen, disbursements properly incurred by those salesmen in and about the Debtor's business during the same period, all as envisaged by Section 60(1.3) *BIA*; and
- (b) to the extent that the Debtor participated in a "prescribed pension plan" as envisaged by Section 60(1.5) *BIA*, all amounts envisaged by Section 60(1.5)(a) *BIA* which may be unpaid on the Proposal Date and which are required to be paid from and after the Proposal Date up to and including the Date of Approval of this Proposal,

and **"Employee Claim"** means any of them;

1.1.18 "Employee Creditors" means all of the Debtor's past and present employees having Employee Claims and **"Employee Creditor"** means any of them;

1.1.19 "Equity Restructuring" has the meaning set forth in the PBI Proposal;

1.1.20 "Ordinary Claims" means all claims other than Crown Claims, Employee Claims, Preferred Claims and Secured Claims, of any nature or source whatsoever, resulting from and/or arising out of any transaction entered into by the Debtor prior to the Proposal Date or any event which occurred prior to the Proposal Date, whether due or not due as of the Proposal Date and includes all such claims which are contingent and unliquidated (once quantified or liquidated) and **"Ordinary Claim"** means any of them. In

addition to and notwithstanding the foregoing, "Ordinary Claims" include, under all circumstances:

- (a) all Electing Creditor Claims;
- (b) all claims resulting from or arising out of any breaches of any obligations contracted by the Debtor prior to the Proposal Date where such breaches occurred (i) at any time prior to the Proposal Date, or (ii) at any time between the Proposal Date and the date hereof; and
- (c) any proof of claim which may be filed by a Secured Creditor in excess of the Value of such Secured Creditor's Security, as envisaged by Paragraph 6.2.3 hereof.

1.1.21 "Ordinary Creditors" means all persons having Ordinary Claims and **"Ordinary Creditor"** means any of them;

1.1.22 "PBI" means "Power Battery (Iberville) Ltd./Batteries Power (Iberville) Ltée;

1.1.23 "PBI Proposal" means the "Proposal" made by PBI under even date herewith pursuant to the relevant provisions of the *BIA* (including a reorganization under the relevant provisions of the *CBCA*) as well as any and all future amendments thereto;

1.1.24 "Postponed Claims" means any and all Ordinary Claims and any and all Secured Claims of any or all of the Postponing Creditors, as well as, any and all other claims of any nature or source whatsoever, of any or all of the Postponing Creditors against the Debtor which existed as at the Proposal Date;

1.1.25 "Postponing Creditors" means each and every one of PBI, BU, Les Investissements Rasmussen Inc., William A. Rasmussen and any other person which is "related" to William A. Rasmussen (as envisaged by Section 4 *BIA*), and **"Postponing Creditor"** means any of them;

1.1.26 "Preferred Claims" means all claims, other than Employee Claims, as set forth and described in Sections 136(1)(a) through 136(1)(c) *BIA* and in Sections 136(1)(e) through 136(1)(j) *BIA*, being such claims directed by the *BIA* to be paid in priority to all other claims in the distribution of the property of a bankrupt to the extent applicable to this Proposal and **"Preferred Claim"** means any of them;

1.1.27 "Preferred Creditors" means all persons having Preferred Claims and **"Preferred Creditor"** means any of them;

1.1.28 "Proposal" means the "Proposal" as well as any and all future amendments hereto, which amendments may be made at any time prior to a vote by the Creditors hereon or by the Court at the time of Approval;

1.1.29 "Proposal Conditions" means the occurrence and/or fulfillment of each of each and every one of the following conditions precedent (unless expressly waived in writing, in whole or in part, by both the Debtor and the Investor), namely:

- (a) the Approval of this Proposal;
- (b) the Approval of the PBI Proposal;
- (c) the Approval of the BU Proposal; and
- (d) the entering into between the Debtor and each of the Secured Creditors (including, without limitation, National Bank of Canada) of binding agreements restructuring all indebtedness owing by the Debtor to such Secured Creditors on terms and conditions satisfactory to the Debtor;

1.1.30 "Proposal Date" means **August 12, 2010**, being the date upon which the Debtor filed its Notice of Intention to Make a Proposal pursuant to Section 50.4(1) *BIA*;

1.1.31 "Proposal Expenses" means all proper fees, expenses, liabilities and obligations of the Trustee as well as all legal fees, accounting fees and consulting fees for, in respect of and/or incidental to all proceedings and matters pertaining to the Debtor's notice of intention to make a proposal and the Proposal and includes, without limitation, all advice to the Debtor in connection therewith;

1.1.32 "Proven" with reference to any Crown Claims, Employee Claims, Preferred Claims and Ordinary Claims, all such claims that have been the object of a proof of claim in accordance with Section 124 *BIA*, filed with the Trustee in due time and allowed by the latter. With respect thereto to all such claims:

- (a) contingent and unliquidated claims and claims payable at a future time shall be governed by Sections 121(2) and 121(3) *BIA*;
- (b) every provision of the *BIA* dealing with the right to vote a claim shall apply to this Proposal; and
- (c) Proven Ordinary Claims under successive performance contracts which have not been repudiated or terminated by

the Debtor shall be limited to amounts owing by the Debtor thereunder accruing only up to (but not after) the Proposal Date;

1.1.33 "Secured Claim" means the claim of each Secured Creditor and "Secured Claims" means all of them;

1.1.34 "Secured Creditor" means all creditors holding Security and "Secured Creditor" means any of them;

1.1.35 "Security" means:

- (a) all of the mortgages, hypothecs, pledges, charges, liens or other rights as set forth in and envisaged under the definition of "secured creditor" in Section 2(1) *BIA*; and
- (b) the rights of a lessor under any contract of leasing as envisaged by Articles 1842 and following of the *Civil Code*;

1.1.36 "Trustee" means RSM Richter Inc., the trustee under the Debtor's Notice of Intention to Make a Proposal and the trustee named herein; and

1.1.37 "Value" means, with respect to any claim filed by a Secured Creditor, the value of such Secured Creditor's Security as assessed by the Secured Creditor and accepted by the Trustee or as determined by the Court;

1.2 The paragraph headings herein contained are for ease of reference only, shall not form part of the Proposal and shall not be utilized, in any manner whatsoever, in the interpretation of the Proposal.

1.3 Whenever the context so provides, all references to the masculine shall include the feminine and *vice versa* and all references to the singular shall include the plural and *vice versa*.

1.4 In the event of any inconsistencies or discrepancies between the English language version of the Proposal and the French language version of the Proposal, the English language version of the Proposal shall govern and prevail under all circumstances.

2. PROPOSAL EXPENSES

2.1 All Proposal Expenses, to the extent not already paid by the Debtor in the ordinary course of the Debtor's business, shall be paid by the Debtor in priority to all Preferred Claims and Ordinary Claims.

3. EMPLOYEE CLAIMS

- 3.1** Subject to **Paragraphs 3.2 and 3.3** hereof, all Proven Employee Claims will be paid in full, immediately after Approval.
- 3.2** With respect to all of the Employee Creditors who are currently employed by the Debtor, all of their Employee Claims have been or shall have been fully paid by the Debtor to such Employees, in the normal course of the Debtor's business.
- 3.3** With respect to the Employee Creditors who are not currently employed by the Debtor (being, for greater certainty, all of the Employee Creditors other than those referred to in **Paragraph 3.2** hereof), all of their Proven Employee Claims will be paid in full on the latest of the following dates, namely:
- 3.3.1** 5 days after acceptance of a valid proof of claim from such Employee Creditor or the Court's definitively determining such proof of claim to be valid;
- 3.3.2** the date of Approval; or
- 3.3.3** the date of receipt of the relevant certificates required in virtue of Section 46 of the *Employment Insurance Act*, Canada.
- 3.4** The Debtor undertakes to request all relevant certificates required in virtue of Section 46 of the *Employment Insurance Act*, Canada upon acceptance of each Employee Claim.

4. CROWN CLAIMS

- 4.1** All Proven Crown Claims, to the extent not already paid by the Debtor in the ordinary course of the Debtor's business, shall be paid in full, within 6 months after Approval or as may otherwise be arranged with the Crown.

5. PREFERRED CLAIMS

- 5.1** Within 30 days following Approval or as may otherwise be arranged with each individual Preferred Creditor, all Proven Preferred Claims of Preferred Creditors, without any interest whatsoever thereon, shall be paid prior to payment of all Ordinary Claims and after payment of all Crown Claims and Employee Claims.

6. SECURED CREDITORS

- 6.1** All Secured Claims shall be paid in accordance with existing agreements with each relevant Secured Creditor or as may be otherwise agreed with each such Secured Creditors;

6.2 For greater certainty:

6.2.1 This Proposal is not addressed to the Secured Creditors;

6.2.2 All Secured Creditors and their Secured Claims shall not, in any manner whatsoever, be affected or bound by this Proposal to the extent of their Secured Claims; and

6.2.3 If a Secured Creditor chooses to file a proof of claim and values its Security in order to be considered as an Ordinary Creditor, then the Proven claim of each such Secured Creditor in excess of the Value of its Security shall be included in the class of Ordinary Claims under this Proposal unless such Secured Creditor has agreed otherwise in writing.

7. SUBSEQUENT CLAIMS

7.1 All claims arising in respect of property supplied, services rendered or other consideration given to the Debtor subsequent to the Proposal Date, including, without limitation, all salaries, remuneration and other compensation of the Debtor's employees for current services, have been or shall be paid in full by the Debtor in the ordinary course of the Debtor's business.

8. ORDINARY CLAIMS

8.1 At any time within (but not after) 15 days following Approval, any Ordinary Creditor may elect in writing (as provided for in its proof of claim or in any other manner acceptable to the Trustee) to receive the lesser of \$300.00 or the amount of its Proven Ordinary Claim or to irrevocably and unconditionally reduce such Proven Ordinary Claim to \$300.00, whereupon:

8.1.1 any such Proven Ordinary Claim in excess of \$300.00 shall be deemed, for all purposes, to have been irrevocably and unconditionally reduced to \$300.00 and the Ordinary Creditor having a Proven Ordinary Claim in excess of \$300.00 shall be deemed to have irrevocably and unconditionally waived and renounced to any rights to file a proof of claim in this Proposal in excess of \$300.00 or to participate in any further amount of the Dividend; and

8.1.2 any such Ordinary Creditor shall be treated as an Electing Creditor and such Ordinary Creditor's Ordinary Claim shall be treated as an Electing Creditor Claim under this Proposal.

8.2 The following shall be paid by the Debtor, without any interest thereon whatsoever, in full and final settlement, release and discharge of all

Ordinary Claims (collectively the "**Dividend**"), namely:

- 8.2.1 the full amount of all Proven Electing Creditor Claims shall be paid to the Trustee, no later than 60 days following Approval, for distribution to all Electing Creditors as herein set forth, in full and final settlement, release and discharge of all Electing Creditor Claims; and
 - 8.2.2 an amount of \$35,000.00 (less all amounts set forth in **Section 8.2.1** hereof) shall be paid to the Trustee, no later than 60 days following Approval, for distribution on a *pro rata* basis to all Ordinary Creditors (other than Electing Creditors) as herein set forth.
- 8.3 All amounts referred to in **Section 8.2** shall be paid by the Debtor to the Trustee no later than 60 days following Approval and shall thereafter be distributed by the Trustee to the Ordinary Creditors, according to the amount of their respective Proven Ordinary Claims, as follows:
- 8.3.1 the amount set forth in **Section 8.2.1** hereof shall be distributed by the Trustee to the Electing Creditors according to the amounts of their respective Proven Electing Creditor Claims; and
 - 8.3.2 the amounts set forth in **Section 8.2.2** shall be distributed by the Trustee to the Ordinary Creditors (other than the Electing Creditors), on a *pro rata* basis, according to the amounts of their respective Proven Ordinary Claims.
- 8.4 The Dividend, without any interest whatsoever thereon, once paid by the Debtor to the Trustee in accordance with the provisions of this Proposal, shall constitute full and final settlement of and shall operate as a complete release and discharge of all Ordinary Claims.

9. **UNAFFECTED CREDITORS**

- 9.1 All creditors of the Debtor other than the Creditors shall be unaffected and not bound by this Proposal except to the extent set forth in this Proposal;

10. **CLAIMS AGAINST DIRECTORS**

- 10.1 In accordance with Section 50(13) BIA, Approval of the Proposal shall be deemed, for all purposes whatsoever, to constitute the complete release and discharge of all claims, of any nature or source whatsoever, of all Creditors and any other persons against all of the Debtor's past and present directors which arose before the Proposal Date and which relate to obligations of the Debtor where such directors are by law liable in their capacity as directors for payment of such obligations.

- 10.2 Nothing in the Proposal shall be deemed, in any manner whatsoever, to constitute any acknowledgement of any liability or obligations of any of the Debtor's past or present directors.

11. **PREFERENCES, TRANSFERS AT UNDER VALUE, ETC.**

- 11.1 All of the provisions of and all rights, remedies and recourses under and/or pursuant to:

11.1.1 Sections 95 through 101 *BIA*;

11.1.2 Articles 1631 through 1636 of the *Civil Code of Québec*; and

11.1.3 all other provisions of law, rights, remedies and recourses similar to the provisions of law, rights, remedies and recourses set forth in **Sections 11.1.1 and/or 11.1.2** hereof in any province of Canada other than the Province of Québec,

shall not, in any manner whatsoever, apply to this Proposal.

- 11.2 As a result of and in accordance with the provisions of **Section 11.1** hereof and all of the rights, remedies, recourses and claims therein described:

11.2.1 all of such provisions, rights, remedies and recourses and any claims based thereon shall be completely unavailable to the Trustee or any Creditors against the Debtor, any of the Debtor's property, any other Creditor or any other person whatsoever; and

11.2.2 the Trustee and all of the Creditors shall be deemed, for all purposes whatsoever, to have irrevocably and unconditionally waived and renounced to such provisions, rights, remedies and recourses and any claims based thereon against the Debtor, the Debtor's property, any other Creditor or any other persons,

arising from and/or as a result of any matter whatsoever which occurred at any time prior to the Proposal Date.

12. **COMMITTEE**

- 12.1 A committee (the "**Committee**") of up to 5 individuals shall be appointed by the Ordinary Creditors at a meeting of the Creditors called to consider the Proposal. Such Committee shall be thereafter deemed to have been formed and constituted for the purposes hereafter set forth.

- 12.2 The powers of the Committee shall be limited to the following:

12.2.1 to advise the Trustee in connection with the Trustee's actions under the Proposal, as the Trustee may, from time to time, request;

12.2.2 to postpone, suspend or cause the postponement or suspension of Approval, if deemed necessary by the Trustee and the Committee;

12.2.3 to advise the Trustee concerning any dispute which may arise as to the validity or valuation of any proofs of claim under the Proposal; and

12.2.4 to authorize the deferment of any payment of any of the Dividend under the terms of **Section 8.2** hereof, either in whole or in part, and entirely at the discretion of the Committee.

13. POSTPONED CLAIMS

13.1 Subject to the occurrence and/or fulfillment of each and every one of the Proposal Conditions, each of the Postponing Creditors hereby unconditionally and irrevocably:

13.1.1 subordinates and postpones its entire Postponed Claim to and in favour of full payment of all of the Dividends, such that each of the Postponing Creditors shall not be entitled to receive any payment from the Debtor of any principal of or interest on its Postponed Claim unless and until all of the Dividends shall have been fully paid to the Ordinary Creditors as set forth in the Proposal; and

13.1.2 waives and renounces to any right to prove the whole or any portion of its Postponed Claim as an Ordinary Claim under the Proposal.

13.2 Nothing set forth in **Section 13.1** hereof shall restrict or prohibit any sale or transfer by any Postponing Creditor of its Postponed Claim, provided always that such Postponed Claim has not been repaid by the Debtor and remains owing by the Debtor.

13.3 The provisions of **Section 13.1** hereof shall survive:

13.3.1 any annulment of the Proposal; or

13.3.2 any bankruptcy of the Debtor occurring after occurrence and/or fulfillment of each and every one of the Proposal Conditions but prior to satisfaction of the Proposal.

13.4 Prior to the vote of the Creditors on this Proposal, the Debtor shall provide the Trustee with a written undertaking from each of the Postponing Creditors whereby each of the Postponing Creditors, subject to the occurrence and/or fulfillment of all of the Proposal Conditions, shall agree

to the subordinations and postponements set forth in **Section 13.1** hereof. Nothing herein contained shall constitute any agreement or undertaking by the Postponing Creditors to agree to such subordinations and postponements unless and until such written undertakings is delivered to the Trustee as aforesaid.

14. POWERS OF THE TRUSTEE

14.1 Subject to the rights of the Secured Creditors, the Trustee shall have the following rights, powers and authority, namely:

14.1.1 to have full access to the Debtor's premises as well as the Debtor's books, records and documents in order to obtain such information on the Debtor's activities as the Trustee may consider appropriate, in its sole discretion; and

14.1.2 to examine, accept or contest any security or alleged security of any Secured Creditor or the evaluation thereof.

14.2 The rights, powers and authority set forth and enumerated in **Section 14.1** hereof are in addition to and not in lieu of all of the Trustee's rights, powers and authorities under the *BIA* and any other applicable laws.

15. TRUSTEE

15.1 The Trustee will be the trustee under the Proposal. All monies payable to the Creditors affected by the Proposal shall be paid over to the Trustee which shall make all payments provided for hereunder (including, without limitation, payment of the Dividend), in accordance with the provisions of the Proposal.

16. NOTICE OF PRESENTATION OF APPROVAL MOTION

16.1 Each of:

16.1.1 the Creditors; and

16.1.2 the official receiver (as defined in the *BIA*),

are hereby given notice that, after acceptance of this Proposal by the Creditors entitled to vote thereon in accordance with the relevant provisions of the *BIA*, the Trustee and/or the Debtor will present an application to the Court (the "**Approval Motion**") for Approval;

16.2 The Approval Motion will be presented before the Court (namely the Commercial Division of the Québec Superior Court for the District of Montreal in **Room 16.10** of the Palais de Justice, 1 Notre Dame Street, East, City of Montreal, Province of Québec on **December 21, 2010** at 9

o'clock a.m. or so soon thereafter as counsel may be heard.

- 16.3** The forwarding of this Proposal to the Creditors, and the official receiver (as defined in the *B/A*) shall avail, for all purposes, as valid and proper signification and service of the Approval Motion on all of the Creditors, and the official receiver (as defined in the *B/A*).

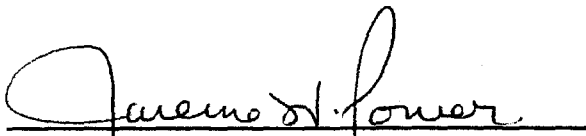
17. PROPOSAL CONDITIONS

- 17.1** This Proposal is expressly subject to the occurrence and/or fulfillment of each and every one of the Proposal Conditions by no later than the date of presentation of the Approval Motion before the Court as set forth in **Section 16.2** above (or such later date as may be agreed to in writing by both the Debtor).
- 17.2** In the event of the non occurrence and/or unfulfillment of any of the Proposal Conditions within the delay set forth in **Section 17.1** above, then this Proposal shall become null, void and inoperative for all purposes.

Montreal, Province of Québec, Canada
this **1st** day of December, 2010.

**POWER CANADA CABLES LTD./
LES CÂBLES POWER CANADA LTÉE**

Per:


WITNESS


Régis Rehel, President

**THIS INFORMATION SHEET
IS SUPPLIED IN ORDER TO ASSIST YOU IN COMPLETING
THE PROOF OF CLAIM FORM**

- ☐ The proof of claim must be signed by the individual completing the form.
- ☐ The signature of the claimant must be witnessed.
- ☐ Give the complete address (including postal code) where all notices and correspondence are to be forwarded.
- ☐ The amount on the statement of account must agree with the amount claimed on the proof of claim.

PARAGRAPH 1 OF THE PROOF OF CLAIM

- ☐ If the individual completing the proof of claim is not the creditor himself, he must state his position or title.
- ☐ The creditor must state the full and complete legal name of the Company or the claimant.

PARAGRAPH 3 OF THE PROOF OF CLAIM

- ☐ A detailed statement of account must be attached to the proof of claim and must show the date, the invoice number and the dollar amount of all the invoices or charges, together with the date, the number and the amount of all credits or payments. A statement of account is not complete if it begins with an amount brought forward. In addition, a creditor must indicate his/her address, phone number, fax number and E-mail address.

PARAGRAPH 4 OF THE PROOF OF CLAIM

- ☐ An unsecured creditor (subparagraph (A)) must check and state whether or not a priority rank is claimed under Section 136 of the Bankruptcy and Insolvency Act.
- ☐ A claim of landlord (subparagraph (B)) for disclaim of lease must be completed with full particulars and calculations.
- ☐ A secured creditor must complete subparagraph (C) and attach a copy of the security documents.
- ☐ A farmer, fisherman or aquaculturist must complete subparagraph (D).
- ☐ A wage earner must complete subparagraph (E), if applicable.
- ☐ A claim against director(s) (subparagraph (F)), in a proposal which compromises a creditor's claim, must contain full particulars and calculations.
- ☐ A customer of a bankrupt securities firm must complete subparagraph (G).

PARAGRAPH 5 OF THE PROOF OF CLAIM

- ☐ The claimant must indicate whether he/she **is** or **is not related** to the debtor, as defined in the Bankruptcy and Insolvency Act, by striking out that which is not applicable.

PARAGRAPH 6 OF THE PROOF OF CLAIM

- ☐ The claimant must attach a detailed list of all payments received and/or credits granted, as follows:
 - a) within the **three months** preceding the initial bankruptcy event, in the case where the claimant and the debtor are **not related**;
 - b) within the **twelve months** preceding the initial bankruptcy event, in the case where the claimant and the debtor are **related**.
- ☐ **PROXY**
 - a) A creditor may vote either in person or by proxy;
 - b) A debtor may not be appointed as proxy to vote at any meeting of the creditors;
 - c) The Trustee may be appointed as a proxy for any creditor;
 - d) In order for a duly authorized person to have a right to vote he must himself be a creditor or be the holder of a properly executed proxy. The name of the creditor must appear in the proxy.

PREUVE DE RÉCLAMATION

(articles 50.1, 81.5 et 81.6, paragraphes 65.2(4), 81.2(1), 81.3(8), 81.4(8), 102(2), 124(2) et 128(1)
et alinéas 51(1)e) et 66.14b) de la Loi)

Expédier tout avis ou toute correspondance concernant la présente réclamation à l'adresse suivante :

Dans l'affaire de la proposition de **Les Câbles Power Canada Ltée** de la ville Saint-Léonard, province de Québec, et de la réclamation de _____, créancier.

Je soussigné, _____ (nom du créancier ou du représentant du créancier), de
_____ (ville et province), certifie ce qui suit :

1. Je suis le créancier du débiteur susnommé (ou je suis _____ (préciser le poste ou la fonction) de _____ (nom du créancier ou de son représentant)).

2. Je suis au courant de toutes les circonstances entourant la réclamation visée par le présent formulaire.

3. Le débiteur était, à la date de la date du dépôt de l'avis de l'intention pour faire une proposition, soit le 12 août 2010, endetté envers le créancier et l'est toujours, pour la somme de _____ \$, comme l'indique l'état de compte (ou l'affidavit) ci-annexé et désigné comme l'annexe A, après déduction du montant de toute créance compensatoire à laquelle le débiteur a droit. (L'état de compte ou l'affidavit-annexé doit faire mention des pièces justificatives ou de toute autre preuve à l'appui de la réclamation.)

4. (Cochez la catégorie qui s'applique et remplissez les parties requises.)

A. RÉCLAMATION NON GARANTIE AU MONTANT DE _____ \$
(autre qu'une réclamation d'un client visée par l'article 262 de la Loi)

En ce qui concerne cette créance, je ne détiens aucun avoir du débiteur à titre de garantie et :

(Cochez ce qui s'applique.)

pour le montant de _____ \$, je ne revendique aucun droit à un rang prioritaire.
(« Créancier chirographaire »)

pour le montant de _____ \$, je revendique le droit à un rang prioritaire en vertu de l'article 136 de la Loi.
(« Créancier privilégié »)

(Indiquez sur une feuille annexée les renseignements à l'appui de la réclamation prioritaire.)

B. RÉCLAMATION DU LOCATEUR SUITE À LA RÉSILIATION D'UN BAIL, AU MONTANT DE _____ \$

J'ai une réclamation en vertu du paragraphe 65.2(4) de la Loi, dont les détails sont mentionnés ci-après.

(Donnez tous les détails de la réclamation, y compris les calculs s'y rapportant.)

C. RÉCLAMATION GARANTIE AU MONTANT DE _____ \$

En ce qui concerne la créance susmentionnée, je détiens des avoirs du débiteur à titre de garantie, dont la valeur estimative s'élève à _____ \$ et dont les détails sont mentionnés ci-après :

(Donnez des renseignements complets au sujet de la garantie, y compris la date à laquelle elle a été donnée et la valeur que vous lui attribuez, et annexe une copie des documents relatifs à la garantie.)

D. RÉCLAMATION D'UN AGRICULTEUR, D'UN PÊCHEUR OU D'UN AQUICULTEUR AU MONTANT DE _____ \$

J'ai une réclamation en vertu du paragraphe 81.2 (1) pour la somme impayée de _____ \$

(Veuillez joindre une copie de l'acte de vente et des reçus de livraison.)

FORMULAIRE 31 (suite)

E. RÉCLAMATION D'UN SALARIÉ AU MONTANT DE _____ \$

J'ai une réclamation en vertu du paragraphe 81.3(8) de la Loi au montant de _____ \$

J'ai une réclamation en vertu du paragraphe 81.4(8) de la Loi au montant de _____ \$

F. RÉCLAMATION D'UN EMPLOYÉ RELATIVE AU RÉGIME DE PENSION AU MONTANT DE _____ \$

J'ai une réclamation en vertu du paragraphe 81.5 de la Loi au montant de _____ \$

J'ai une réclamation en vertu du paragraphe 81.6 de la Loi au montant de _____ \$

G. RÉCLAMATION CONTRE LES ADMINISTRATEURS AU MONTANT DE _____ \$

(A remplir lorsque la proposition vise une transaction quant à une réclamation contre les administrateurs.)

J'ai une réclamation en vertu du paragraphe 50(13) de la Loi, dont les détails sont mentionnés ci-après :

(Donnez tous les détails de la réclamation, y compris les calculs s'y rapportant.)

H. RÉCLAMATION D'UN CLIENT D'UN COURTIER EN VALEURS MOBILIÈRES FAILLI AU MONTANT DE _____ \$.

J'ai une réclamation en tant que client en conformité avec l'article 262 de la Loi pour des capitaux nets, dont les détails sont mentionnés ci-après :

(Donnez tous les détails de la réclamation, y compris les calculs s'y rapportant.)

5. Au meilleur de ma connaissance, je suis lié (ou le créancier susnommé est lié) (ou je ne suis pas lié ou le créancier susnommé n'est pas lié) au débiteur selon l'article 4 de la Loi, et j'ai (ou le créancier susnommé a) (ou je n'ai pas ou le créancier susnommé n'a pas) un lien de dépendance avec le débiteur.

6. Les montants suivants constituent les paiements que j'ai reçus du débiteur, les crédits que j'ai attribués à celui-ci et les opérations sous-évaluées selon le paragraphe 2(1) de la Loi auxquelles j'ai contribué ou été partie intéressée au cours des trois mois (ou, si le créancier et le débiteur sont des « personnes liées » au sens du paragraphe 4(2) de la Loi ou ont un lien de dépendance, au cours des 12 mois) précédant immédiatement l'ouverture de la faillite, telle que définie au paragraphe 2(1) de la Loi. (Donnez les détails des paiements, des crédits et des opérations sous-évaluées.)

Daté le _____, à _____.

Créancier

Témoin

Numéro de téléphone : _____

Numéro de télécopieur : _____

Adresse électronique : _____

REMARQUES : Si un affidavit est joint au présent formulaire, il doit avoir été fait devant une personne autorisée à recevoir des affidavits.

AVERTISSEMENTS : Le syndic peut, en vertu du paragraphe 128(3) de la Loi, racheter une garantie sur paiement au créancier garanti de la créance ou de la valeur de la garantie telle qu'elle a été fixée par le créancier garanti dans la preuve de garantie.

Le paragraphe 201(1) de la Loi prévoit l'imposition de peines sévères en cas de présentation de réclamations, de preuves, de déclarations ou d'états de compte qui sont faux.

FORMULAIRE DE PROCURATION

(paragraphe 102(2) et alinéas 51(1)e) et 66.15(3)b) de la Loi)

Dans l'affaire de la proposition de **Les Câbles Power Canada Ltée**

Je, _____, de _____
(nom du créancier) (nom du village ou de la ville)

créancier dans l'affaire susmentionnée, nomme _____ de _____,
mon fondé de pouvoir à tous égards dans l'affaire susmentionnée, sauf la réception de dividendes, celui-ci étant habilité à nommer un autre fondé de pouvoir à sa place (ou n'étant pas habilité à nommer un autre fondé de pouvoir à sa place).

Daté le _____, à _____.

Créancier

Par : _____

Nom et titre du signataire autorisé

Témoin

PROOF OF CLAIM

(Section 50.1, Subsections 65.2(4), 81.2(1), 81.3(8), 81.4(8), 81.5, 81.6, 102(2), 124(2), 128(1),
and Paragraphs 51(1)(e) and 66.14(b) of the Act)

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

In the Matter of the Proposal of **Power Canada Cables Ltd.** of the City of Saint-Léonard, Province of Quebec, and the claim of _____, creditor.

I, _____ (name of creditor or representative of the creditor), of _____ (city and province), do hereby certify:

1. That I am a creditor of the above-named debtor (or that I am _____ (state position or title) of _____ (name of creditor or representative of the creditor)).

2. That I have knowledge of all of the circumstances connected with the claim referred to below.

3. That the debtor was, at the date of the filing of the Notice of Intention to make a Proposal, namely August 12, 2010, and still is, indebted to the creditor in the sum of \$ _____, as specified in the statement of account (or affidavit) attached and marked Schedule "A," after deducting any counterclaims to which the debtor is entitled. (The attached statement of account or affidavit must specify the vouchers or other evidence in support of the claim.)

4. Check and complete appropriate category

A. UNSECURED CLAIM OF \$ _____

(Other than as a customer contemplated by Section 262 of the Act)

That in respect of this debt, I do not hold any assets of the debtor as security and

(Check appropriate description)

Regarding the amount of \$ _____, I do not claim a right to a priority.

(Ordinary Creditor)

Regarding the amount of \$ _____, I claim a right to a priority under section 136 of the Act.

(Preferred Creditor)

(Set out on an attached sheet details to support priority claim)

B. CLAIM OF LESSOR FOR DISCLAIMER OF A LEASE \$ _____

That I hereby make a claim under subsection 65.2(4) of the Act, particulars of which are as follows:

(Give full particulars of the claim, including the calculations upon which the claim is based)

C. SECURED CLAIM OF \$ _____

That in respect of this debt, I hold assets of the debtor valued at \$ _____ as security, particulars of which are as follows:

(Give full particulars of the security, including the date on which the security was given and the value at which you assess the security, and attach a copy of the security documents.)

D. CLAIM BY FARMER, FISHERMAN OR AQUACULTURIST OF \$ _____

That I hereby make a claim under subsection 81.2(1) of the Act for the unpaid amount of \$ _____

(Attach a copy of sales agreement and delivery receipts).

FORM 31 (Continued)

E. CLAIM BY WAGE EARNER OF \$ _____

That I hereby make a claim under subsection 81.3(8) of the Act in the amount of \$ _____

That I hereby make a claim under subsection 81.4(8) of the Act in the amount of \$ _____

F. CLAIM BY EMPLOYEE FOR UNPAID AMOUNT REGARDING PENSION PLAN OF \$ _____

That I hereby make a claim under subsection 81.5 of the Act in the amount of \$ _____

That I hereby make a claim under subsection 81.6 of the Act in the amount of \$ _____

G. CLAIM AGAINST DIRECTOR \$ _____

(To be completed when a proposal provides for the compromise of claims against directors.)

That I hereby make a claim under subsection 50(13) of the Act, particulars of which are as follows:

(Give full particulars of the claim, including the calculations upon which the claim is based.)

H. CLAIM OF A CUSTOMER OF A BANKRUPT SECURITIES FIRM \$ _____

That I hereby make a claim as a customer for net equity as contemplated by section 262 of the Act, particulars of which are as follows:

(Give full particulars of the claim, including the calculations upon which the claim is based.)

5. That, to the best of my knowledge, I am (or the above-named creditor is) (or am not or is not) related to the debtor within the meaning of section 4 of the Act, and have (or has) (or have not or has not) dealt with the debtor in a non-arm's-length manner.

6. That the following are the payments that I have received from, the credits that I have allowed to, and the transfers at undervalue within the meaning of subsection 2(1) of the Act that I have been privy to or a party to with the debtor within the three months (or, if the creditor and the debtor are related within the meaning of section 4 of the Act or were not dealing with each other at arm's length, within the 12 months) immediately before the date of the initial bankruptcy event within the meaning of subsection 2(1) of the Act: (provide details of payments, credits and transfers at undervalue)

Dated at _____, this _____ day of _____

Creditor

Witness

Telephone number: _____ Fax number: _____

E-mail address: _____

NOTES: If an affidavit is attached, it must have been made before a person qualified to take affidavits.

WARNINGS: A trustee may, pursuant to subsection 128(3) of the Act, redeem a security on payment to the secured creditor of the debt or the value of the security as assessed, in a proof of security, by the secured creditor.

Subsection 201(1) of the Act provides severe penalties for making any false claim, proof, declaration or statement of account.

PROXY

(Subsection 102(2) and paragraphs 51(1)e) and 66.15(3)b) of the Act)

In the Matter of the Proposal of **Power Canada Cables Ltd.**

I, _____, of _____
(name of creditor) (name of town or city)

a creditor in the above matter, hereby appoint _____ of _____
to be my proxyholder in the above matter, except as to the receipt of dividends, with (or without) power to appoint another proxyholder in his or her place.

Dated at _____, this _____ day of _____

Creditor

Per: _____
Name and Title of Signing Officer

Witness

CANADA

Province de Québec
District de: Québec
No division : 01-Montréal
No cour : 500-11-039458-100
No dossier : 41-1393388

COUR SUPÉRIEURE

En matière de faillite et d'insolvabilité
(Chambre commerciale)

FORMULE DE VOTATION
(alinéas 51(1)(f) et 66.15(3)(c) de la Loi)

Dans l'affaire de la proposition de
Les Câbles Power Canada Ltée

Je, _____,
(nom du créancier)

de _____,
(nom de la ville)

(ou Je, _____, de _____,
(nom du représentant du créancier) (nom de la ville)

_____, de _____),
(précisez le poste ou la fonction) (nom du créancier)

créancier dans l'affaire susmentionnée à l'égard de la somme de _____ \$, demande au syndic
agissant relativement à la proposition de **Les Câbles Power Canada Ltée**, de consigner mon vote
_____ (en faveur de ou contre) l'acceptation de la proposition faite le 1^{er} décembre 2010

et choisis l'option : A ☐ Le moindre de la réclamation prouvée ou trois cents dollars (300 \$);

- ou -

B ☐ Une quote-part au pro rata et *pari passu* du solde de la distribution de trente-cinq mille
dollars (35,000 \$) sans intérêt ni pénalité.

Fait à _____ ce _____^e jour de _____ 20____.

Témoïn

Signature du créancier à titre particulier

- OU -

Nom du créancier qui est une personne morale

Témoïn

Par : _____
Signature du signataire autorisé

Nom et titre du signataire autorisé

CANADA
Province of Quebec
District of: Quebec
Division No.: 01-Montréal
Court No.: 500-11-039458-100
Estate No.: 41-1393388

SUPERIOR COURT
In Bankruptcy and Insolvency
(Commercial Division)

VOTING LETTER
(Paragraphs 51(1)(f) and 66.15(3)(c) of the Act)

In the Matter of the Proposal of
Power Canada Cables Ltd.

I, _____,
(name of creditor)
of _____,
(name of city)
(or I, _____, de _____,
(name of the creditor's representative) (name of the city)
_____, de _____),
(title and function) (name of the creditor)

a creditor in the above matter for the sum of \$ _____, hereby request the trustee acting with respect to the proposal of **Power Canada Cables Ltd.**, to record my vote _____ (for or against) the acceptance of the Proposal dated December 1st, 2010

and choose option: **A** ☐ The lesser of the proven claim or three hundred dollars (\$300);

- or -

B ☐ A *pari passu* and pro rata share of the balance of the distribution of thirty-five thousand dollars (\$35,000), without interest and penalty.

Dated at _____ this _____ day of _____, 20____.

Witness

Name of individual creditor

- OR -

Name of corporate creditor

Witness

Per: _____

Signature of signing officer

Name and title of signing officer

CANADA
Province de Québec
District de : Québec
No division : 01 - Montréal
No cour : 500-11-039458-100
No dossier : 41-1393388

COUR SUPÉRIEURE
En matière de faillite et d'insolvabilité
(Chambre commerciale)


**Avis d'audition de la demande d'approbation
par le tribunal d'une proposition**
(alinéa 58 b) de la Loi)

Dans l'affaire de la proposition de
Les Câbles Power Canada Ltée

AVIS vous est donné par les présentes qu'en cas d'acceptation de la proposition de la débitrice par une majorité statutaire des créanciers lors de l'assemblée qui sera tenue le 17^e jour de décembre 2010, une demande sera faite au Registraire ou à l'un des honorables juges de la Cour Supérieure siégeant en matière de faillite et d'insolvabilité (Chambre commerciale) pour le district de Montréal, au Palais de Justice de Montréal, 1, rue Notre-Dame est, salle 16.10, Montréal, Québec, H2Y 1B6, le 21^e jour de décembre 2010 à 9 heures, pour que soit approuvée ladite proposition de la débitrice.

Daté le 3 décembre 2010 à Montréal, province de Québec.

RSM Richter Inc. – Syndic
Par :



Benoit Gingues, CA, CIRP
2, Place Alexis Nihon, bureau 1820
Montréal (Québec) H3Z 3C2
Téléphone : 514.934.3497

Télécopieur : 514.934.3504

CANADA
Province of Québec
District of: Québec
Division no.: 01 - Montréal
Court no.: 500-11-039458-100
Estate no.: 41-1393388

SUPERIOR COURT
In Bankruptcy and Insolvency
(Commercial Division)

Notice of Hearing of Application for Court Approval of Proposal
(Paragraph 58(b) of the Act)


In the Matter of the Proposal of
Power Canada Cables Ltd.

NOTICE is hereby given that an application will be made to the Registrar or to one of the Honorable Judges of the Superior Court sitting in Bankruptcy and Insolvency matters (Commercial Division) for the District of Montreal, at the Court House of Montreal, 1 Notre-Dame Street East, Room 16.10, Montreal, Quebec, H2Y 1B6, on the 21st day of December 2010 at 9:00 a.m. to approve the Proposal of the Debtor should it be duly accepted by the statutory majority of creditors at a meeting to be held on the 17th day of December 2010.

Dated at Montréal, province of Quebec, December 3, 2010.

RSM Richter Inc. – Trustee

Per:



Benoit Gingues, CA, CIRP
2, Place Alexis Nihon, Suite 1820
Montréal (Québec) H3Z 3C2
Telephone: 514.934.3497

Facsimile: 514.934.3504

RSM Richter Inc.

RSM Richter Inc.

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Télécopieur / Facsimile : (514) 934-3504
www.rsmrichter.com

CANADA
Province of Quebec
District of: Quebec
Division No.: 01-Montréal
Court No.: 500-11-039458-100
Estate No.: 41-1393388

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

In the matter of the Proposal of:

POWER CANADA CABLES LTD.,
a corporation duly incorporated having its
head office at 6290 des Grandes Prairies,
St-Leonard, Quebec H1P 1A2

Debtor

- and -

RSM Richter Inc.

Trustee

REPORT OF THE TRUSTEE ON THE FINANCIAL SITUATION OF THE DEBTOR AND ON THE PROPOSAL (Sections 50(10)(b) and 50(5) of the *Bankruptcy and Insolvency Act*)

Please refer to our website www.rsmrichter.com for a French version of this report

The purpose of the Meeting of Creditors is to consider the Proposal filed on December 3, 2010 (hereinafter referred to as "the Proposal") by Power Canada Cables Ltd. (the "Debtor" or the "Company").

Pursuant to Sections 50(10)(b) and 50(5) of the *Bankruptcy and Insolvency Act* (hereinafter referred to as the "Act" or "BIA"), and to assist the creditors in considering the Proposal, the Trustee is submitting its report on the financial situation of the Debtor and on the Proposal.

We caution the reader that we have neither conducted an audit nor a verification of the books and records of the Debtor. Consequently, we cannot render an opinion as to the accuracy of the information contained therein. The information discussed herein emanates from the books and records of the Debtor as well as from our discussions with the Management of the Debtor.

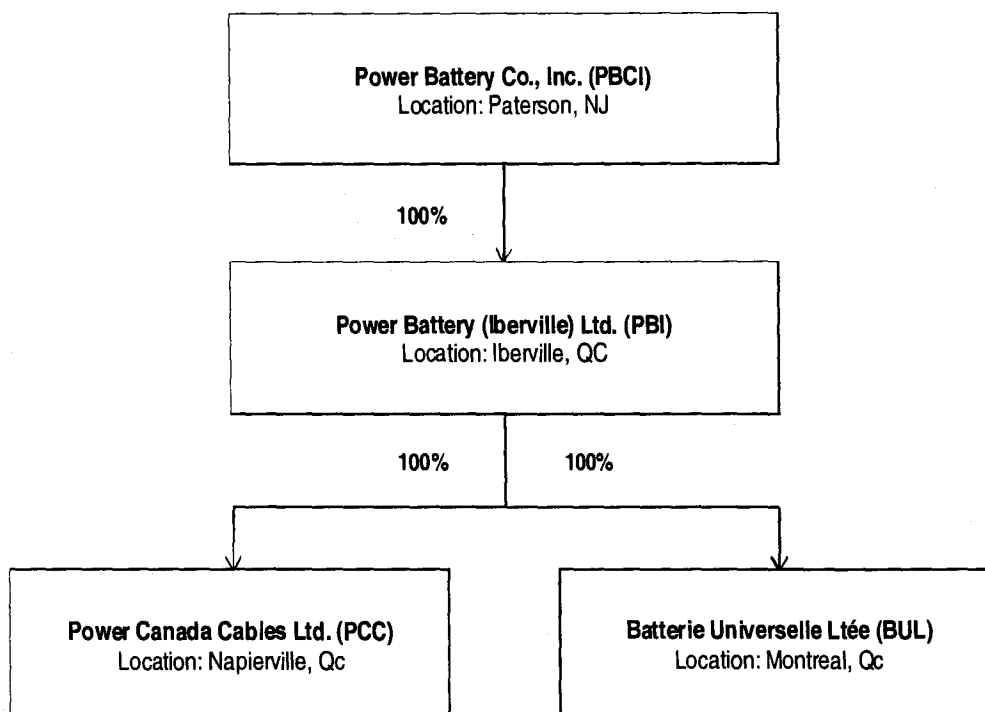
I. INTRODUCTION

On August 12, 2010, the Debtor filed a Notice of Intention to Make a Proposal ("NOI") in accordance with the *Bankruptcy and Insolvency Act*, to its creditors and RSM Richter Inc. ("Richter") was appointed as Trustee under the NOI ("Trustee").

On December 3, 2010, the Debtor filed a Proposal to its creditors. We have enclosed herewith the Proposal made by the Debtor to its creditors, a proof of claim form, a voting form, a proxy, a notice indicating the place and time of the Meeting of the Creditors to consider the Proposal and a Notice of hearing of application for Court approval of the Proposal in the event that the Proposal is accepted by the statutory majority of creditors.

This report summarizes the relevant information and key elements that may assist the creditors in analysing the Debtor's affairs and the terms of the Proposal.

II. ORGANIZATIONAL CHART



III. BACKGROUND AND OPERATIONS OF THE DEBTOR

The Debtor forms part of a corporate group including its parent, Power Battery (Iberville) Ltd. ("PBI"), PBI's parent, Power Battery Co., Inc. ("PBCI" - a New Jersey corporation), and an affiliated company, Batterie Universelle Ltée ("BUL") (collectively, the "Group").

Given the interrelationship between the legal entities within the Group, BUL and PBI have also filed a Proposal with Richter acting as Trustee there under. The Company, BUL and PBI are collectively referred to as the "Canadian Companies".

The Debtor's main business activities consist of the design and manufacturing of specialized cables and terminals used in commercial applications such as refrigeration and lighting units, and of peripheral devices used in conjunction with commercial backup power applications. The Company employs 11 people and operates out of a leased 22,000 square foot facility located in Napierville, Quebec. The Company's operations are part of the Group's battery related business unit (the "Battery Segment").

IV. CAUSES OF INSOLVENCY AND RESTRUCTURING MEASURES

Although the Company has been marginally profitable for the past two fiscal years, its financing is intertwined with that of the other entities within the Group, resulting in a significant cash flow pressure on its operations. All of the Company's assets are pledged as security to PBI's principal secured creditor, the National Bank of Canada ("NBC") who is owed in excess of \$15MM and is estimated to suffer a shortfall on its advances.

Richter has been actively involved with the group's management in analyzing the Group's financial situation and performance and their restructuring alternatives. In August 2010, PBI hired a new President and Chief Executive Officer ("CEO"). His mandate is to implement restructuring measures to improve the operations profitability.

To date, several restructuring measures to rationalize PBI's operations and improve its financial situation have been implemented. Aside from the proceedings undertaken under the BIA, the reorganization measures implemented include the following:

- Replacing senior management with an interim management team ("Management");
- Centralize all battery manufacturing operations to Iberville and shut-down the battery manufacturing operations in Paterson, NJ;
- Re-engineering of the production process in Iberville;
- Reassignment of the work force and headcount reductions;
- Filling of certain previously vacant positions;
- Analysis of product line profitability;
- Optimization of salespersons' compensation programs;
- Renegotiation of the collective bargaining agreement; and
- Planning the transfer of cabinet assembly: at this time, cabinet assembly remains in Paterson on a temporary basis until the Company secures the necessary infrastructure to assemble all cabinets.

The only manner by which the Group can complete its restructuring, finance its on-going operations and survive financially is to receive a capital injection. It was determined that the best way to maximize value for the creditors was to seek potential purchasers that would either buy the assets of the Group on a going-concern basis or invest in the Group as part of a financial restructuring. On August 12, 2010, the Group has retained the services of Richter to assist in the implementation of a formal process to sell the business units whether by a sale of assets or by way of an investment in the Group ("Sale Process").

V. PLAN OF ACTION

a) Sale Process

As part of its mandate, Richter has assisted the Group in preparing a virtual data room ("Data Room") to assist interested parties in making an investment decision. The Data Room included the following information:

- Corporate background and history;
- Organizational chart;
- Historical financial information;
- Financial projections for the next two fiscal years and a summary of Management's assumptions;
- A description and listing of the assets at the various locations; and
- Key contractual agreements.

The following documents related to the search for potential investors or purchasers (collectively "Potential Purchasers") for each of the business segments have been prepared by Richter ("Information Package"):

- Letter of solicitation;
- Summary information ("Teaser"); and
- Confidentiality Agreement ("CA").

Richter has performed a thorough research in order to identify parties that may have interest in the Battery Segment opportunity. On October 5, 2010 the Information Package was sent to approximately 375 Potential Purchasers (both strategic and investment funds).

Following the mailing of the Information Package, Richter contacted the Potential Purchasers to follow up on their level of interest. These efforts resulted in the receipt of 22 signed CA's from Potential Purchasers for the Battery Segment. All parties who have signed a CA were given access to the Data Room.

In order to accelerate the process, Richter contacted the Potential Purchasers in order to provide them with additional information and schedule conference calls with Management, all with the view of providing the potential buyers or investors with the opportunity to thoroughly evaluate an acquisition or investment transaction on a timely basis.

A number of teleconferences were organized by Richter and attended by several Potential Purchasers and Management and many Potential Purchasers met with Management.

Richter requested that offers be received by November 23, 2010.

On November 23, 2010, one (1) offer and three (3) letters of intent ("LOI") were received. The offer was for the purchase of certain of the Group's assets. Of the three (3) LOI's, two (2) were for the purchase of the Group's assets as a whole. The third LOI was received from a group of investors ("Investor Group") that contemplated an investment in PBI as part of a global financial restructuring.

The Board of Directors of PBI approved the filing of a Proposal which provides for an investment of \$1MM in PBI by the Investor Group under certain conditions (the "Investor Group Transaction"), considering that this transaction allowed for the best return for all stakeholders particularly the Group's creditors.

b) Description of the investment and timetable

The Investor Group Transaction provided in PBI's Proposal contemplates an investment in PBI by way of equity of \$1MM. We understand from different correspondence that the Investor Group would advance another \$1MM to PBI in the form of subordinated debt. The Investor Group Transaction is conditional on the following:

- The approval of a Proposal by the Unsecured Creditors of each of the Canadian Companies and the Court; and
- A successful restructuring of the PBI's indebtedness owing to its secured creditors.

The closing of the transaction is expected to take place as soon as the above conditions are met.

The sequence of events that is contemplated is that upon acceptance of the Proposal by the Creditors, the Company will seek shortly thereafter the Court's approval of the Proposal. Therefore, the Investor Group Transaction could be concluded in December 2010.

The above assumes that the Investor Group will be successful in its negotiations with PBI's secured creditors. Before the Meeting of Creditors, the Investor Group will inform the Trustee whether or not they successfully entered into agreements with PBI's secured creditors and the Trustee will inform the Creditors at the Meeting of Creditors.

VI. PROPOSAL

Summary

The Proposal provides for the Debtor to remit to the Trustee no later than 60 days following the Approval an amount of \$35,000 for distribution to Ordinary Creditors in full and final payment of their unsecured claim, without interest or penalty. **The success of the Proposal is dependent on the successful conclusion of the Investor Group Transaction.**

The Proposal provides that at any time within (but not after) 15 days following Approval, any Ordinary Creditor may elect to receive the lesser of \$300 or the amount of its Ordinary Claim and that any such Ordinary Claim in excess of \$300 shall be deemed to be irrevocably and unconditionally reduced to \$300 (defined as an Electing Creditor). Electing Creditors will receive a one-time payment to a maximum of \$300 from the funds to be remitted by the Company to the Trustee. Thereafter, Electing Creditors shall not receive any further dividends.

Creditors are advised to read the Proposal for complete details of the terms of the Proposal.

Amounts to be paid as a priority

According to the terms of the Proposal, the following amounts must be paid in priority:

- All Secured Claims shall be paid in accordance with existing agreements or as may be otherwise arranged with each of the Secured Creditors. For greater certainty, the Debtor acknowledges that the Proposal is not addressed to and shall have no effect on the rights of the holders of secured claims;
- All Crown Claims, to the extent not already paid by the Debtor in the ordinary course of the Debtor's business, shall be paid in full, within 6 months after Approval of the Proposal or as may otherwise be arranged with the Crown;
- The Employee Claims relating to employees who are continuing in employment with the Debtor shall be paid in the normal course of business. Amounts owing to employees who are not currently employed by the Debtor and that they would have been entitled to receive under Section 136(1)(d) of the Act if their employer had been declared bankrupt on the date of the Approval of the Proposal, shall be paid in their entirety on the latest of the following dates:
 - 5 days after acceptance of a valid proof of claim from such employee or the Court's definitively determining such proof of claim to be valid;
 - the date of Approval of the Proposal by both the creditors and the Court; or
 - the date of receipt of the relevant certificates required in virtue of Section 46 of the Employment Insurance Act, of Canada.
- The Preferred Claims, without interest or penalty, shall be paid in their entirety in priority to unsecured claims, within thirty (30) days of the Approval of the Proposal;
- The Proposal costs shall be paid in priority to all priority claims and all unsecured claims; and
- Post-filing obligations shall be paid in full in the ordinary course of business and according to usual commercial terms or according to agreements between the Debtor and suppliers.

Other

- The Proposal provides that the statutory terms of Sections 95 to 101 of the Act, and similar Civil Code of Quebec provisions, shall not apply as permitted by Section 101.1 of the Act;
- The Proposal will constitute a compromise of all claims against directors and will operate as a full and complete discharge in favor of such directors with respect to such claims;
- Upon acceptance of the Proposal, the related companies and/or individuals that are creditors agree as follows in respect of funds owing to them (the "Postponed Claims"):

- the Postponed Claims shall be subordinated and postponed and shall not be entitled to receive payment from the Debtor of any principal or interest unless and until all of the dividends shall have been fully paid to Ordinary Creditors under the Proposal; and
- The Postponing Creditors waive and renounce to any right to prove the whole or any portion of any Postponed Claim as an ordinary claim under the Proposal.

Creditor Committee

The Debtor consents to the creation of a committee which shall be comprised of up to five (5) individuals (the "Committee") designated by the creditors at the meeting of creditors to consider the Proposal. The Committee shall have the power to advise the Trustee in connection with the Trustee's actions under the Proposal:

- to advise the Trustee in connection with the Trustee's actions under the Proposal;
- to postpone or suspend the Approval of the Proposal;
- to advise the Trustee in connection with any dispute as to the validity or valuation of any proof of claim under the Proposal; and
- to authorize the deferment of any payment of any of the dividends to ordinary creditors provided for in the Proposal.

VII. FINANCIAL INFORMATION

The following financial data was extracted either from the Statement of Affairs dated December 2, 2010, the books and records of the Debtor, the audited financial statements or from discussions held with Management. This information is submitted solely to assist the reader in assessing the current financial position of the Debtor.

The Trustee makes no representations or warranty as to the accuracy of said financial information.

c) Non-Consolidated Statement of Operations and Retained Earnings

Power Canada Cables Ltd. Summary Income Statement and Retained Earnings			
(In 000's)	F2010 Unaudited	F2009 Unaudited	F2008 Unaudited
Net Sales	\$ 2,431	\$ 3,065	\$ 2,854
Cost of Sales	1,803	2,848	2,511
Gross Profit	628	217	343
	26%	7%	12%
Selling Expenses	21	19	19
Administrative and General Expenses	254	261	240
Financial Expenses	189	(153)	91
Income Taxes	-	25	(9)
	464	152	341
Net Earnings (Loss)	164	65	1
Retained Earnings, Beginning	490	343	341
Accounting Changes	-	83	-
Retained Earnings, Ending	\$ 654	\$ 490	\$ 343

d) Non-Consolidated Balance Sheet

Power Canada Cables Ltd. Balance Sheet	
(In 000's)	As of August 31, 2010 Unaudited
Assets	
Accounts Receivable	\$ 364
Inventory	530
Receivables from Related Parties	225
	<u>1,119</u>
Capital Assets (as net book value)	332
	<u>\$ 1,451</u>
Liabilities	
Line of Credit	\$ 174
Accounts Payables	282
Other Payables	91
Payables to Related Parties	159
	<u>706</u>
Long Term Debt	63
Shareholder's Equity	
Capital Stock	53
Retained Earnings	629
	<u>682</u>
	<u>\$ 1,451</u>

- i. **Accounts receivable** – Accounts receivable are net of a provision of approximately \$18,000 (estimated book value as at the date of this report \$422,000).
- ii. **Inventory** – Inventory is comprised of raw materials, work in process and finished goods and is reflected net of a provision of approximately \$103,000 for slow-moving and obsolete items. Based on the Company's perpetual inventory system as at October 31, 2010, the net book value of inventory amounts to approximately \$420,000.
- iii. **Other Current Assets and Prepaid Expenses** – These are mainly comprised of various prepayments and deposits (insurance, security deposits etc..) related to the Company's operations.
- iv. **Receivables from Related Parties** – The net amounts owing from the Company's related parties are not likely to be collected. The following table summarizes the amounts receivable from related parties as at the date of the Statement of Affairs:

Power Canada Cables Ltd. Accounts Receivable from Related Parties As of December 2, 2010	
(In 000's)	Amount
PBCI	\$ 204
BUL	20
	<u>\$ 225</u>

We comment as follows:

- **PBCI** is presently being wound-down as its manufacturing operations have ceased. All of the assets of PBCI are pledged in favor of its secured creditors and it is therefore unlikely that any recovery would be available to the ordinary creditors; and
 - **BUL** is a related company who is also insolvent. All of its assets are pledged in favor of PBI's secured creditor and consequently, it is unlikely that any recovery would be available to the ordinary creditors of the Company.
- v. **Capital Assets** – These are presented at their depreciated cost and do not reflect any write downs to their liquidation value. The balance is comprised of the net book value of the Company's equipment, moulds, rolling stock and furniture and fixtures. All of the Company's capital assets have been pledged in favor of PBI's secured creditor and it appears that there would be no recovery for the ordinary creditors of the Company.

VIII. LIABILITIES

The Debtor has provided us with a list of its creditors. Notices have been sent to the known creditors and, to date, we are unable to determine if the Debtor's records agree with those of its creditors. As Proofs of Claim are received, we shall record the specific amounts claimed by the creditors and, prior to paying any dividend, we shall perform a variance analysis.

Liabilities indicated below are based on the books and records of the Debtor, the Statement of Affairs as well as Management's representations, estimated as follows:

i. Secured Creditors

All assets of the Debtor are encumbered in favour of NBC as security for PBI's obligations which are in excess of \$15MM. The Trustee has retained the services of Me. Michel LaRoche from LaRoche Rouleau & Associés to provide an independent legal opinion on the validity of the security of the NBC prior to the Meeting of Creditors to consider the Proposal. As per the Statement of Affairs, \$15.96MM of secured claims are entirely due to the NBC.

ii. Unsecured Creditors

According to the unaudited books and records of the Debtor, as of August 12, 2010, the total amount of estimated pre-filing unsecured payables is approximately \$606,000 (including payables to related parties of approximately \$277,000). We caution that these amounts may change as proofs of claim are received, in particular pertaining to any unsecured portion (shortfall) of the Secured Creditor's claim.

IX. VOTING ON THE PROPOSAL

The Proposal shall be deemed to be accepted by the creditors if, and only if, the unsecured creditors vote for the acceptance of the Proposal by a majority in number and two-thirds in value of the unsecured creditors present, personally or by proxy, at the meeting and voting on the resolution.

X. ESTIMATE AS TO DISTRIBUTION TO CREDITORS

In the event that the creditors reject the Proposal, the Debtor will automatically be bankrupt and the net proceeds of the sale of assets after the payment of the Trustee's fees and expenses will be distributed to the creditors in the order provided for under the Act. The following information is to inform the creditors on the estimate as to the distribution to creditors under the Proposal in comparison to the estimated distribution under a bankruptcy scenario.

a) Proposal

We estimate that the distribution to ordinary unsecured creditors identified in the Debtor's Statement of Affairs could correspond to the following:

Power Canada Cables Ltd. Proposal Estimated Distribution As of December 2, 2010			
(000's)	Amount		
Dividend to be paid		\$ 35	
	Claim Amount ¹	Distribution	
Secured Claims	\$ 15,956	N/A	
Preferred Claims ²	-	-	
Unsecured Claims ³	329	\$ 35	11%
		<u>\$ 35</u>	
¹ Claim amounts are based on the liabilities included in the Statement of Affairs dated December 2, 2010.			
² At the time of the preparation of this report, no preferred claims existed as all unpaid salaries and vacation pay were paid by the Debtor in the normal course of business since the filing of the Notice of Intention. Management of Power Canada Cables Ltd. does not know of nor expect any preferred claims.			
³ Excluding unsecured claims from related parties totalling \$277,000 who will forego their dividend in the Proposal.			

b) Bankruptcy Scenario

In a bankruptcy scenario, based on the value of the assets and liabilities as reflected in the Statement of Affairs dated December 2, 2010, we estimate that the distribution would be as follows:

Power Canada Cables Ltd. Bankruptcy Estimated Distribution As of December 2, 2010		
(000's)	Book Value	Estimated Value ¹
Accounts receivable	\$ 422	\$ 220
Intercompany receivables	225	-
Inventory	420	250
Capital Assets	315	200
	<u>\$ 1,382</u>	<u>670</u>
Priority Claims - WEPPA		(24)
Professional fees and realization costs		(75)
Estimated net proceeds available for distribution		<u>571</u>
Secured Claims ²		<u>15,956</u>
Estimated Shortfall of the Secured Creditor		<u>\$ (15,385)</u>
Ordinary Creditors		\$ 606
Estimated Shortfall of the Secured Creditor		<u>15,385</u>
Total Ordinary Claims		<u>\$ 15,991</u>
% Distribution		0%
¹ Estimated values are as per the Statement of Affairs dated December 2, 2010.		
² As per the Statement of Affairs dated December 2, 2010.		

c) Other Considerations

The following are additional elements to be considered in the event of a bankruptcy:

i. Inopposability of some transactions

By the Approval of the Proposal, all the creditors waive their remedies provided by sections 95 to 101 of the Act. These remedies relate to the recovery of certain amounts under reviewable transactions, preferential treatments and asset disposals.

Since these remedies would be available in the event of a bankruptcy of the Debtor, we have performed a summary analysis of various transactions involving the Debtor and non-related third parties and related parties over the 3 months and 12 months respectively prior to the filing of the NOI.

- **Non-related Third Parties**

Based on our review of the amounts payable to third parties (suppliers) between three months prior to the filing of the NOI and the date of NOI, we do not note any creditor who appears to have received a preferential payment.

- **Related Parties**

Based on our review of payments made to related parties, between twelve months prior to the filing of the NOI and the date of the NOI, we did not note any payments made which appear to have been in the nature of a preference or which would be a reviewable transaction under the Act.

ii. Ongoing Operations

Acceptance of the Proposal will avoid a bankruptcy and will be of benefit to the following constituents:

Approximately 12 employees will have continued employment at the Company's facility; and Merchandise suppliers and service providers will have a going concern entity with which to continue doing business.

XI. CONCLUSION

After having estimated the amount that may be available for the creditors in the context of a bankruptcy, we are of the opinion that the present Proposal is more advantageous to the creditors.

It is estimated that the Proposal would provide the creditors with a dividend of approximately \$0.10 on the dollar to the Ordinary Creditors as presented in the Statement of Affairs, compared to an estimated dividend of nil in the event of a bankruptcy.

For these reasons, the Trustee recommends the approval of the Proposal.

Dated at Montréal, this 3rd day of December 2010.

RSM Richter Inc.
Trustee

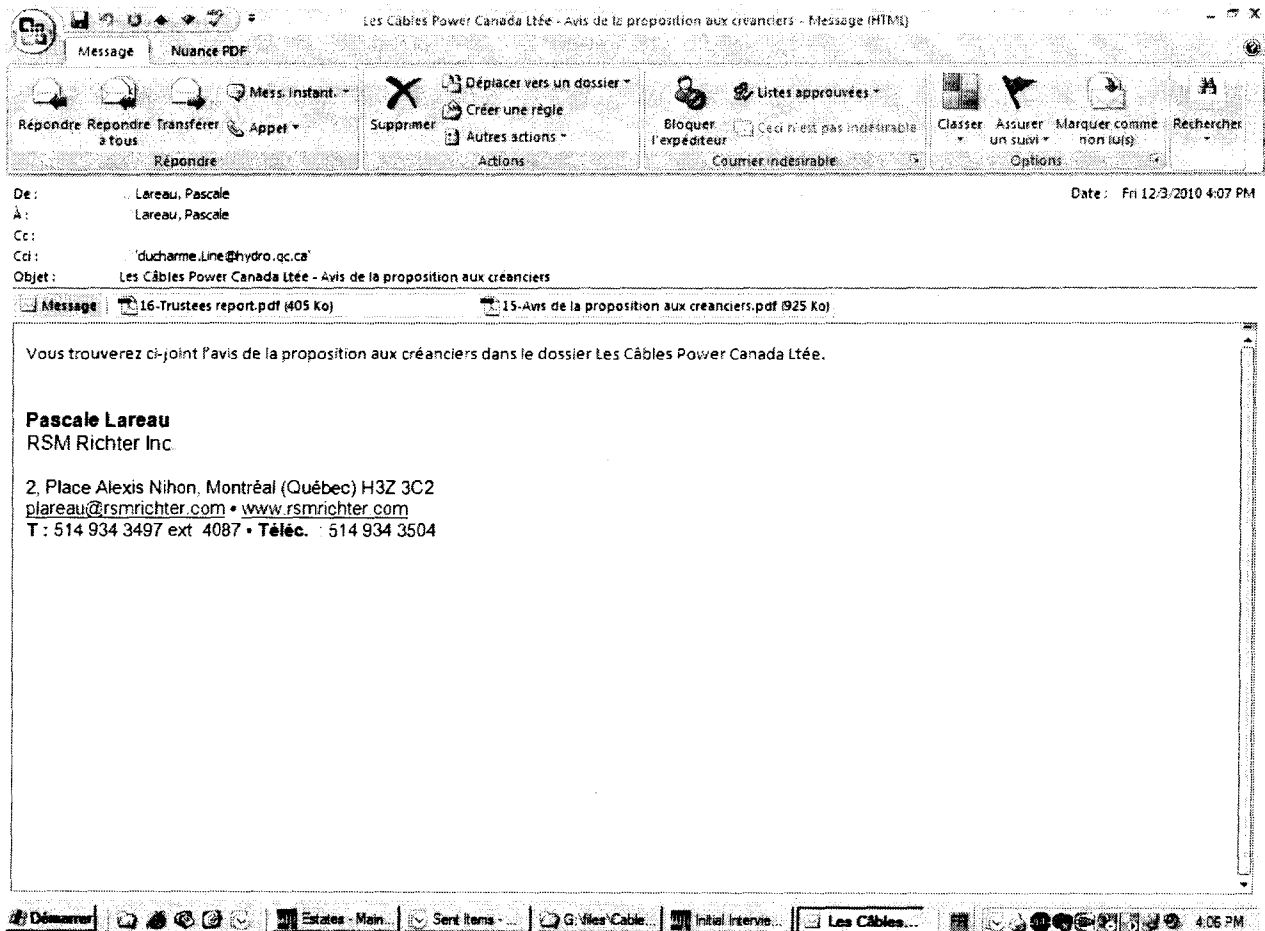


Benoit Gingues, CA, CIRP
Administrator

**Dans l'affaire de la proposition de / In the Matter of the Proposal of
Les Câbles Power Canada Ltée / Power Canada Cables Ltd.**

Envois supplémentaires par courriel / Supplementary mailings by e-mail

[illegible]



District of: Quebec
Division No. 01 - Montréal
Court No. 500-11-039458-100
Estate No. 41-1393388

- FORM 01.1 -

General Sender Identification for: Copies of all Prescribed Forms
Sent to Creditor(s) Electronically

In the Matter of the Proposal of
Power Canada Cables Ltd.
Of the City of Saint Leonard
In the Province of Quebec

Dated at the Ville of Montréal in the Province of Quebec, this 3rd day of December 2010.

Responsible Individual (Sender): Benoit Gingues, CA, CIRP
(Trustee)

Corporate Name: RSM Richter Inc.

Address: 2 Place Alexis Nihon, Suite 1820
Montréal QC H3Z 3C2

Telephone: (514) 934-3497

Fax: (514) 934-3504

E-mail:

NOTICE

Please be advised that the above-noted individual is required to retain the signed original
of the document as part of the official records of this proceeding.

**Bureau du surintendant
des faillites Canada**Un organisme
d'Industrie Canada**Office of the Superintendent
of Bankruptcy Canada**An Agency of
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dossier](#)[Mise à jour](#)[Préférences](#)[Manuel](#)[Sortie](#)

Dépôt électronique | mise à jour:

Le numéro de référence de cette transaction est : 5651242.

Déposé par Lucie Leroux.
(2010-12-06 14:11 HNE)

Les dossiers suivants ont été mis à jour :

- **Numéro de dossier :** 41-1393388

Nom du dossier : Power Canada Cables Ltd.

Les documents suivants ont été déposés avec succès :

- Avis de la proposition aux créanciers

Veuillez [cliquer ici](#) si vous souhaitez déposer un autre document pour ce dossier.

Si vous souhaitez déposer un document relatif à un autre dossier, veuillez cliquer sur le bouton « Mise à jour » de la barre de navigation au haut de l'écran.

Mise à jour : 2010-09-17



[Avis importants](#)

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dossier](#)[Mise à jour](#)[Préférences](#)[Manuel](#)[Sortie](#)

Dépôt électronique | mise à jour:

Le numéro de référence de cette transaction est : 5651304.

Déposé par Lucie Leroux.
(2010-12-06 14:18 HNE)

Les dossiers suivants ont été mis à jour :

- **Numéro de dossier :** 41-1393388

Nom du dossier : Power Canada Cables Ltd.

Les documents suivants ont été déposés avec succès :

- Report of the Trustee on the Financial Situation of Debtor and on Proposal

Veillez [cliquer ici](#) si vous souhaitez déposer un autre document pour ce dossier.

Si vous souhaitez déposer un document relatif à un autre dossier, veuillez cliquer sur le bouton « Mise à jour » de la barre de navigation au haut de l'écran.

COUR SUPÉRIEURE
En matière de faillite et d'insolvabilité
(Chambre commerciale)

Province de Québec
District de Québec
No Division : 01-Montréal
No Cour : 500-11-039458-100

Dans l'affaire de la proposition de

Les Câbles Power Canada Ltée

Personne morale insolvable

- et -

RSM Richter Inc.

Syndic

AFFIDAVIT D'ENVOI
Avis de la proposition aux créanciers

RSM Richter Inc.
2 Place Alexis Nihon, bureau 1820
Montréal (Québec) H3Z 3C2
Téléphone : 514.934.3497
Télécopieur : 514.934.3504

Exhibit C

The Caron group's investment is subject to your agreeing to accept the Proposals which Power Battery Group is now making, court approval of such Proposals and satisfactory arrangements between Power Battery Group and its secured creditors (principally, National Bank of Canada, GE Real Estate Financing business Property Company and Alter Moneta Corporation). We and the investor group are in mature stages of an acceptable deal with National Bank of Canada and will hope to shortly complete acceptable deals with our other secured creditors.

The Proposals to you, our unsecured creditors, will give you a single lump-sum payment within 60 days of Court approval. This payment, while less than your total claims, is still dramatically better than you would achieve through a bankruptcy liquidation. If all goes according to plan, we anticipate receiving court approval on December 21, 2010.

A successful restructuring will enable the Caron group to make its investment into Power Battery Group and will allow Power Battery Group to emerge from this insolvency process as a strong and viable business. Your support and acceptance of the Proposals which we are now making to you are a key component in this restructuring.

On behalf of Power Battery Group, I want to apologize to you for the losses that you have incurred. We hope that the new restructured Power Battery Group can continue to count on your support and that we can re-establish our good business relations with you.

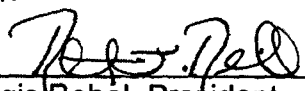
I invite you to read the Trustee's report which is enclosed herewith for all of the details of our proposed restructuring. If you have any enquiries, feel free to contact us or the Trustee.

We sincerely hope that we can count on your support.

Yours truly,

**POWER BATTERY (IBERVILLE) LTD.
POWER CANADA CABLES LTD.,
BATTERIE UNIVERSELLE LTÉE**

Per:



Régis Rehel, President

RSM Richter Inc.

RSM Richter Inc.
2, Place Alexis Nihon, bureau 1820
Montréal (Québec) H3Z 3C2
Téléphone / Telephone : 514.934.3497
Télécopieur / Facsimile : 514.934.3504
www.rsmrichter.com

CANADA

Province de Québec
District de : Québec
No division : 01 - Montréal
No cour : 500-11-039458-100
No dossier : 41-1393388

COUR SUPÉRIEURE

En matière de faillite et d'insolvabilité
(Chambre commerciale)

Avis de la proposition aux créanciers (article 51 de la Loi)

Dans l'affaire de la proposition de
Les Câbles Power Canada Ltée

Avis est donné que Les Câbles Power Canada Ltée de la ville de Saint-Léonard, en la province de Québec, a déposé une proposition entre nos mains, en vertu de la Loi sur la faillite et l'insolvabilité.

Ci-inclus une copie de la proposition, d'un état succinct de son actif et de son passif ainsi qu'une liste des créanciers visés par la proposition et dont les réclamations se chiffrent à 250 \$ ou plus.

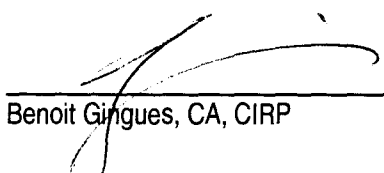
Une assemblée générale des créanciers sera tenue au Bureau du surintendant des faillites au 5, Place Ville Marie, 8^e étage, Montréal, le 17 décembre 2010 à 10 H 30.

Les créanciers ou toute catégorie de créanciers ayant droit de voter à l'assemblée peuvent, au moyen d'une résolution, accepter la proposition, telle que formulée ou telle que modifiée à l'assemblée. Si la proposition est ainsi acceptée et si elle est approuvée par le tribunal, elle deviendra obligatoire pour tous les créanciers ou pour la catégorie de créanciers visés.

Les preuves de réclamation, procurations et formulaires de votation dont l'usage est projeté à l'assemblée doivent nous être remises au préalable.

Daté le 3 décembre, à Montréal en la province de Québec.

RSM Richter Inc. - Syndic
Par :


Benoit Girguez, CA, CIRP

(English – over)

RSM Richter Inc.

RSM Richter Inc.
2, Place Alexis Nihon, Suite 1820
Montréal (Québec) H3Z 3C2
Téléphone / Telephone : 514.934.3497
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www.rsmrichter.com

C A N A D A
Province of Québec
District of: Québec
Division No. 01 - Montréal
Court No. 500-11-039458-100
Estate No. 41-1393388

S U P E R I O R C O U R T
In Bankruptcy and Insolvency
(Commercial Division)

Notice of Proposal to Creditors (Section 51 of the Act)

In the Matter of the Proposal of
Power Canada Cables Ltd.

Take notice that Power Canada Cables Ltd. of the City of Saint Léonard in the Province of Quebec has lodged with us a proposal under the Bankruptcy and Insolvency Act.

A copy of the proposal, a condensed statement of the debtor's assets, and liabilities, and a list of the creditors affected by the proposal and whose claims amount to \$250 or more are enclosed herewith.

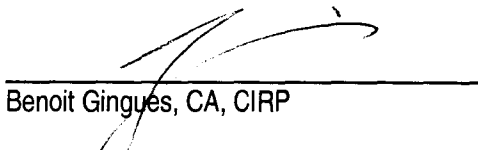
A general meeting of the creditors will be held at the Office of the Superintendent of Bankruptcy at 5 Place Ville Marie, 8th Floor, Montréal, on December 17, 2010 at 10:30 A.M.

The creditors or any class of creditors qualified to vote at the meeting may by resolution accept the proposal either as made or as altered or modified at the meeting. If so accepted and if approved by the court the proposal is binding on all the creditors or the class of creditors affected.

Proofs of claim, proxies and voting letters intended to be used at the meeting must be lodged with us prior to the commencement of the meeting.

Dated at Montréal, in the Province of Quebec, December 3, 2010.

RSM Richter Inc. - Trustee
Per:


Benoit Gingues, CA, CIRP

(français – au recto)

District de: Québec
No division: 01 - Montréal
No cour: 500-11-039458-100
No dossier: 41-1393388

☒ original

☐ modifié

TRADUCTION

-- FORMULAIRE 78 --
Bilan - proposition déposée par une entité
(paragraphe 49(2), alinéa 158d) et paragraphes 50(2) et 62(1) de la Loi)

Dans l'affaire de la proposition de
Les Câbles Power Canada Ltée
de la ville de St. Leonard
en la province de Québec

Au débiteur

Vous êtes tenu de remplir avec soin et exactitude le présent formulaire et les annexes applicables indiquant la situation de vos affaires à la date du dépôt de votre proposition (ou de votre avis d'intention) le 12 août 2010. Une fois complété, ce formulaire et les listes annexées, constituent votre bilan, qui doit être vérifié sous serment ou par une déclaration solennelle.

PASSIF

(Tel que déclaré et estimé par l'officier)

1. Créanciers non garantis: voir liste "A"	606,518.31
Équilibre de réclamations non garantis: voir liste "A"	15,286,000.00
Créanciers non garantis total.	15,892,518.31
2. Créanciers garantis: voir liste "B"	670,000.00
3. Créanciers privilégiés: voir liste "C"	24,000.00
4. Dettes éventuelles, réclamations de fiducie ou autres (voir liste D)pouvant être réclamées pour une somme de	0.00
Total du passif.	16,586,518.31
Surplus.	NIL

ACTIF

(Tel que déclaré et estimé par l'officier)

1. Inventaire	250,000.00
2. Aménagements	0.00
3. Comptes à recevoir et autres créances: voir liste E	
Bonnes	220,000.00
Douteuses	0.00
Mauvaises	427,000.00
Estimation des créances qui peuvent être réalisées ..	220,000.00
4. Lettres de change, billets à ordre, etc., voir liste F	0.00
5. Dépôts en institutions financières	0.00
6. Espèces	0.00
7. Bétail	0.00
8. Machines, outillage et installation	200,000.00
9. Immeubles et biens réels: voir liste G	0.00
10. Ameublement	0.00
11. REER, FERR, Assurances-vie etc	0.00
12. Valeurs mobilières, (actions, obligations, débetures etc.	0.00
13. Droits en vertu de testaments	0.00
14. Véhicules	0.00
15. Autres biens: voir liste H	0.00
Si le débiteur est une personne morale, ajoute	
Montant du capital souscrit	53,383.00
Montant du capital payé	53,383.00
Solde souscrit et impayé	0.00
Estimation du solde qui peut être réalisé	0.00
Total de l'actif	670,000.00
Déficit	15,916,518.31

Je, Regis J Rehel, de Brossard en la province de Québec, étant dûment assermenté (ou ayant déclaré solennellement) déclare que le bilan qui suit et les listes annexées sont, à ma connaissance, un relevé complet, véridique et entier de mes affaires en ce 12 août 2010, et indiquent au complet tous mes biens de quelque nature qu'ils soient, en ma possession et réversibles, tels que définis par la Loi.

ASSERMENTÉ (ou DÉCLARÉ SOLENNELLEMENT)
devant moi le 2 décembre 2010,
à Montréal en la province de Québec.

Renia Rudnicki, Commissaire à l'Assermentation
pour la province de Québec
Expire le 12 fév 2011

Regis J Rehel

District of: Quebec
Court No. 01 - Montréal
Court No. 500-11-039458-100
Estate No. 41-1393388

☒ Original ☐ Amended

-- FORM 78 --

Statement of Affairs (Business Proposal) made by an entity
(Subsection 49(2) and Paragraph 158(d) of the Act / Subsections 50(2) and 62(1) of the Act)

In the Matter of the Proposal of
Power Canada Cables Ltd.
Of the City of Saint Leonard
In the Province of Quebec

To the debtor

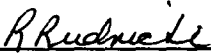
You are required to carefully and accurately complete this form and the applicable attachments showing the state of your affairs on the date of the filing of your proposal (or notice of intention, if applicable), on the 12th day of August 2010. When completed, this Form and the applicable attachments will constitute the Statement of Affairs and must be verified by oath or solemn declaration.

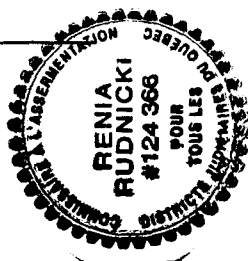
LIABILITIES	
(As stated and estimated by the officer)	
1. Unsecured creditors as per list "A"	606,518.31
Balance of claims unsecured as per list "A" ..	15,286,000.00
Total unsecured creditors	15,892,518.31
2. Secured creditors value of security as per list "B"	670,000.00
3. Preferred creditors as per list "C"	24,000.00
4. Contingent, trust claims or other liabilities as per list "D" estimated to be reclaimable for	0.00
Total liabilities	16,586,518.31
Surplus	NIL

ASSETS	
(as stated and estimated by the officer)	
1. Inventory	250,000.00
2. Trade fixtures, etc.	0.00
3. Accounts receivable and other receivables, as per list "E"	
Good	220,000.00
Doubtful	0.00
Bad	427,000.00
Estimated to produce	220,000.00
4. Bills of exchange, promissory note, etc., as per list "F" ..	0.00
5. Deposits in financial institutions	0.00
6. Cash	0.00
7. Livestock	0.00
8. Machinery, equipment and plant	200,000.00
9. Real property or immovables as per list "G"	0.00
10. Furniture	0.00
11. RRSPs, RRIFs, life insurance, etc.	0.00
12. Securities (shares, bonds, debentures, etc.)	0.00
13. Interests under wills	0.00
14. Vehicles	0.00
15. Other property, as per list "H"	0.00
If debtor is a corporation, add:	
Amount of subscribed capital	53,383.00
Amount paid on capital	53,383.00
Balance subscribed and unpaid	0.00
Estimated to produce	0.00
Total assets	670,000.00
Deficiency	15,916,518.31

I, Regis J Rehel, of the City of Brossard in the Province of Quebec, do swear (or solemnly declare) that this statement and the attached lists are to the best of my knowledge, a full, true and complete statement of my affairs on the 12th day of August 2010 and fully disclose all property of every description that is in my possession or that may devolve on me in accordance with the Act.

SWORN (or SOLEMNLY DECLARED)
before me at the Ville of Montréal in the Province of Quebec,
on this 2nd day of December 2010.


Renia Rudnicki, Commissioner of Oaths
For the Province of Quebec
Expires Feb. 12, 2011




Regis J Rehel

District of Quebec
Division No. 01- Montréal
Court No. 500-11-039458-100
Estate No. 41-1393388

-- FORM 78 -- Continued --

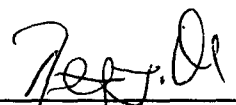
List "A"
Unsecured Creditors

Power Canada Cables Ltd.

No.	Name of creditor	Address	Unsecured claim	Balance of claim unsecured	Total claim
1	A.S.E. EQUIPEMENT INC	2153 ROUTE 133 ST-JEAN-SUR-RICHELIEU QC J2X 5K9	627.27	0.00	627.27
2	ACCESSOTRONIK	9305 TRANS-CANADA ST-LAURENT QC H4S 1V3	1,465.16	0.00	1,465.16
3	ALARME SPL ATOUT INC.	357 RUE DE L' ÉGLISE NAPIERVILLE QC J0J 1L0	395.06	0.00	395.06
4	ANIXTER INC.	A/S M9017C CASE POSTALE 11792 DEPARTEMENT 5 MONTREAL QC H3C 0C6	149,581.77	0.00	149,581.77
5	BANQUE NATIONALE DU CANADA	600 RUE DE LA GAUCHETIER O. MONTREAL QC H3B 4L2	0.00	15,286,000.00	15,286,000.00
6	BELL CANADA	SUCCURSALE CENTRE-VILLE CASE POSTALE 8712 MONTREAL QC H3C 3P6	835.99	0.00	835.99
7	BGL BROKERAGE LTD	SUITE 123 300 RUE ST-SACREMENT MONTREAL QC H2Y 1X4	618.03	0.00	618.03
8	CANADIAN BRASS AND COPPER PROCESSING CO.	225 DONEY CRES. CONCORD ON L4K 1P9	598.50	0.00	598.50
9	CEB COURRIER	LOCAL 4 2045 de la Métropole Longueuil QC J4G 1S9	696.20	0.00	696.20
10	COMMISSION SCOLAIRE DES GRANDE SEIGNEURIES	CASE POSTALE 11482 MONTREAL QC H3C 5P7	3,497.54	0.00	3,497.54
11	DELTA GROUP	STATION A P.O. BOX 15030 TORONTO ON M5W 1C1	38,896.73	0.00	38,896.73
12	DIRECT WIRE AND CABLE INC *	P.O. BOX 57 68 DENVER ROAD DENVER PA 17517 USA	363.58	0.00	363.58
13	EMF CORPORATION *	P.O. BOX 389 505 POKAGON TRAIL ANGOLA IN 46703 USA	13,701.71	0.00	13,701.71
14	EXM MANUFACTURING LTD.	870 BOUL. MICHELE-BOHEC BLAINVILLE QC J7C 5E2	7,956.40	0.00	7,956.40
15	FEDERAL EXPRESS CANADA LTD.	Stn A P.O. BOX 4626 TORONTO ON M5W 5B4	270.81	0.00	270.81
16	FUTECH HITECH INC.	A/S PAYABLES 352 RUE McARTHUR ST-LAURENT QC H4T 1X8	9,767.76	0.00	9,767.76
17	GAZ METROPOLITAIN	1717 RUE DU HAVRE MONTREAL QC H2K 2X3	20.57	0.00	20.57
18	GMAC	333 BOUL DE LA COTE VERTU MONTREAL QC H4R 2N1	0.00	0.00	0.00

02-Dec-2010

Date


Regis J Rehel

District of Quebec
Division No. 01- Montréal
Court No. 500-11-039458-100
Estate No. 41-1393388

-- FORM 78 -- Continued --

List "A"
Unsecured Creditors

Power Canada Cables Ltd.

No.	Name of creditor	Address	Unsecured claim	Balance of claim unsecured	Total claim
19	INTERTEK TESTING SERVICES NA LTD.	PLACE D'ARMES P.O. BOX 1626 MONTREAL QC H2Y 3L2	4,864.56	0.00	4,864.56
20	ITM INSTRUMENTS INC.	20800 BOULEVARD INDUSTRIEL STE-ANNE-DE-BELLEVUE QC H9X 0A1	487.17	0.00	487.17
21	JEAN-PIERRE GUAY TRANSPORT	1700 GRAND BERNIER ST-BLAISE QC J0J 1L0	2,409.30	0.00	2,409.30
22	KIRK KEY INTERLOCK *	211 WETMORE AVE S.E. MASSILLON OH 44646 USA	16,589.60	0.00	16,589.60
23	LAREAU ET FILS ASSURANCES INC.	C.P. 580 353 ST-JACQUES NAPIERVILLE QC J0J 1L0	871.75	0.00	871.75
24	LAUSERCO	7950 RUE VAUBAN ANJOU QC H1J 2X5	1,084.58	0.00	1,084.58
25	LIFT CAPITAL	300 THE EAST MALL, SUITE 401 TORONTO ON M9B 6B7	0.00	0.00	0.00
26	METAL SIGMA INC.	LOCAL 218 200A ST-LOUIS, ST-JEAN-SUR-RICHELIEU QC J3B 1Y1	11,100.46	0.00	11,100.46
27	MIZE & COMPANY INC. *	P.O. BOX 516 KINGMAN KS 67068 USA	62.13	0.00	62.13
28	MUN. ST-CYPRIEN-DE-NAPIERVILLE	121 RANG CYR ST-CYPRIEN-DE-NAPIERVILLE QC J0J 1L0	4,573.36	0.00	4,573.36
29	NATIK	SUITE 702 2001 DE LA METROPOLE LONGUEUIL QC J4G 1S9	5,459.32	0.00	5,459.32
30	NET COMMUNICATIONS	BUREAU 109 923 BOUL. DU SEMINAIRE NORD ST-JEAN-SUR-RICHELIEU QC J3B 1B6	133.08	0.00	133.08
31	NORMAN G. JENSEN, INC. *	BOX 3479 TORONTO ON M5L 1K1	216.91	0.00	216.91
32	PEI-GENESIS *	2180 HORNIG ROAD PHILADELPHIA PA 19116-4289 USA	10,013.32	0.00	10,013.32
33	POWER BATTERY IBERVILLE	770 THOMAS St Jean sur Richelieu QC	277,517.00	0.00	277,517.00
34	PROSTATIX	9055 MILTON MONTREAL QC H4X 2H1	1,605.08	0.00	1,605.08
35	PROTO PLUS/LCP PRECISION INC.	415 RUE NORMAN LACHINE QC H8R 1A4	7,292.80	0.00	7,292.80
36	PUROLATOR COURRIER LTD	P.O.BOX 1100 ETOBICO POSTAL STATION ETOBICOKE ON M9C 5K2	265.15	0.00	265.15
37	QUICK CABLE CANADA LTD.	6395 KESTREL ROAD MISSISSAUGA ON L5T 1Z5	203.65	0.00	203.65
38	QUINCAILLERIE DEMERS	2166 MARIE-VICTORIN LONGUEIL QC J4G 1A9	1,469.83	0.00	1,469.83

02-Dec-2010

Date


Regis J Rehel

District of Quebec
Division No. 01 - Montréal
Court No. 500-11039458-100
Estate No. 41-1393388

-- FORM 78 -- Continued --

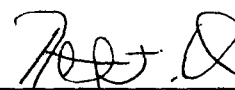
List "A"
Unsecured Creditors

Power Canada Cables Ltd.

No.	Name of creditor	Address	Unsecured claim	Balance of claim unsecured	Total claim
39	RAYMOND, CHABOT, GRANT,	600 DE LA GAUCHETIERE ST. W, SUITE 2000 MONTREAL QC H3B 4L8	677.25	0.00	677.25
40	RECEIVER GENERAL DU CANADA	305, RENE LEVESQUE OUEST MONTREAL QC H2Z 1A6	1,542.27	0.00	1,542.27
41	ROSSPAR LIMITED	17-1755 PLUMMER STREET PICKERING ON L1W 3S1	4,472.70	0.00	4,472.70
42	SCHLEUNIGER INC.	1492 WALLACE RD, UNIT 4 OAKVILLE ON L6L 2Y2	882.93	0.00	882.93
43	SENCOM INFORMATIQUE INC.	1186 ROUTE 133 SAINTE-ANNE-DE-BELLEVUE QC J0J 2G0	95.94	0.00	95.94
44	SURE SEAL CONNECTIONS *	2180 HORNIG ROAD PHILADELPHIA PA 19116-4289 USA	1,860.00	0.00	1,860.00
45	TERMACO LTEE	325 BOUL INDUSTRIEL ST-JEAN-SUR-RICHELIEU QC J3B 7M3	180.60	0.00	180.60
46	TRANSPORT BOURASSA INC.	800 RUE DIJON ST-JEAN-SUR-RICHELIEU QC J3B 8G3	3,763.69	0.00	3,763.69
47	TRANSPORT L-60	115-A CHAMPLAIN ST-JEAN-SUR-RICHELIEU QC J3B 6V1	338.34	0.00	338.34
48	TTI INC. *	SUITE 102 52 HYMUS POINTE-CLAIRE QC H9R 1C9	8,008.03	0.00	8,008.03
49	TYCO ELECTRONICS CANADA LTD	20 ESNA PARK DR. MARKHAM ON L3R 1E1	3,980.35	0.00	3,980.35
50	U.P.S.	P.O.BOX 2127 CRO HALIFAX NS B3J 3B7	109.54	0.00	109.54
51	UNDERWRITERS' LABORATORIES OF CANADA	POSTAL STATION A P.O. BOX 57063 TORONTO ON M5W 5M5	2,847.84	0.00	2,847.84
52	ZUS EXCHANGE 1.0434	- --	2,246.70	0.00	2,246.70
Total:			606,518.31	15,286,000.00	15,892,518.31

02-Dec-2010

Date


Regis J Rehel

District of Quebec
Division No. 01 - Montréal
Court No. 500-11-039458-100
Estate No. 41-1393388

-- FORM 78 -- Continued --

List "B"
Secured Creditors

Power Canada Cables Ltd.

No.	Name of creditor	Address	Amount of claim	Particulars of security	When given	Estimated value of security	Estimated surplus from security	Balance of claim unsecured
1	BANQUE NATIONALE DU CANADA	600 RUE DE LA GAUCHETIER O. MONTREAL QC H3B 4L2	15,956,000.00	Debts Due - Business - Inter company receivables Debts Due - Business - Accounts receivable Business Assets - Machinery - Equipment Business Assets - Trade Fixtures - Office equipment and fixtures Business Assets - Stock In Trade - Inventory		0.00 220,000.00 200,000.00 0.00 250,000.00		 15,286,000.00
Total:			15,956,000.00			670,000.00	0.00	15,286,000.00

02-Dec-2010

Date


Regis J Rehel

District of Quebec
Division No. 01 - Montréal
Court No. 500-11-039458-100
Estate No. 41-1393388

-- FORM 78 -- Continued --

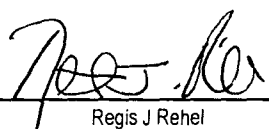
List "C"
Preferred Creditors for Wages, Rent, etc.

Power Canada Cables Ltd.

No.	Name of creditor	Address and occupation	Nature of claim	Period during which claim accrued	Amount of claim	Amount payable in full	Difference ranking for dividend
1	VACATIONS	- - -		-	24,000.00	0.00	24,000.00
Total:					24,000.00	0.00	24,000.00

02-Dec-2010

Date


Regis J Rehel

C A N A D A

PROVINCE OF QUEBEC
DISTRICT OF MONTREAL

S U P E R I O R C O U R T
(Commercial Division)

NO: 500-11-039458-100

SUPERINTENDENT'S NO:
41-1393388

IN THE MATTER OF THE PROPOSAL OF:

POWER CANADA CABLES LTD./
LES CÂBLES POWER CANADA LTÉE

Debtor

PROPOSAL
(under the provisions of the *BIA*)

POWER CANADA CABLES LTD./LES CÂBLES POWER CANADA LTÉE ("Debtor"),
hereby submits the following Proposal under the *BIA*:

1. DEFINITIONS AND INTERPRETATION

1.1 In addition to words and terms otherwise defined herein, whenever used herein:

1.1.2 "Approval" means:

- (a) acceptance of this Proposal (or the PBI Proposal or the BU Proposal, as the case may be) by the statutory majority of Creditors (or PBI's creditors or BU's creditors, as the case may be) entitled to vote thereon in accordance with the relevant provisions of the *BIA*;
- (b) the approval of this Proposal (or the PBI Proposal or the BU Proposal, as the case may be) by the Court by judgment rendered by such Court which has become executory as a result of the delay for appeal having expired without there having been an appeal lodged therefrom or, if an appeal is lodged therefrom, such judgment of the Court having been confirmed or such appeal withdrawn; and
- (c) the approval and the ordering of the Equity Restructuring by the Court by judgment rendered by such Court which has become executory as a result of the delay for appeal having

expired without there having been an appeal lodged therefrom or, if an appeal is lodged therefrom, such judgment of the Court having been confirmed or such appeal withdrawn;

1.1.3 "Approval Motion" has the meaning set forth in **Section 16.1** hereof;

1.1.4 "BIA" means the *Bankruptcy and Insolvency Act*, Canada, RSC 1985, c.B-3, as amended;

1.1.5 "BU" means Batterie Universelle Ltée;

1.1.6 "BU Proposal" means the "Proposal" made by BU under even date herewith pursuant to the relevant provisions of the *BIA* as well as any and all future amendments thereto;

1.1.7 "CBCA" means the *Canada Business Corporations Act*, Canada, RSC 1985, c.C-44, as amended;

1.1.8 "Civil Code" means the *Civil Code of Quebec*;

1.1.9 "Committee" has the meaning set forth in **Section 12.1** hereof;

1.1.10 "Court" means the the Québec Superior Court for the District of Montréal, sitting as both:

(a) the "court" as envisaged and defined in Section 2(1) *BIA* and includes any Justice thereof or, if applicable, the Registrar or any Deputy Registrar thereof; and

(b) sitting as the "court" as envisaged in Section 191 *CBCA* and includes any Justice thereof;

1.1.11 "Creditors" means all creditors affected by the Proposal, namely the Crown, the Preferred Creditors, the Employee Creditors and the Ordinary Creditors, and "**Creditor**" means any of them. All other creditors of the Debtor shall not be, in any manner whatsoever, affected or bound by this Proposal;

1.1.12 "Crown" means Her Majesty in Right of Canada or any province of Canada;

1.1.13 "Crown Claims" means all claims of the Crown as set forth and described in Section 60(1.1) *BIA*, which were outstanding on the Proposal Date, and "**Crown Claim**" means any of them;

1.1.14 "Dividend" have the meaning set forth in **Section 8.2** hereof;

1.1.15 "Electing Creditor Claims" means all Proven Ordinary Claims in respect of which the Ordinary Creditors have elected (as set forth in **Section 8.1** hereof) to receive the lesser of \$300.00 or the amount of their Ordinary Claims or to reduce their respective Ordinary Claims to \$300.00, and **"Electing Creditor Claim"** means any of them;

1.1.16 "Electing Creditors" means Ordinary Creditors having Electing Creditor Claims and **"Electing Creditor"** means any of them;

1.1.17 "Employee Claims" means:

- (a) all amounts which the Debtor's present or former employees would have been entitled to receive under Section 136(1)(d) *BIA* if the Debtor had become bankrupt on the Proposal Date as well as wages, salaries, commissions or compensation for services rendered from and after the Proposal Date up to and including the date of Approval of this Proposal, together with, in the case of traveling salesmen, disbursements properly incurred by those salesmen in and about the Debtor's business during the same period, all as envisaged by Section 60(1.3) *BIA*; and
- (b) to the extent that the Debtor participated in a "prescribed pension plan" as envisaged by Section 60(1.5) *BIA*, all amounts envisaged by Section 60(1.5)(a) *BIA* which may be unpaid on the Proposal Date and which are required to be paid from and after the Proposal Date up to and including the Date of Approval of this Proposal,

and **"Employee Claim"** means any of them;

1.1.18 "Employee Creditors" means all of the Debtor's past and present employees having Employee Claims and **"Employee Creditor"** means any of them;

1.1.19 "Equity Restructuring" has the meaning set forth in the PBI Proposal;

1.1.20 "Ordinary Claims" means all claims other than Crown Claims, Employee Claims, Preferred Claims and Secured Claims, of any nature or source whatsoever, resulting from and/or arising out of any transaction entered into by the Debtor prior to the Proposal Date or any event which occurred prior to the Proposal Date, whether due or not due as of the Proposal Date and includes all such claims which are contingent and unliquidated (once quantified or liquidated) and **"Ordinary Claim"** means any of them. In

addition to and notwithstanding the foregoing, "Ordinary Claims" include, under all circumstances:

- (a) all Electing Creditor Claims;
- (b) all claims resulting from or arising out of any breaches of any obligations contracted by the Debtor prior to the Proposal Date where such breaches occurred (i) at any time prior to the Proposal Date, or (ii) at any time between the Proposal Date and the date hereof; and
- (c) any proof of claim which may be filed by a Secured Creditor in excess of the Value of such Secured Creditor's Security, as envisaged by Paragraph 6.2.3 hereof.

1.1.21 "Ordinary Creditors" means all persons having Ordinary Claims and **"Ordinary Creditor"** means any of them;

1.1.22 "PBI" means "Power Battery (Iberville) Ltd./Batteries Power (Iberville) Ltée;

1.1.23 "PBI Proposal" means the "Proposal" made by PBI under even date herewith pursuant to the relevant provisions of the *BIA* (including a reorganization under the relevant provisions of the *CBCA*) as well as any and all future amendments thereto;

1.1.24 "Postponed Claims" means any and all Ordinary Claims and any and all Secured Claims of any or all of the Postponing Creditors, as well as, any and all other claims of any nature or source whatsoever, of any or all of the Postponing Creditors against the Debtor which existed as at the Proposal Date;

1.1.25 "Postponing Creditors" means each and every one of PBI, BU, Les Investissements Rasmussen Inc., William A. Rasmussen and any other person which is "related" to William A. Rasmussen (as envisaged by Section 4 *BIA*), and **"Postponing Creditor"** means any of them;

1.1.26 "Preferred Claims" means all claims, other than Employee Claims, as set forth and described in Sections 136(1)(a) through 136(1)(c) *BIA* and in Sections 136(1)(e) through 136(1)(j) *BIA*, being such claims directed by the *BIA* to be paid in priority to all other claims in the distribution of the property of a bankrupt to the extent applicable to this Proposal and **"Preferred Claim"** means any of them;

1.1.27 "Preferred Creditors" means all persons having Preferred Claims and **"Preferred Creditor"** means any of them;

1.1.28 "Proposal" means the "Proposal" as well as any and all future amendments hereto, which amendments may be made at any time prior to a vote by the Creditors hereon or by the Court at the time of Approval;

1.1.29 "Proposal Conditions" means the occurrence and/or fulfillment of each of each and every one of the following conditions precedent (unless expressly waived in writing, in whole or in part, by both the Debtor and the Investor), namely:

- (a) the Approval of this Proposal;
- (b) the Approval of the PBI Proposal;
- (c) the Approval of the BU Proposal; and
- (d) the entering into between the Debtor and each of the Secured Creditors (including, without limitation, National Bank of Canada) of binding agreements restructuring all indebtedness owing by the Debtor to such Secured Creditors on terms and conditions satisfactory to the Debtor;

1.1.30 "Proposal Date" means **August 12, 2010**, being the date upon which the Debtor filed its Notice of Intention to Make a Proposal pursuant to Section 50.4(1) *BIA*;

1.1.31 "Proposal Expenses" means all proper fees, expenses, liabilities and obligations of the Trustee as well as all legal fees, accounting fees and consulting fees for, in respect of and/or incidental to all proceedings and matters pertaining to the Debtor's notice of intention to make a proposal and the Proposal and includes, without limitation, all advice to the Debtor in connection therewith;

1.1.32 "Proven" with reference to any Crown Claims, Employee Claims, Preferred Claims and Ordinary Claims, all such claims that have been the object of a proof of claim in accordance with Section 124 *BIA*, filed with the Trustee in due time and allowed by the latter. With respect thereto to all such claims:

- (a) contingent and unliquidated claims and claims payable at a future time shall be governed by Sections 121(2) and 121(3) *BIA*;
- (b) every provision of the *BIA* dealing with the right to vote a claim shall apply to this Proposal; and
- (c) Proven Ordinary Claims under successive performance contracts which have not been repudiated or terminated by

the Debtor shall be limited to amounts owing by the Debtor thereunder accruing only up to (but not after) the Proposal Date;

1.1.33 "Secured Claim" means the claim of each Secured Creditor and "Secured Claims" means all of them;

1.1.34 "Secured Creditor" means all creditors holding Security and "Secured Creditor" means any of them;

1.1.35 "Security" means:

- (a) all of the mortgages, hypothecs, pledges, charges, liens or other rights as set forth in and envisaged under the definition of "secured creditor" in Section 2(1) *BIA*; and
- (b) the rights of a lessor under any contract of leasing as envisaged by Articles 1842 and following of the *Civil Code*;

1.1.36 "Trustee" means RSM Richter Inc., the trustee under the Debtor's Notice of Intention to Make a Proposal and the trustee named herein; and

1.1.37 "Value" means, with respect to any claim filed by a Secured Creditor, the value of such Secured Creditor's Security as assessed by the Secured Creditor and accepted by the Trustee or as determined by the Court;

1.2 The paragraph headings herein contained are for ease of reference only, shall not form part of the Proposal and shall not be utilized, in any manner whatsoever, in the interpretation of the Proposal.

1.3 Whenever the context so provides, all references to the masculine shall include the feminine and *vice versa* and all references to the singular shall include the plural and *vice versa*.

1.4 In the event of any inconsistencies or discrepancies between the English language version of the Proposal and the French language version of the Proposal, the English language version of the Proposal shall govern and prevail under all circumstances.

2. PROPOSAL EXPENSES

2.1 All Proposal Expenses, to the extent not already paid by the Debtor in the ordinary course of the Debtor's business, shall be paid by the Debtor in priority to all Preferred Claims and Ordinary Claims.

3. EMPLOYEE CLAIMS

- 3.1** Subject to **Paragraphs 3.2 and 3.3** hereof, all Proven Employee Claims will be paid in full, immediately after Approval.
- 3.2** With respect to all of the Employee Creditors who are currently employed by the Debtor, all of their Employee Claims have been or shall have been fully paid by the Debtor to such Employees, in the normal course of the Debtor's business.
- 3.3** With respect to the Employee Creditors who are not currently employed by the Debtor (being, for greater certainty, all of the Employee Creditors other than those referred to in **Paragraph 3.2** hereof), all of their Proven Employee Claims will be paid in full on the latest of the following dates, namely:
- 3.3.1** 5 days after acceptance of a valid proof of claim from such Employee Creditor or the Court's definitively determining such proof of claim to be valid;
- 3.3.2** the date of Approval; or
- 3.3.3** the date of receipt of the relevant certificates required in virtue of Section 46 of the *Employment Insurance Act*, Canada.
- 3.4** The Debtor undertakes to request all relevant certificates required in virtue of Section 46 of the *Employment Insurance Act*, Canada upon acceptance of each Employee Claim.

4. CROWN CLAIMS

- 4.1** All Proven Crown Claims, to the extent not already paid by the Debtor in the ordinary course of the Debtor's business, shall be paid in full, within 6 months after Approval or as may otherwise be arranged with the Crown.

5. PREFERRED CLAIMS

- 5.1** Within 30 days following Approval or as may otherwise be arranged with each individual Preferred Creditor, all Proven Preferred Claims of Preferred Creditors, without any interest whatsoever thereon, shall be paid prior to payment of all Ordinary Claims and after payment of all Crown Claims and Employee Claims.

6. SECURED CREDITORS

- 6.1** All Secured Claims shall be paid in accordance with existing agreements with each relevant Secured Creditor or as may be otherwise agreed with each such Secured Creditors;

6.2 For greater certainty:

6.2.1 This Proposal is not addressed to the Secured Creditors;

6.2.2 All Secured Creditors and their Secured Claims shall not, in any manner whatsoever, be affected or bound by this Proposal to the extent of their Secured Claims; and

6.2.3 If a Secured Creditor chooses to file a proof of claim and values its Security in order to be considered as an Ordinary Creditor, then the Proven claim of each such Secured Creditor in excess of the Value of its Security shall be included in the class of Ordinary Claims under this Proposal unless such Secured Creditor has agreed otherwise in writing.

7. SUBSEQUENT CLAIMS

7.1 All claims arising in respect of property supplied, services rendered or other consideration given to the Debtor subsequent to the Proposal Date, including, without limitation, all salaries, remuneration and other compensation of the Debtor's employees for current services, have been or shall be paid in full by the Debtor in the ordinary course of the Debtor's business.

8. ORDINARY CLAIMS

8.1 At any time within (but not after) 15 days following Approval, any Ordinary Creditor may elect in writing (as provided for in its proof of claim or in any other manner acceptable to the Trustee) to receive the lesser of \$300.00 or the amount of its Proven Ordinary Claim or to irrevocably and unconditionally reduce such Proven Ordinary Claim to \$300.00, whereupon:

8.1.1 any such Proven Ordinary Claim in excess of \$300.00 shall be deemed, for all purposes, to have been irrevocably and unconditionally reduced to \$300.00 and the Ordinary Creditor having a Proven Ordinary Claim in excess of \$300.00 shall be deemed to have irrevocably and unconditionally waived and renounced to any rights to file a proof of claim in this Proposal in excess of \$300.00 or to participate in any further amount of the Dividend; and

8.1.2 any such Ordinary Creditor shall be treated as an Electing Creditor and such Ordinary Creditor's Ordinary Claim shall be treated as an Electing Creditor Claim under this Proposal.

8.2 The following shall be paid by the Debtor, without any interest thereon whatsoever, in full and final settlement, release and discharge of all

Ordinary Claims (collectively the "**Dividend**"), namely:

- 8.2.1 the full amount of all Proven Electing Creditor Claims shall be paid to the Trustee, no later than 60 days following Approval, for distribution to all Electing Creditors as herein set forth, in full and final settlement, release and discharge of all Electing Creditor Claims; and
- 8.2.2 an amount of \$35,000.00 (less all amounts set forth in **Section 8.2.1** hereof) shall be paid to the Trustee, no later than 60 days following Approval, for distribution on a *pro rata* basis to all Ordinary Creditors (other than Electing Creditors) as herein set forth.
- 8.3 All amounts referred to in **Section 8.2** shall be paid by the Debtor to the Trustee no later than 60 days following Approval and shall thereafter be distributed by the Trustee to the Ordinary Creditors, according to the amount of their respective Proven Ordinary Claims, as follows:
 - 8.3.1 the amount set forth in **Section 8.2.1** hereof shall be distributed by the Trustee to the Electing Creditors according to the amounts of their respective Proven Electing Creditor Claims; and
 - 8.3.2 the amounts set forth in **Section 8.2.2** shall be distributed by the Trustee to the Ordinary Creditors (other than the Electing Creditors), on a *pro rata* basis, according to the amounts of their respective Proven Ordinary Claims.
- 8.4 The Dividend, without any interest whatsoever thereon, once paid by the Debtor to the Trustee in accordance with the provisions of this Proposal, shall constitute full and final settlement of and shall operate as a complete release and discharge of all Ordinary Claims.

9. UNAFFECTED CREDITORS

- 9.1 All creditors of the Debtor other than the Creditors shall be unaffected and not bound by this Proposal except to the extent set forth in this Proposal;

10. CLAIMS AGAINST DIRECTORS

- 10.1 In accordance with Section 50(13) B/A, Approval of the Proposal shall be deemed, for all purposes whatsoever, to constitute the complete release and discharge of all claims, of any nature or source whatsoever, of all Creditors and any other persons against all of the Debtor's past and present directors which arose before the Proposal Date and which relate to obligations of the Debtor where such directors are by law liable in their capacity as directors for payment of such obligations.

- 10.2 Nothing in the Proposal shall be deemed, in any manner whatsoever, to constitute any acknowledgement of any liability or obligations of any of the Debtor's past or present directors.

11. **PREFERENCES, TRANSFERS AT UNDER VALUE, ETC.**

- 11.1 All of the provisions of and all rights, remedies and recourses under and/or pursuant to:

11.1.1 Sections 95 through 101 *BIA*;

11.1.2 Articles 1631 through 1636 of the *Civil Code of Québec*; and

11.1.3 all other provisions of law, rights, remedies and recourses similar to the provisions of law, rights, remedies and recourses set forth in **Sections 11.1.1 and/or 11.1.2** hereof in any province of Canada other than the Province of Québec,

shall not, in any manner whatsoever, apply to this Proposal.

- 11.2 As a result of and in accordance with the provisions of **Section 11.1** hereof and all of the rights, remedies, recourses and claims therein described:

11.2.1 all of such provisions, rights, remedies and recourses and any claims based thereon shall be completely unavailable to the Trustee or any Creditors against the Debtor, any of the Debtor's property, any other Creditor or any other person whatsoever; and

11.2.2 the Trustee and all of the Creditors shall be deemed, for all purposes whatsoever, to have irrevocably and unconditionally waived and renounced to such provisions, rights, remedies and recourses and any claims based thereon against the Debtor, the Debtor's property, any other Creditor or any other persons,

arising from and/or as a result of any matter whatsoever which occurred at any time prior to the Proposal Date.

12. **COMMITTEE**

- 12.1 A committee (the "**Committee**") of up to 5 individuals shall be appointed by the Ordinary Creditors at a meeting of the Creditors called to consider the Proposal. Such Committee shall be thereafter deemed to have been formed and constituted for the purposes hereafter set forth.

- 12.2 The powers of the Committee shall be limited to the following:

12.2.1 to advise the Trustee in connection with the Trustee's actions under the Proposal, as the Trustee may, from time to time, request;

12.2.2 to postpone, suspend or cause the postponement or suspension of Approval, if deemed necessary by the Trustee and the Committee;

12.2.3 to advise the Trustee concerning any dispute which may arise as to the validity or valuation of any proofs of claim under the Proposal; and

12.2.4 to authorize the deferment of any payment of any of the Dividend under the terms of **Section 8.2** hereof, either in whole or in part, and entirely at the discretion of the Committee.

13. POSTPONED CLAIMS

13.1 Subject to the occurrence and/or fulfillment of each and every one of the Proposal Conditions, each of the Postponing Creditors hereby unconditionally and irrevocably:

13.1.1 subordinates and postpones its entire Postponed Claim to and in favour of full payment of all of the Dividends, such that each of the Postponing Creditors shall not be entitled to receive any payment from the Debtor of any principal of or interest on its Postponed Claim unless and until all of the Dividends shall have been fully paid to the Ordinary Creditors as set forth in the Proposal; and

13.1.2 waives and renounces to any right to prove the whole or any portion of its Postponed Claim as an Ordinary Claim under the Proposal.

13.2 Nothing set forth in **Section 13.1** hereof shall restrict or prohibit any sale or transfer by any Postponing Creditor of its Postponed Claim, provided always that such Postponed Claim has not been repaid by the Debtor and remains owing by the Debtor.

13.3 The provisions of **Section 13.1** hereof shall survive:

13.3.1 any annulment of the Proposal; or

13.3.2 any bankruptcy of the Debtor occurring after occurrence and/or fulfillment of each and every one of the Proposal Conditions but prior to satisfaction of the Proposal.

13.4 Prior to the vote of the Creditors on this Proposal, the Debtor shall provide the Trustee with a written undertaking from each of the Postponing Creditors whereby each of the Postponing Creditors, subject to the occurrence and/or fulfillment of all of the Proposal Conditions, shall agree

to the subordinations and postponements set forth in **Section 13.1** hereof. Nothing herein contained shall constitute any agreement or undertaking by the Postponing Creditors to agree to such subordinations and postponements unless and until such written undertakings is delivered to the Trustee as aforesaid.

14. POWERS OF THE TRUSTEE

14.1 Subject to the rights of the Secured Creditors, the Trustee shall have the following rights, powers and authority, namely:

14.1.1 to have full access to the Debtor's premises as well as the Debtor's books, records and documents in order to obtain such information on the Debtor's activities as the Trustee may consider appropriate, in its sole discretion; and

14.1.2 to examine, accept or contest any security or alleged security of any Secured Creditor or the evaluation thereof.

14.2 The rights, powers and authority set forth and enumerated in **Section 14.1** hereof are in addition to and not in lieu of all of the Trustee's rights, powers and authorities under the *B/A* and any other applicable laws.

15. TRUSTEE

15.1 The Trustee will be the trustee under the Proposal. All monies payable to the Creditors affected by the Proposal shall be paid over to the Trustee which shall make all payments provided for hereunder (including, without limitation, payment of the Dividend), in accordance with the provisions of the Proposal.

16. NOTICE OF PRESENTATION OF APPROVAL MOTION

16.1 Each of:

16.1.1 the Creditors; and

16.1.2 the official receiver (as defined in the *B/A*),

are hereby given notice that, after acceptance of this Proposal by the Creditors entitled to vote thereon in accordance with the relevant provisions of the *B/A*, the Trustee and/or the Debtor will present an application to the Court (the "**Approval Motion**") for Approval;

16.2 The Approval Motion will be presented before the Court (namely the Commercial Division of the Québec Superior Court for the District of Montreal in **Room 16.10** of the Palais de Justice, 1 Notre Dame Street, East, City of Montreal, Province of Québec on **December 21, 2010** at **9**

o'clock a.m. or so soon thereafter as counsel may be heard.

- 16.3** The forwarding of this Proposal to the Creditors, and the official receiver (as defined in the *B/A*) shall avail, for all purposes, as valid and proper signification and service of the Approval Motion on all of the Creditors, and the official receiver (as defined in the *B/A*).

17. PROPOSAL CONDITIONS

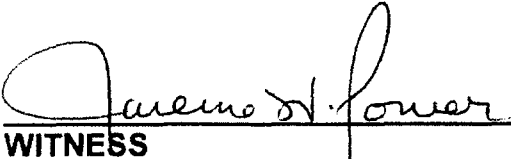
- 17.1** This Proposal is expressly subject to the occurrence and/or fulfillment of each and every one of the Proposal Conditions by no later than the date of presentation of the Approval Motion before the Court as set forth in **Section 16.2** above (or such later date as may be agreed to in writing by both the Debtor).

- 17.2** In the event of the non occurrence and/or unfulfillment of any of the Proposal Conditions within the delay set forth in **Section 17.1** above, then this Proposal shall become null, void and inoperative for all purposes.

Montreal, Province of Québec, Canada
this **1st** day of December, **2010**.

**POWER CANADA CABLES LTD./
LES CÂBLES POWER CANADA LTÉE**

Per:


WITNESS


Régis Rehel, President

**CETTE FEUILLE DE RENSEIGNEMENTS EST FOURNIE
AFIN DE VOUS AIDER À REMPLIR
LE FORMULAIRE DE PREUVE DE RÉCLAMATION**

- ☐ La preuve de réclamation doit être signée par l'individu qui la remplit.
- ☐ La signature du réclamant doit être attestée.
- ☐ Indiquer l'adresse complète (incluant le code postal) où tout avis et correspondance doivent être expédiés.
- ☐ Le montant sur le relevé de compte doit correspondre au montant réclamé sur la preuve de réclamation.

PARAGRAPHE 1 DE LA PREUVE DE RÉCLAMATION

- ☐ Si la personne qui complète la preuve de réclamation n'est pas le créancier lui-même, elle doit préciser son poste ou sa fonction.
- ☐ Le créancier doit déclarer la raison sociale complète de la compagnie ou du réclamant.

PARAGRAPHE 3 DE LA PREUVE DE RÉCLAMATION

- ☐ Un relevé de compte détaillé doit accompagner la preuve de réclamation et doit refléter les date, numéro de facture et montant de chaque facture ou charge, ainsi que les date, numéro et montant de tout crédit ou paiement. Un relevé de compte sera considéré comme incomplet si ce dernier commence avec un solde d'ouverture. Le créancier doit également indiquer ses adresse postale, numéro de téléphone, numéro de télécopieur et adresse électronique.

PARAGRAPHE 4 DE LA PREUVE DE RÉCLAMATION

- ☐ Un créancier non garanti (sous-paragraphe A) doit cocher ce qui s'applique en indiquant s'il revendique ou non un droit à un rang prioritaire en vertu de l'article 136 de la Loi sur la faillite et l'insolvabilité.
- ☐ Un créancier à titre de locateur suite à la résiliation d'un bail doit compléter le sous-paragraphe B et joindre tous les détails et les calculs.
- ☐ Un créancier garanti doit compléter le sous-paragraphe C et joindre les documents de garantie.
- ☐ Un agriculteur, un pêcheur ou un aquiculteur doit compléter le sous-paragraphe D.
- ☐ Un salarié doit compléter le sous-paragraphe E, le cas échéant.
- ☐ Un créancier ayant une réclamation contre les administrateurs, lorsqu'une proposition le prévoit, doit compléter le sous-paragraphe F et y joindre tous les détails et les calculs.
- ☐ Un client d'un courtier en valeurs mobilières failli doit compléter le sous-paragraphe G.

PARAGRAPHE 5 DE LA PREUVE DE RÉCLAMATION

- ☐ Le réclamant doit indiquer **s'il est** ou **n'est pas lié** au débiteur, au sens de la définition de la Loi sur la faillite et l'insolvabilité, en rayant ce qui n'est pas applicable.

PARAGRAPHE 6 DE LA PREUVE DE RÉCLAMATION

- ☐ Le réclamant doit fournir une liste détaillée de tous les paiements reçus et/ou crédits accordés, soit :
 - a) au cours des **trois mois** précédant l'ouverture de la faillite, dans le cas où le réclamant et le débiteur **ne sont pas liés**;
 - b) au cours des **douze mois** précédant l'ouverture de la faillite, dans le cas où le réclamant et le débiteur **sont liés**.
- ☐ **PROCURATION**
 - a) un créancier peut voter en personne ou par procuration;
 - b) une débitrice ne peut être nommée à titre de fondée de pouvoir pour voter à toute assemblée des créanciers;
 - c) le syndic peut être désigné à titre de fondé de pouvoir pour le bénéfice de tout créancier;
 - d) afin qu'une personne dûment autorisée ait le droit de voter, elle doit elle-même être créancière ou détentrice d'une procuration dûment exécutée. Le nom du créancier doit apparaître sur la procuration.

**THIS INFORMATION SHEET
IS SUPPLIED IN ORDER TO ASSIST YOU IN COMPLETING
THE PROOF OF CLAIM FORM**

- ☐ The proof of claim must be signed by the individual completing the form.
- ☐ The signature of the claimant must be witnessed.
- ☐ Give the complete address (including postal code) where all notices and correspondence are to be forwarded.
- ☐ The amount on the statement of account must agree with the amount claimed on the proof of claim.

PARAGRAPH 1 OF THE PROOF OF CLAIM

- ☐ If the individual completing the proof of claim is not the creditor himself, he must state his position or title.
- ☐ The creditor must state the full and complete legal name of the Company or the claimant.

PARAGRAPH 3 OF THE PROOF OF CLAIM

- ☐ A detailed statement of account must be attached to the proof of claim and must show the date, the invoice number and the dollar amount of all the invoices or charges, together with the date, the number and the amount of all credits or payments. A statement of account is not complete if it begins with an amount brought forward. In addition, a creditor must indicate his/her address, phone number, fax number and E-mail address.

PARAGRAPH 4 OF THE PROOF OF CLAIM

- ☐ An unsecured creditor (subparagraph (A)) must check and state whether or not a priority rank is claimed under Section 136 of the Bankruptcy and Insolvency Act.
- ☐ A claim of landlord (subparagraph (B)) for disclaim of lease must be completed with full particulars and calculations.
- ☐ A secured creditor must complete subparagraph (C) and attach a copy of the security documents.
- ☐ A farmer, fisherman or aquaculturist must complete subparagraph (D).
- ☐ A wage earner must complete subparagraph (E), if applicable.
- ☐ A claim against director(s) (subparagraph (F)), in a proposal which compromises a creditor's claim, must contain full particulars and calculations.
- ☐ A customer of a bankrupt securities firm must complete subparagraph (G).

PARAGRAPH 5 OF THE PROOF OF CLAIM

- ☐ The claimant must indicate whether he/she **is** or **is not related** to the debtor, as defined in the Bankruptcy and Insolvency Act, by striking out that which is not applicable.

PARAGRAPH 6 OF THE PROOF OF CLAIM

- ☐ The claimant must attach a detailed list of all payments received and/or credits granted, as follows:
 - a) within the **three months** preceding the initial bankruptcy event, in the case where the claimant and the debtor are **not related**;
 - b) within the **twelve months** preceding the initial bankruptcy event, in the case where the claimant and the debtor are **related**.
- ☐ **PROXY**
 - a) A creditor may vote either in person or by proxy;
 - b) A debtor may not be appointed as proxy to vote at any meeting of the creditors;
 - c) The Trustee may be appointed as a proxy for any creditor;
 - d) In order for a duly authorized person to have a right to vote he must himself be a creditor or be the holder of a properly executed proxy. The name of the creditor must appear in the proxy.

PREUVE DE RÉCLAMATION

(articles 50.1, 81.5 et 81.6, paragraphes 65.2(4), 81.2(1), 81.3(8), 81.4(8), 102(2), 124(2) et 128(1)
et alinéas 51(1)e) et 66.14b) de la Loi)

Expédier tout avis ou toute correspondance concernant la présente réclamation à l'adresse suivante :

Dans l'affaire de la proposition de **Les Câbles Power Canada Ltée** de la ville Saint-Léonard, province de Québec, et de la réclamation de _____, créancier.

Je soussigné, _____ (nom du créancier ou du représentant du créancier), de _____ (ville et province), certifie ce qui suit :

1. Je suis le créancier du débiteur susnommé (ou je suis _____ (préciser le poste ou la fonction) de _____ (nom du créancier ou de son représentant)).

2. Je suis au courant de toutes les circonstances entourant la réclamation visée par le présent formulaire.

3. Le débiteur était, à la date de la date du dépôt de l'avis de l'intention pour faire une proposition, soit le 12 août 2010, endetté envers le créancier et l'est toujours, pour la somme de _____ \$, comme l'indique l'état de compte (ou l'affidavit) ci-annexé et désigné comme l'annexe A, après déduction du montant de toute créance compensatoire à laquelle le débiteur a droit. (L'état de compte ou l'affidavit annexé doit faire mention des pièces justificatives ou de toute autre preuve à l'appui de la réclamation.)

4. (Cochez la catégorie qui s'applique et remplissez les parties requises.)

A. RÉCLAMATION NON GARANTIE AU MONTANT DE _____ \$
(autre qu'une réclamation d'un client visée par l'article 262 de la Loi)

En ce qui concerne cette créance, je ne détiens aucun avoir du débiteur à titre de garantie et :

(Cochez ce qui s'applique.)

pour le montant de _____ \$, je ne revendique aucun droit à un rang prioritaire.
(« Créancier chirographaire »)

pour le montant de _____ \$, je revendique le droit à un rang prioritaire en vertu de l'article 136 de la Loi.
(« Créancier privilégié »)

(Indiquez sur une feuille annexée les renseignements à l'appui de la réclamation prioritaire.)

B. RÉCLAMATION DU LOCATEUR SUITE À LA RÉSILIATION D'UN BAIL, AU MONTANT DE _____ \$

J'ai une réclamation en vertu du paragraphe 65.2(4) de la Loi, dont les détails sont mentionnés ci-après.

(Donnez tous les détails de la réclamation, y compris les calculs s'y rapportant.)

C. RÉCLAMATION GARANTIE AU MONTANT DE _____ \$

En ce qui concerne la créance susmentionnée, je détiens des avoirs du débiteur à titre de garantie, dont la valeur estimative s'élève à _____ \$ et dont les détails sont mentionnés ci-après :

(Donnez des renseignements complets au sujet de la garantie, y compris la date à laquelle elle a été donnée et la valeur que vous lui attribuez, et annexe une copie des documents relatifs à la garantie.)

D. RÉCLAMATION D'UN AGRICULTEUR, D'UN PÊCHEUR OU D'UN AQUICULTEUR AU MONTANT DE _____ \$

J'ai une réclamation en vertu du paragraphe 81.2 (1) pour la somme impayée de _____ \$

(Veuillez joindre une copie de l'acte de vente et des reçus de livraison.)

FORMULAIRE 31 (suite)

E. RÉCLAMATION D'UN SALARIÉ AU MONTANT DE _____ \$

J'ai une réclamation en vertu du paragraphe 81.3(8) de la Loi au montant de _____ \$

J'ai une réclamation en vertu du paragraphe 81.4(8) de la Loi au montant de _____ \$

F. RÉCLAMATION D'UN EMPLOYÉ RELATIVE AU RÉGIME DE PENSION AU MONTANT DE _____ \$

J'ai une réclamation en vertu du paragraphe 81.5 de la Loi au montant de _____ \$

J'ai une réclamation en vertu du paragraphe 81.6 de la Loi au montant de _____ \$

G. RÉCLAMATION CONTRE LES ADMINISTRATEURS AU MONTANT DE _____ \$

(A remplir lorsque la proposition vise une transaction quant à une réclamation contre les administrateurs.)

J'ai une réclamation en vertu du paragraphe 50(13) de la Loi, dont les détails sont mentionnés ci-après :

(Donnez tous les détails de la réclamation, y compris les calculs s'y rapportant.)

H. RÉCLAMATION D'UN CLIENT D'UN COURTIER EN VALEURS MOBILIÈRES FAILLI AU MONTANT DE _____ \$.

J'ai une réclamation en tant que client en conformité avec l'article 262 de la Loi pour des capitaux nets, dont les détails sont mentionnés ci-après :

(Donnez tous les détails de la réclamation, y compris les calculs s'y rapportant.)

5. Au meilleur de ma connaissance, je suis lié (ou le créancier susnommé est lié) (ou je ne suis pas lié ou le créancier susnommé n'est pas lié) au débiteur selon l'article 4 de la Loi, et j'ai (ou le créancier susnommé a) (ou je n'ai pas ou le créancier susnommé n'a pas) un lien de dépendance avec le débiteur.

6. Les montants suivants constituent les paiements que j'ai reçus du débiteur, les crédits que j'ai attribués à celui-ci et les opérations sous-évaluées selon le paragraphe 2(1) de la Loi auxquelles j'ai contribué ou été partie intéressée au cours des trois mois (ou, si le créancier et le débiteur sont des « personnes liées » au sens du paragraphe 4(2) de la Loi ou ont un lien de dépendance, au cours des 12 mois) précédant immédiatement l'ouverture de la faillite, telle que définie au paragraphe 2(1) de la Loi. (Donnez les détails des paiements, des crédits et des opérations sous-évaluées.)

Daté le _____, à _____.

Créancier

Témoin

Numéro de téléphone : _____

Numéro de télécopieur : _____

Adresse électronique : _____

REMARQUES : Si un affidavit est joint au présent formulaire, il doit avoir été fait devant une personne autorisée à recevoir des affidavits.

AVERTISSEMENTS : Le syndic peut, en vertu du paragraphe 128(3) de la Loi, racheter une garantie sur paiement au créancier garanti de la créance ou de la valeur de la garantie telle qu'elle a été fixée par le créancier garanti dans la preuve de garantie.

Le paragraphe 201(1) de la Loi prévoit l'imposition de peines sévères en cas de présentation de réclamations, de preuves, de déclarations ou d'états de compte qui sont faux.

FORMULAIRE DE PROCURATION

(paragraphe 102(2) et alinéas 51(1)e) et 66.15(3)b) de la Loi)

Dans l'affaire de la proposition de **Les Câbles Power Canada Ltée**

Je, _____, de _____
(nom du créancier) (nom du village ou de la ville)

créancier dans l'affaire susmentionnée, nomme _____ de _____,
mon fondé de pouvoir à tous égards dans l'affaire susmentionnée, sauf la réception de dividendes, celui-ci étant habilité à nommer un autre
fondé de pouvoir à sa place (ou n'étant pas habilité à nommer un autre fondé de pouvoir à sa place).

Daté le _____, à _____.

Créancier

Par : _____
Nom et titre du signataire autorisé

Témoin

PROOF OF CLAIM

(Section 50.1, Subsections 65.2(4), 81.2(1), 81.3(8), 81.4(8), 81.5, 81.6, 102(2), 124(2), 128(1),
and Paragraphs 51(1)(e) and 66.14(b) of the Act)

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

In the Matter of the Proposal of **Power Canada Cables Ltd.** of the City of Saint-Léonard, Province of Quebec, and the claim of _____, creditor.

I, _____ (name of creditor or representative of the creditor), of _____ (city and province), do hereby certify:

1. That I am a creditor of the above-named debtor (or that I am _____ (state position or title) of _____ (name of creditor or representative of the creditor)).
2. That I have knowledge of all of the circumstances connected with the claim referred to below.
3. That the debtor was, at the date of the filing of the Notice of Intention to make a Proposal, namely August 12, 2010, and still is, indebted to the creditor in the sum of \$ _____, as specified in the statement of account (or affidavit) attached and marked Schedule "A," after deducting any counterclaims to which the debtor is entitled. (The attached statement of account or affidavit must specify the vouchers or other evidence in support of the claim.)
4. Check and complete appropriate category

A. UNSECURED CLAIM OF \$ _____

(Other than as a customer contemplated by Section 262 of the Act)

That in respect of this debt, I do not hold any assets of the debtor as security and

(Check appropriate description)

Regarding the amount of \$ _____, I do not claim a right to a priority.
(Ordinary Creditor)

Regarding the amount of \$ _____, I claim a right to a priority under section 136 of the Act.
(Preferred Creditor)

(Set out on an attached sheet details to support priority claim)

B. CLAIM OF LESSOR FOR DISCLAIMER OF A LEASE \$ _____

That I hereby make a claim under subsection 65.2(4) of the Act, particulars of which are as follows:
(Give full particulars of the claim, including the calculations upon which the claim is based)

C. SECURED CLAIM OF \$ _____

That in respect of this debt, I hold assets of the debtor valued at \$ _____ as security, particulars of which are as follows:

(Give full particulars of the security, including the date on which the security was given and the value at which you assess the security, and attach a copy of the security documents.)

D. CLAIM BY FARMER, FISHERMAN OR AQUACULTURIST OF \$ _____

That I hereby make a claim under subsection 81.2(1) of the Act for the unpaid amount of \$ _____
(Attach a copy of sales agreement and delivery receipts).

FORM 31 (Continued)

E. CLAIM BY WAGE EARNER OF \$ _____

That I hereby make a claim under subsection 81.3(8) of the Act in the amount of \$ _____

That I hereby make a claim under subsection 81.4(8) of the Act in the amount of \$ _____

F. CLAIM BY EMPLOYEE FOR UNPAID AMOUNT REGARDING PENSION PLAN OF \$ _____

That I hereby make a claim under subsection 81.5 of the Act in the amount of \$ _____

That I hereby make a claim under subsection 81.6 of the Act in the amount of \$ _____

G. CLAIM AGAINST DIRECTOR \$ _____

(To be completed when a proposal provides for the compromise of claims against directors.)

That I hereby make a claim under subsection 50(13) of the Act, particulars of which are as follows:

(Give full particulars of the claim, including the calculations upon which the claim is based.)

H. CLAIM OF A CUSTOMER OF A BANKRUPT SECURITIES FIRM \$ _____

That I hereby make a claim as a customer for net equity as contemplated by section 262 of the Act, particulars of which are as follows:

(Give full particulars of the claim, including the calculations upon which the claim is based.)

5. That, to the best of my knowledge, I am (or the above-named creditor is) (or am not or is not) related to the debtor within the meaning of section 4 of the Act, and have (or has) (or have not or has not) dealt with the debtor in a non-arm's-length manner.

6. That the following are the payments that I have received from, the credits that I have allowed to, and the transfers at undervalue within the meaning of subsection 2(1) of the Act that I have been privy to or a party to with the debtor within the three months (or, if the creditor and the debtor are related within the meaning of section 4 of the Act or were not dealing with each other at arm's length, within the 12 months) immediately before the date of the initial bankruptcy event within the meaning of subsection 2(1) of the Act: *(provide details of payments, credits and transfers at undervalue)*

Dated at _____, this _____ day of _____

Creditor

Witness

Telephone number: _____ Fax number: _____

E-mail address: _____

NOTES: If an affidavit is attached, it must have been made before a person qualified to take affidavits.

WARNINGS: A trustee may, pursuant to subsection 128(3) of the Act, redeem a security on payment to the secured creditor of the debt or the value of the security as assessed, in a proof of security, by the secured creditor.

Subsection 201(1) of the Act provides severe penalties for making any false claim, proof, declaration or statement of account.

PROXY

(Subsection 102(2) and paragraphs 51(1)e) and 66.15(3)b) of the Act)

In the Matter of the Proposal of **Power Canada Cables Ltd.**

I, _____, of _____
(name of creditor) (name of town or city)

a creditor in the above matter, hereby appoint _____ of _____,
to be my proxyholder in the above matter, except as to the receipt of dividends, with (or without) power to appoint another proxyholder in his or her place.

Dated at _____, this _____ day of _____

Creditor

Per: _____
Name and Title of Signing Officer

Witness

CANADA
Province de Québec
District de: Québec
No division : 01-Montréal
No cour : 500-11-039458-100
No dossier : 41-1393388

COUR SUPÉRIEURE
En matière de faillite et d'insolvabilité
(Chambre commerciale)

FORMULE DE VOTATION
(alinéas 51(1)(f) et 66.15(3)(c) de la Loi)

Dans l'affaire de la proposition de
Les Câbles Power Canada Ltée

Je, _____,
(nom du créancier)
de _____,
(nom de la ville)
(ou Je, _____, de _____,
(nom du représentant du créancier) (nom de la ville)
_____, de _____),
(précisez le poste ou la fonction) (nom du créancier)

créancier dans l'affaire susmentionnée à l'égard de la somme de _____ \$, demande au syndic agissant relativement à la proposition de **Les Câbles Power Canada Ltée**, de consigner mon vote _____ (en faveur de ou contre) l'acceptation de la proposition faite le 1^{er} décembre 2010

et choisis l'option : A ☐ Le moindre de la réclamation prouvée ou trois cents dollars (300 \$);

- ou -

B ☐ Une quote-part au pro rata et *pari passu* du solde de la distribution de trente-cinq mille dollars (35,000 \$) sans intérêt ni pénalité.

Fait à _____ ce _____^e jour de _____ 20____.

Témoin _____

Signature du créancier à titre particulier

- OU -

Nom du créancier qui est une personne morale

Témoin _____

Par : _____
Signature du signataire autorisé

Nom et titre du signataire autorisé

CANADA
Province of Quebec
District of: Quebec
Division No.: 01-Montréal
Court No.: 500-11-039458-100
Estate No.: 41-1393388

SUPERIOR COURT
In Bankruptcy and Insolvency
(Commercial Division)

VOTING LETTER
(Paragraphs 51(1)(f) and 66.15(3)(c) of the Act)

In the Matter of the Proposal of
Power Canada Cables Ltd.

I, _____,
(name of creditor)
of _____,
(name of city)
(or I, _____, de _____,
(name of the creditor's representative) (name of the city)
_____ de _____),
(title and function) (name of the creditor)

a creditor in the above matter for the sum of \$ _____, hereby request the trustee acting with respect to the proposal of **Power Canada Cables Ltd.**, to record my vote _____ (for or against) the acceptance of the Proposal dated December 1st, 2010

and choose option: **A** ☐ The lesser of the proven claim or three hundred dollars (\$300);

- or -

B ☐ *A pari passu* and pro rata share of the balance of the distribution of thirty-five thousand dollars (\$35,000), without interest and penalty.

Dated at _____ this _____ day of _____, 20____.

Witness

Name of individual creditor

- OR -

Name of corporate creditor

Witness

Per: _____

Signature of signing officer

Name and title of signing officer

(français – au recto)

CANADA
Province de Québec
District de : Québec
No division : 01 - Montréal
No cour : 500-11-039458-100
No dossier : 41-1393388

COUR SUPÉRIEURE
En matière de faillite et d'insolvabilité
(Chambre commerciale)

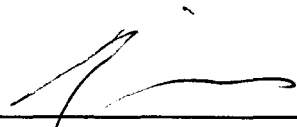
**Avis d'audition de la demande d'approbation
par le tribunal d'une proposition**
(alinéa 58 b) de la Loi)

Dans l'affaire de la proposition de
Les Câbles Power Canada Ltée

AVIS vous est donné par les présentes qu'en cas d'acceptation de la proposition de la débitrice par une majorité statutaire des créanciers lors de l'assemblée qui sera tenue le 17^e jour de décembre 2010, une demande sera faite au Registraire ou à l'un des honorables juges de la Cour Supérieure siégeant en matière de faillite et d'insolvabilité (Chambre commerciale) pour le district de Montréal, au Palais de Justice de Montréal, 1, rue Notre-Dame est, salle 16.10, Montréal, Québec, H2Y 1B6, le 21^e jour de décembre 2010 à 9 heures, pour que soit approuvée ladite proposition de la débitrice.

Daté le 3 décembre 2010 à Montréal, province de Québec.

RSM Richter Inc. – Syndic
Par :



Benoit Gingues, CA, CIRP
2, Place Alexis Nihon, bureau 1820
Montréal (Québec) H3Z 3C2

Téléphone : 514.934.3497

Télécopieur : 514.934.3504

C A N A D A

Province of Québec

District of: Québec

Division no.: 01 - Montréal

Court no.: 500-11-039458-100

Estate no.: 41-1393388

S U P E R I O R C O U R T

In Bankruptcy and Insolvency

(Commercial Division)

Notice of Hearing of Application for Court Approval of Proposal
(Paragraph 58(b) of the Act)


In the Matter of the Proposal of
Power Canada Cables Ltd.

NOTICE is hereby given that an application will be made to the Registrar or to one of the Honorable Judges of the Superior Court sitting in Bankruptcy and Insolvency matters (Commercial Division) for the District of Montreal, at the Court House of Montreal, 1 Notre-Dame Street East, Room 16.10, Montreal, Quebec, H2Y 1B6, on the 21st day of December 2010 at 9:00 a.m. to approve the Proposal of the Debtor should it be duly accepted by the statutory majority of creditors at a meeting to be held on the 17th day of December 2010.

Dated at Montréal, province of Quebec, December 3, 2010.

RSM Richter Inc. – Trustee

Per:



Benoit Gingues, CA, CIRP
2, Place Alexis Nihon, Suite 1820
Montréal (Québec) H3Z 3C2

Telephone: 514.934.3497

Facsimile: 514.934.3504

Exhibit D

C A N A D A

PROVINCE OF QUEBEC
DISTRICT OF MONTREAL

S U P E R I O R C O U R T
(Commercial Division)

NO: 500-11-039458-100

SUPERINTENDENT'S NO:
41-1393388

IN THE MATTER OF THE PROPOSAL OF:

POWER CANADA CABLES LTD./
LES CÂBLES POWER CANADA LTÉE

Debtor

AMENDED
PROPOSAL

(under the provisions of the *BIA*)

POWER CANADA CABLES LTD./LES CÂBLES POWER CANADA LTÉE ("Debtor"),
hereby submits the following Proposal under the *BIA*:

1. DEFINITIONS AND INTERPRETATION

1.1 In addition to words and terms otherwise defined herein, whenever used herein:

1.1.2 "Approval" means:

- (a) acceptance of this Proposal (or the PBI Proposal or the BU Proposal, as the case may be) by the statutory majority of Creditors (or PBI's creditors or BU's creditors, as the case may be) entitled to vote thereon in accordance with the relevant provisions of the *BIA*;
- (b) the approval of this Proposal (or the PBI Proposal or the BU Proposal, as the case may be) by the Court by judgment rendered by such Court which has become executory as a result of the delay for appeal having expired without there having been an appeal lodged therefrom or, if an appeal is lodged therefrom, such judgment of the Court having been confirmed or such appeal withdrawn; and

- (c) the approval and the ordering of the Equity Restructuring by the Court by judgment rendered by such Court which has become executory as a result of the delay for appeal having expired without there having been an appeal lodged therefrom or, if an appeal is lodged therefrom, such judgment of the Court having been confirmed or such appeal withdrawn;

1.1.3 "Approval Motion" has the meaning set forth in **Section 16.1** hereof;

1.1.4 "BIA" means the *Bankruptcy and Insolvency Act*, Canada, RSC 1985, c.B-3, as amended;

1.1.5 "BU" means Batterie Universelle Ltée;

1.1.6 "BU Proposal" means the "Proposal" made by BU under even date herewith pursuant to the relevant provisions of the *BIA* as well as any and all future amendments thereto;

1.1.7 "CBCA" means the *Canada Business Corporations Act*, Canada, RSC 1985, c.C-44, as amended;

1.1.8 "Civil Code" means the *Civil Code of Quebec*;

1.1.9 "Committee" has the meaning set forth in **Section 12.1** hereof;

1.1.10 "Court" means the the Québec Superior Court for the District of Montréal, sitting as both:

- (a) the "court" as envisaged and defined in Section 2(1) *BIA* and includes any Justice thereof or, if applicable, the Registrar or any Deputy Registrar thereof; and
- (b) sitting as the "court" as envisaged in Section 191 *CBCA* and includes any Justice thereof;

1.1.11 "Creditors" means all creditors affected by the Proposal, namely the Crown, the Preferred Creditors, the Employee Creditors and the Ordinary Creditors, and "**Creditor**" means any of them. All other creditors of the Debtor shall not be, in any manner whatsoever, affected or bound by this Proposal;

1.1.12 "Crown" means Her Majesty in Right of Canada or any province of Canada;

1.1.13 "Crown Claims" means all claims of the Crown as set forth and described in Section 60(1.1) *B/A*, which were outstanding on the Proposal Date, and **"Crown Claim"** means any of them;

1.1.14 "Dividend" have the meaning set forth in **Section 8.2** hereof;

1.1.15 "Electing Creditor Claims" means all Proven Ordinary Claims in respect of which the Ordinary Creditors have elected (as set forth in **Section 8.1** hereof) to receive the lesser of \$300.00 or the amount of their Ordinary Claims or to reduce their respective Ordinary Claims to \$300.00, and **"Electing Creditor Claim"** means any of them;

1.1.16 "Electing Creditors" means Ordinary Creditors having Electing Creditor Claims and **"Electing Creditor"** means any of them;

1.1.17 "Employee Claims" means:

(a) all amounts which the Debtor's present or former employees would have been entitled to receive under Section 136(1)(d) *B/A* if the Debtor had become bankrupt on the Proposal Date as well as wages, salaries, commissions or compensation for services rendered from and after the Proposal Date up to and including the date of Approval of this Proposal, together with, in the case of traveling salesmen, disbursements properly incurred by those salesmen in and about the Debtor's business during the same period, all as envisaged by Section 60(1.3) *B/A*; and

(b) to the extent that the Debtor participated in a "prescribed pension plan" as envisaged by Section 60(1.5) *B/A*, all amounts envisaged by Section 60(1.5)(a) *B/A* which may be unpaid on the Proposal Date and which are required to be paid from and after the Proposal Date up to and including the Date of Approval of this Proposal,

and **"Employee Claim"** means any of them;

1.1.18 "Employee Creditors" means all of the Debtor's past and present employees having Employee Claims and **"Employee Creditor"** means any of them;

1.1.19 "Equity Restructuring" has the meaning set forth in the PBI Proposal;

1.1.20 "Ordinary Claims" means all claims other than Crown Claims, Employee Claims, Preferred Claims and Secured Claims, of any nature or source whatsoever, resulting from and/or arising out of

any transaction entered into by the Debtor prior to the Proposal Date or any event which occurred prior to the Proposal Date, whether due or not due as of the Proposal Date and includes all such claims which are contingent and unliquidated (once quantified or liquidated) and "**Ordinary Claim**" means any of them. In addition to and notwithstanding the foregoing, "Ordinary Claims" include, under all circumstances:

- (a) all Electing Creditor Claims;
- (b) all claims resulting from or arising out of any breaches of any obligations contracted by the Debtor prior to the Proposal Date where such breaches occurred (i) at any time prior to the Proposal Date, or (ii) at any time between the Proposal Date and the date hereof; and
- (c) any proof of claim which may be filed by a Secured Creditor in excess of the Value of such Secured Creditor's Security, as envisaged by **Paragraph 6.2.3** hereof.

1.1.21 "Ordinary Creditors" means all persons having Ordinary Claims and "**Ordinary Creditor**" means any of them;

1.1.22 "PBI" means "Power Battery (Iberville) Ltd./Batteries Power (Iberville) Ltée;

1.1.23 "PBI Proposal" means the "Proposal" made by PBI under even date herewith pursuant to the relevant provisions of the *B/A* (including a reorganization under the relevant provisions of the *CBCA*) as well as any and all future amendments thereto;

1.1.24 "Postponed Claims" means any and all Ordinary Claims and any and all Secured Claims of any or all of the Postponing Creditors, as well as, any and all other claims of any nature or source whatsoever, of any or all of the Postponing Creditors against the Debtor which existed as at the Proposal Date;

1.1.25 "Postponing Creditors" means each and every one of PBI, BU, Les Investissements Rasmussen Inc., William A. Rasmussen and any other person which is "related" to William A. Rasmussen (as envisaged by Section 4 *B/A*), and "**Postponing Creditor**" means any of them;

1.1.26 "Preferred Claims" means all claims, other than Employee Claims, as set forth and described in Sections 136(1)(a) through 136(1)(c) *B/A* and in Sections 136(1)(e) through 136(1)(j) *B/A*, being such claims directed by the *B/A* to be paid in priority to all other claims in the distribution of the property of a bankrupt to the extent applicable

to this Proposal and "**Preferred Claim**" means any of them;

1.1.27 "Preferred Creditors" means all persons having Preferred Claims and "**Preferred Creditor**" means any of them;

1.1.28 "Proposal" means the "Proposal" as well as any and all future amendments hereto, which amendments may be made at any time prior to a vote by the Creditors hereon or by the Court at the time of Approval;

1.1.29 "Proposal Conditions" means the occurrence and/or fulfillment of each of each and every one of the following conditions precedent (unless expressly waived in writing, in whole or in part, by both the Debtor and the Investor), namely:

- (a) the Approval of this Proposal;
- (b) the Approval of the PBI Proposal;
- (c) the Approval of the BU Proposal; and
- (d) the entering into between the Debtor and each of the Secured Creditors (including, without limitation, National Bank of Canada) of binding agreements restructuring all indebtedness owing by the Debtor to such Secured Creditors on terms and conditions satisfactory to the Debtor;

1.1.30 "Proposal Date" means **August 12, 2010**, being the date upon which the Debtor filed its Notice of Intention to Make a Proposal pursuant to Section 50.4(1) *BIA*;

1.1.31 "Proposal Expenses" means all proper fees, expenses, liabilities and obligations of the Trustee as well as all legal fees, accounting fees and consulting fees for, in respect of and/or incidental to all proceedings and matters pertaining to the Debtor's notice of intention to make a proposal and the Proposal and includes, without limitation, all advice to the Debtor in connection therewith;

1.1.32 "Proven" with reference to any Crown Claims, Employee Claims, Preferred Claims and Ordinary Claims, all such claims that have been the object of a proof of claim in accordance with Section 124 *BIA*, filed with the Trustee in due time and allowed by the latter. With respect thereto to all such claims:

- (a) contingent and unliquidated claims and claims payable at a future time shall be governed by Sections 121(2) and 121(3) *BIA*;

- (b) every provision of the *BIA* dealing with the right to vote a claim shall apply to this Proposal; and
- (c) Proven Ordinary Claims under successive performance contracts which have not been repudiated or terminated by the Debtor shall be limited to amounts owing by the Debtor thereunder accruing only up to (but not after) the Proposal Date;

1.1.33 "Secured Claim" means the claim of each Secured Creditor and "Secured Claims" means all of them;

1.1.34 "Secured Creditor" means all creditors holding Security and "Secured Creditor" means any of them;

1.1.35 "Security" means:

- (a) all of the mortgages, hypothecs, pledges, charges, liens or other rights as set forth in and envisaged under the definition of "secured creditor" in Section 2(1) *BIA*; and
- (b) the rights of a lessor under any contract of leasing as envisaged by Articles 1842 and following of the *Civil Code*;

1.1.36 "Trustee" means RSM Richter Inc., the trustee under the Debtor's Notice of Intention to Make a Proposal and the trustee named herein; and

1.1.37 "Value" means, with respect to any claim filed by a Secured Creditor, the value of such Secured Creditor's Security as assessed by the Secured Creditor and accepted by the Trustee or as determined by the Court;

1.2 The paragraph headings herein contained are for ease of reference only, shall not form part of the Proposal and shall not be utilized, in any manner whatsoever, in the interpretation of the Proposal.

1.3 Whenever the context so provides, all references to the masculine shall include the feminine and *vice versa* and all references to the singular shall include the plural and *vice versa*.

1.4 In the event of any inconsistencies or discrepancies between the English language version of the Proposal and the French language version of the Proposal, the English language version of the Proposal shall govern and prevail under all circumstances.

6. SECURED CREDITORS

- 6.1** All Secured Claims shall be paid in accordance with existing agreements with each relevant Secured Creditor or as may be otherwise agreed with each such Secured Creditors;
- 6.2** For greater certainty:
- 6.2.1** This Proposal is not addressed to the Secured Creditors;
- 6.2.2** All Secured Creditors and their Secured Claims shall not, in any manner whatsoever, be affected or bound by this Proposal to the extent of their Secured Claims; and
- 6.2.3** If a Secured Creditor chooses to file a proof of claim and values its Security in order to be considered as an Ordinary Creditor, then the Proven claim of each such Secured Creditor in excess of the Value of its Security shall be included in the class of Ordinary Claims under this Proposal unless such Secured Creditor has agreed otherwise in writing.

7. SUBSEQUENT CLAIMS

- 7.1** All claims arising in respect of property supplied, services rendered or other consideration given to the Debtor subsequent to the Proposal Date, including, without limitation, all salaries, remuneration and other compensation of the Debtor's employees for current services, have been or shall be paid in full by the Debtor in the ordinary course of the Debtor's business.

8. ORDINARY CLAIMS

- 8.1** At any time within (but not after) 15 days following Approval, any Ordinary Creditor may elect in writing (as provided for in its proof of claim or in any other manner acceptable to the Trustee) to receive the lesser of \$300.00 or the amount of its Proven Ordinary Claim or to irrevocably and unconditionally reduce such Proven Ordinary Claim to \$300.00, whereupon:
- 8.1.1** any such Proven Ordinary Claim in excess of \$300.00 shall be deemed, for all purposes, to have been irrevocably and unconditionally reduced to \$300.00 and the Ordinary Creditor having a Proven Ordinary Claim in excess of \$300.00 shall be deemed to have irrevocably and unconditionally waived and renounced to any rights to file a proof of claim in this Proposal in excess of \$300.00 or to participate in any further amount of the Dividend; and

8.1.2 any such Ordinary Creditor shall be treated as an Electing Creditor and such Ordinary Creditor's Ordinary Claim shall be treated as an Electing Creditor Claim under this Proposal.

8.2 The following shall be paid by the Debtor, without any interest thereon whatsoever, in full and final settlement, release and discharge of all Ordinary Claims (collectively the "**Dividend**"), namely:

8.2.1 the full amount of all Proven Electing Creditor Claims shall be paid to the Trustee, no later than 60 days following Approval, for distribution to all Electing Creditors as herein set forth, in full and final settlement, release and discharge of all Electing Creditor Claims; and

8.2.2 an amount of \$55,000.00 (less all amounts set forth in **Section 8.2.1** hereof) shall be paid to the Trustee, no later than 60 days following Approval, for distribution on a *pro rata* basis to all Ordinary Creditors (other than Electing Creditors) as herein set forth.

8.3 All amounts referred to in **Section 8.2** shall be paid by the Debtor to the Trustee no later than 60 days following Approval and shall thereafter be distributed by the Trustee to the Ordinary Creditors, according to the amount of their respective Proven Ordinary Claims, as follows:

8.3.1 the amount set forth in **Section 8.2.1** hereof shall be distributed by the Trustee to the Electing Creditors according to the amounts of their respective Proven Electing Creditor Claims; and

8.3.2 the amounts set forth in **Section 8.2.2** shall be distributed by the Trustee to the Ordinary Creditors (other than the Electing Creditors), on a *pro rata* basis, according to the amounts of their respective Proven Ordinary Claims.

8.4 The Dividend, without any interest whatsoever thereon, once paid by the Debtor to the Trustee in accordance with the provisions of this Proposal, shall constitute full and final settlement of and shall operate as a complete release and discharge of all Ordinary Claims.

9. UNAFFECTED CREDITORS

9.1 All creditors of the Debtor other than the Creditors shall be unaffected and not bound by this Proposal except to the extent set forth in this Proposal;

10. CLAIMS AGAINST DIRECTORS

10.1 In accordance with Section 50(13) *B/A*, Approval of the Proposal shall be deemed, for all purposes whatsoever, to constitute the complete release

and discharge of all claims, of any nature or source whatsoever, of all Creditors and any other persons against all of the Debtor's past and present directors which arose before the Proposal Date and which relate to obligations of the Debtor where such directors are by law liable in their capacity as directors for payment of such obligations.

- 10.2** Nothing in the Proposal shall be deemed, in any manner whatsoever, to constitute any acknowledgement of any liability or obligations of any of the Debtor's past or present directors.

11. PREFERENCES, TRANSFERS AT UNDER VALUE, ETC.

- 11.1** All of the provisions of and all rights, remedies and recourses under and/or pursuant to:

11.1.1 Sections 95 through 101 *BIA*;

11.1.2 Articles 1631 through 1636 of the *Civil Code of Québec*; and

11.1.3 all other provisions of law, rights, remedies and recourses similar to the provisions of law, rights, remedies and recourses set forth in **Sections 11.1.1** and/or **11.1.2** hereof in any province of Canada other than the Province of Québec,

shall not, in any manner whatsoever, apply to this Proposal.

- 11.2** As a result of and in accordance with the provisions of **Section 11.1** hereof and all of the rights, remedies, recourses and claims therein described:

11.2.1 all of such provisions, rights, remedies and recourses and any claims based thereon shall be completely unavailable to the Trustee or any Creditors against the Debtor, any of the Debtor's property, any other Creditor or any other person whatsoever; and

11.2.2 the Trustee and all of the Creditors shall be deemed, for all purposes whatsoever, to have irrevocably and unconditionally waived and renounced to such provisions, rights, remedies and recourses and any claims based thereon against the Debtor, the Debtor's property, any other Creditor or any other persons,

arising from and/or as a result of any matter whatsoever which occurred at any time prior to the Proposal Date.

12. COMMITTEE

- 12.1** A committee (the "**Committee**") of up to 5 individuals shall be appointed by the Ordinary Creditors at a meeting of the Creditors called to consider

the Proposal. Such Committee shall be thereafter deemed to have been formed and constituted for the purposes hereafter set forth.

12.2 The powers of the Committee shall be limited to the following:

12.2.1 to advise the Trustee in connection with the Trustee's actions under the Proposal, as the Trustee may, from time to time, request;

12.2.2 to postpone, suspend or cause the postponement or suspension of Approval, if deemed necessary by the Trustee and the Committee;

12.2.3 to advise the Trustee concerning any dispute which may arise as to the validity or valuation of any proofs of claim under the Proposal; and

12.2.4 to authorize the deferment of any payment of any of the Dividend under the terms of **Section 8.2** hereof, either in whole or in part, and entirely at the discretion of the Committee.

13. POSTPONED CLAIMS

13.1 Subject to the occurrence and/or fulfillment of each and every one of the Proposal Conditions, each of the Postponing Creditors hereby unconditionally and irrevocably:

13.1.1 subordinates and postpones its entire Postponed Claim to and in favour of full payment of all of the Dividends, such that each of the Postponing Creditors shall not be entitled to receive any payment from the Debtor of any principal of or interest on its Postponed Claim unless and until all of the Dividends shall have been fully paid to the Ordinary Creditors as set forth in the Proposal; and

13.1.2 waives and renounces to any right to prove the whole or any portion of its Postponed Claim as an Ordinary Claim under the Proposal.

13.2 Nothing set forth in **Section 13.1** hereof shall restrict or prohibit any sale or transfer by any Postponing Creditor of its Postponed Claim, provided always that such Postponed Claim has not been repaid by the Debtor and remains owing by the Debtor.

13.3 The provisions of **Section 13.1** hereof shall survive:

13.3.1 any annulment of the Proposal; or

13.3.2 any bankruptcy of the Debtor occurring after occurrence and/or fulfillment of each and every one of the Proposal Conditions but prior to satisfaction of the Proposal.

13.4 Prior to the vote of the Creditors on this Proposal, the Debtor shall provide the Trustee with a written undertaking from each of the Postponing Creditors whereby each of the Postponing Creditors, subject to the occurrence and/or fulfillment of all of the Proposal Conditions, shall agree to the subordinations and postponements set forth in **Section 13.1** hereof. Nothing herein contained shall constitute any agreement or undertaking by the Postponing Creditors to agree to such subordinations and postponements unless and until such written undertakings is delivered to the Trustee as aforesaid.

14. POWERS OF THE TRUSTEE

14.1 Subject to the rights of the Secured Creditors, the Trustee shall have the following rights, powers and authority, namely:

14.1.1 to have full access to the Debtor's premises as well as the Debtor's books, records and documents in order to obtain such information on the Debtor's activities as the Trustee may consider appropriate, in its sole discretion; and

14.1.2 to examine, accept or contest any security or alleged security of any Secured Creditor or the evaluation thereof.

14.2 The rights, powers and authority set forth and enumerated in **Section 14.1** hereof are in addition to and not in lieu of all of the Trustee's rights, powers and authorities under the *B/A* and any other applicable laws.

15. TRUSTEE

15.1 The Trustee will be the trustee under the Proposal. All monies payable to the Creditors affected by the Proposal shall be paid over to the Trustee which shall make all payments provided for hereunder (including, without limitation, payment of the Dividend), in accordance with the provisions of the Proposal.

16. NOTICE OF PRESENTATION OF APPROVAL MOTION

16.1 Each of:

16.1.1 the Creditors; and

16.1.2 the official receiver (as defined in the *B/A*),

are hereby given notice that, after acceptance of this Proposal by the Creditors entitled to vote thereon in accordance with the relevant provisions of the *B/A*, the Trustee and/or the Debtor will present an application to the Court (the "**Approval Motion**") for Approval;

16.2 The Approval Motion will be presented before the Court (namely the Commercial Division of the Québec Superior Court for the District of Montreal in **Room 16.10** of the Palais de Justice, 1 Notre Dame Street, East, City of Montreal, Province of Québec on **December 21, 2010** at **9 o'clock a.m.** or so soon thereafter as counsel may be heard.

16.3 The forwarding of this Proposal to the Creditors, and the official receiver (as defined in the *BIA*) shall avail, for all purposes, as valid and proper signification and service of the Approval Motion on all of the Creditors, and the official receiver (as defined in the *BIA*).

17. PROPOSAL CONDITIONS

17.1 This Proposal is expressly subject to the occurrence and/or fulfillment of each and every one of the Proposal Conditions by no later than the date of presentation of the Approval Motion before the Court as set forth in **Section 16.2** above (or such later date as may be agreed to in writing by both the Debtor).

17.2 In the event of the non occurrence and/or unfulfillment of any of the Proposal Conditions within the delay set forth in **Section 17.1** above, then this Proposal shall become null, void and inoperative for all purposes.

Montreal, Province of Québec, Canada
this **17th** day of December, **2010**.

**POWER CANADA CABLES LTD./
LES CÂBLES POWER CANADA LTÉE**

Per:



Régis Rehel, President



WITNESS

Exhibit E

CANADA
Province de Québec
District de : Québec
N° de division : 01-Montréal
N° de cour : 500-11-039458-100
N° de dossier : 41-1393388

COUR SUPÉRIEURE
en matière de faillite et d'insolvabilité
(Chambre commerciale)

Dans l'affaire de la proposition de :

LES CâBLES POWER CANADA LTÉE,
Une société légalement constituée, dont le
siège social est situé au 6290, boulevard
des Grandes-Prairies, Saint-Léonard,
(Québec) H1P 1A2

Débitrice

- et -

RSM Richter Inc.

Syndic

DEUXIÈME RAPPORT DU SYNDIC SUR LA SITUATION FINANCIÈRE DE LA DÉBITRICE ET SUR LA PROPOSITION

(Articles 50(10) b) et 50(5) de la *Loi sur la faillite et l'insolvabilité*)

L'objet de l'assemblée des créanciers est d'examiner la proposition déposée le 3 décembre 2010 (ci-après désignée « Proposition ») par Les Câbles Power Canada Ltée (« Débitrice » ou « Société »).

Conformément aux articles 50(10) b) et 50(5) de la *Loi sur la faillite et l'insolvabilité* (ci-après désignée « Loi » ou « LFI ») et afin d'aider les créanciers à examiner la Proposition, le Syndic a soumis son rapport sur la situation financière de la Débitrice et sur la Proposition.

Subséquent, Me Michel La Roche de La Roche Rouleau et Associés a remis au syndic son avis juridique relativement aux créances garanties.

Ce deuxième rapport sur la situation financière de la Débitrice et sur la Proposition, résume les éléments influencés par cette opinion juridique.

Nous tenons à avertir le lecteur que nous n'avons procédé ni à une vérification ni à un examen des livres et registres de la Débitrice. Par conséquent, nous ne pouvons exprimer une opinion quant à l'exactitude des renseignements qui y sont contenus. Les renseignements dont il est question aux présentes sont tirés des livres et registres de la Débitrice ainsi que des entretiens que nous avons eus avec la direction de la Débitrice.

I. OPINION LÉGALE

Me La Roche a confirmé au syndic la validité des garanties de la Banque Nationale du Canada (la « BNC ») jusqu'à concurrence de 1 M\$ sur les comptes à recevoir et les inventaires de la Débitrice.

Initialement, le syndic n'avait pas considéré le maximum de 1 M\$ et la Débitrice avait déclaré que la garantie de la BNC couvrait également les équipements.

II. SCÉNARIO DE FAILLITE

Compte tenu de ce qui précède, dans un scénario de faillite, en nous fondant sur la valeur des éléments d'actif et des passifs inscrits au bilan statutaire daté du 2 décembre 2010, nous estimons que la distribution serait comme suit :

Les Câbles Power Canada Ltée Faillite Estimation de la distribution				
Au 2 décembre 2010			Au 17 décembre 2010²	
(En milliers de dollars)	Valeur comptable	Valeur estimative ¹	BNC	Creanciers chirographaires
Encaisse			\$ 183	
Débiteurs	\$ 422	\$ 220	220	
Débiteurs de sociétés apparentées	225	-	-	
Stocks	420	250	250	
Immobilisations corporelles	315	200		\$ 200
	<u>\$ 1,382</u>	<u>670</u>	<u>653</u>	<u>200</u>
Créances prioritaires - Programme de protection des salariés (« PPS »)		(24)	(24)	
Honoraires professionnels et frais de réalisation		(75)	(40)	(35)
Produit net estimatif disponible aux fins de distribution		<u>571</u>	<u>589</u>	<u>\$ 165</u>
Créances garanties		<u>15,956</u>	<u>1,000</u>	
Estimation du déficit du créancier garanti		<u>\$ (15,385)</u>	<u>\$ (411)</u>	
Créanciers chirographaires		\$ 606		\$ 606
Estimation du déficit sur créances garanties		<u>15,385</u>		<u>411</u>
Total des créances chirographaires		<u>\$ 15,991</u>		<u>\$ 1,017</u>
Distribution en %		0%		16.2%

¹ Les valeurs estimatives sont basées sur le bilan statutaire daté du 2 décembre 2010.

² Révisé suite à l'obtention de l'opinion légale confirmant la validité des suretés de la BNC sur les actifs de Câbles Power Canada Ltée.

III. PROPOSITION AMENDÉE

Compte tenu de ce qui précède, la Débitrice a indiqué au syndic désirer amender sa Proposition afin de distribuer un montant 55 000 \$.

Nous avons estimé que la distribution aux créanciers non garantis identifiés au bilan statutaire de la Débitrice pourrait correspondre à ce qui suit :

Les Câbles Power Canada Ltée Proposition Amendée Estimation de la distribution Au 17 décembre 2010			
(En milliers de dollars)		Montant	
Dividende total à verser		\$	55
	Montant de la créance ¹	Distribution	
Créances garanties	\$ 15,956	s. o.	
Créances privilégiées ²	-	-	
Créances chirographaires ³	329	\$ 55	17%
		\$ 55	
¹ Les sommes réclamées sont établies en fonction des passifs inclus dans le bilan statutaire daté du 2 décembre 2010.			
² Au moment de l'établissement du présent rapport, aucune créance privilégiée n'existait, puisque tous les salaires et les vacances avaient été réglés par la Débitrice dans le cours normal des activités depuis le dépôt de l'Avis d'intention. La direction de Power Canada Cables Ltd. n'est au courant de l'existence d'aucune créance privilégiée et ne prévoit pas non plus de telles créances.			
³ Excluent les créances chirographaires des apparentés qui s'élèvent à 277 000 \$. Les apparentés renonceront à leurs dividendes en vertu de la Proposition.			

IV. CONCLUSION

Il est estimé que la Proposition Amendée permettra aux créanciers chirographaires, tel qu'il est indiqué dans le bilan statutaire, de recevoir un dividende d'environ 0,17 \$ par dollar de réclamation.

Après avoir estimé le montant qui pourrait être disponible pour les créanciers dans le cadre d'une faillite et compte tenu de l'incertitude quant à la possibilité de réaliser les éléments d'actif aux valeurs indiquées au bilan statutaire, nous sommes d'avis que la Proposition Amendée est plus avantageuse pour les créanciers.

Pour ces raisons, le Syndic recommande l'acceptation de la Proposition Amendée.

Fait à Montréal, ce 17^e jour de décembre 2010.

RSM Richter Inc.
Syndic



Benoit Gingues, CA, CIRP
Administrateur