

CANADA
PROVINCE OF QUEBEC
DISTRICT OF QUEBEC
DIVISION NO.: 01-MONTREAL
COURT NO.: 500-11-035190-095
ESTATE NO.: 41-1149267

SUPERIOR COURT
(Commercial Division)

IN THE MATTER OF THE PROPOSAL OF:

Polychem Products Canada Inc.

a body politic and corporate, duly incorporated
according to law and having its head office and its
principal place of business at:
1501 des Futailles Street
Montréal, Quebec H1N 3P1

Debtor

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

Take notice that Polychem Products Canada Inc., of Montréal, 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, a list of the creditors affected by the proposal and whose claims amount to \$250 or more, a proof of claim form, a proxy and a voting letter are enclosed.

A general meeting of the creditors will be held at Montreal, Quebec on the 26th day of February 2009 at 11:00 a.m. at the Offices of RSM Richter Inc., Trustee, situated at 2 Place Alexis Nihon, 3500 de Maisonneuve Blvd. West, 20th floor, Montréal, Québec.

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.

Creditors must prove their claims in this proposal in order to share in any distribution provided within the present proposal.

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, this 16th day of February 2009.

RSM Richter Inc.
Trustee



Eric Rodier, MBA, CA, CRP
Administrator

CANADA
PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL
COURT NO.: 500-11-035190-095
ESTATE NO.: 41-1149267

SUPERIOR COURT
(Commercial Division)

IN THE MATTER OF THE PROPOSAL OF **POLYCHEM PRODUCTS CANADA INC.**, a legal person, duly incorporated according to law, and having its head office and principal place of business at 1501 des Futaillies, in the City of Montreal, in the District of Montréal, Province of Quebec, H1N 3P1.

DEBTOR

PROPOSAL

We, **Polychem Products Canada Inc.**, the above-noted Debtor, hereby submit the following Proposal under the Bankruptcy and Insolvency Act:

1. For purposes hereof:

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

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there having been an appeal, or an appeal having been lodged and the Judgment having been confirmed or the appeal withdrawn;

“BASE AMOUNT” has the meaning ascribed thereto in subparagraph 8(a)(i) of the PROPOSAL;

“CARBON CREDITS” means the carbon dioxide equivalent (CO₂eq) emission reduction credits generated and owned by the COMPANY up to and including December 31, 2008;

“CLAIM BALANCE” has the meaning ascribed thereto in subparagraph 8(a)(ii) of the PROPOSAL;

“COMMITTEE” means the committee comprising up to five (5) individuals to be named by the creditors at the Meeting of Creditors called to consider the PROPOSAL;

“COMPANY” means Polychem Products Canada Inc.;

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

“MONETIZED CARBON CREDIT AMOUNT” means the amount of cash proceeds actually received by the COMPANY in any of its fiscal years 2009, 2010, or 2011, in respect of the CARBON CREDITS, net of all costs and expenses incurred after December 31, 2008 with respect to the CARBON CREDITS and the monetization thereof, including, without limitation, the costs and expenses of the verification, certification and marketing thereof and of fulfilling all other requirements with respect thereto;

“NOTICE OF INTENTION” means the Notice of Intention to Make a Proposal under the ACT filed by the COMPANY on January 6, 2009;

“ORDINARY CLAIMS” means claims of the ORDINARY CREDITORS including claims of every nature and kind whatsoever, whether due or not due for payment as of the date of the filing of the NOTICE OF INTENTION of the COMPANY including contingent or unliquidated claims arising out of any transaction entered into by the COMPANY prior to the date thereof but specifically excluding the POSTPONED CLAIMS;

“ORDINARY CREDITORS” means the creditors of the ORDINARY CLAIMS;

“POST-FILING GOODS AND SERVICES” means all accrued expenses and debts arising in respect of goods supplied, guarantees issued, services rendered or other consideration given as and from the date of the filing of the NOTICE OF INTENTION up to the time of APPROVAL;

“POSTPONED CLAIMS” means the following claims which were in the following approximate amounts at the time of the filing of the NOTICE OF INTENTION:

- approximately \$2,832,011 owed, on an unsecured basis, by the COMPANY to Renewplast Inc., the shareholder of the COMPANY; and
- any amounts owed by the COMPANY to its affiliate, SOLPLAST;

“POSTPONED CREDITORS” means the creditors of the POSTPONED CLAIMS;

“PREFERRED CLAIMS” means all claims directed by the ACT to be paid in priority to all other claims in the distribution of the property of an insolvent party;

“PROPOSAL” means this Proposal;



“PROPOSAL EXPENSES” means all proper fees, expenses, liabilities and obligations of the TRUSTEE and/or any interim receiver which may be appointed, and all legal, consulting and accounting fees of the TRUSTEE, any interim receiver and the COMPANY on and incidental to the proceedings arising out of the NOTICE OF INTENTION and of the PROPOSAL including, without limitation, advice to the COMPANY in connection therewith;

“SECURED CLAIMS” means claims of secured creditors within the meaning of the ACT;

“SOLPLAST” means Solplast Inc.;

“TOTAL CLAIMS BALANCE” has the meaning ascribed thereto in subparagraph 8(a)(ii) of the PROPOSAL;

“TRUSTEE” means RSM Richter Inc.;

2. All SECURED CLAIMS shall be paid in accordance with arrangements existing between the COMPANY and the holders of SECURED CLAIMS or as may be arranged between the COMPANY and each of the holders of SECURED CLAIMS. This PROPOSAL is not addressed to holders of the SECURED CLAIMS to the extent of their SECURED CLAIMS, and all holders of the SECURED CLAIMS shall not be, in any manner whatsoever, affected or bound by this PROPOSAL to the extent of their SECURED CLAIMS;
3. Amounts owing to Her Majesty in right of Canada or a Province that could be subject to a demand under Section 224 (1.2) of the Income Tax Act, or under any substantially similar provision of provincial legislation, outstanding at the time of the filing of the NOTICE OF INTENTION, will be paid in full within six (6) months after APPROVAL;
4. Amounts owing to employees and former employees, that they would have been entitled to receive under Paragraph 136(1)(d) of the ACT if the employer became bankrupt on the date of filing of the NOTICE OF INTENTION, as well as amounts due for wages, salaries, commissions or compensation for services rendered after that date and before the APPROVAL, will be paid in full immediately after APPROVAL;
5. The PROPOSAL EXPENSES will be paid by the COMPANY in priority to all PREFERRED CLAIMS and claims of ORDINARY CREDITORS;
6. PREFERRED CLAIMS, other than the claims referred to in subparagraph 4 hereof, without interest, will be paid in full in priority to all claims of ORDINARY CREDITORS, within sixty (60) days following APPROVAL;
7. POST-FILING GOODS AND SERVICES will be paid in full in the ordinary course of business and on regular trade terms or as may be arranged by the COMPANY;




8. The COMPANY will pay each ORDINARY CREDITOR, in full and final satisfaction of all amounts due to the ORDINARY CREDITORS, without interest and after payment of the PREFERRED CLAIMS:
- (a) within sixty (60) days following APPROVAL:
 - (i) the lesser of the value of such ORDINARY CREDITOR's ORDINARY CLAIM and \$500 (such lesser amount being the "BASE AMOUNT"); and
 - (ii) ten percent (10%) of the balance remaining, after payment of the BASE AMOUNT, of each ORDINARY CREDITOR's ORDINARY CLAIM (each, a "CLAIM BALANCE" and all such CLAIM BALANCES being, collectively, the "TOTAL CLAIMS BALANCE"), except that if the TOTAL CLAIMS BALANCE exceeds \$4,000,000 then the aggregate dividend under this subparagraph will be \$400,000 to be distributed to ORDINARY CREDITORS *pro rata* to their respective CLAIM BALANCE;
 - (b) within 45 days of the COMPANY's fiscal year end in each of 2009, 2010, and 2011, such ORDINARY CREDITOR's *pro rata* share, based on their respective CLAIM BALANCE in comparison to the TOTAL CLAIMS BALANCE, of an amount equivalent to twenty percent (20%) of the MONETIZED CARBON CREDIT AMOUNT for such year;
9. As a condition of, and conditionally upon, APPROVAL:
- (a) the POSTPONED CREDITORS will have postponed all their rights with respect to the POSTPONED CLAIMS, such that no funds will be disbursed by the COMPANY in respect of POSTPONED CLAIMS until all amounts payable to the ORDINARY CREDITORS pursuant to all terms of the PROPOSAL will have been paid in full; save and except that nothing herein shall prevent the form or structure of these POSTPONED CLAIMS from being changed provided that there is no net outflow of funds from the COMPANY in respect thereof;
 - (b) except as regards subparagraph 9(a) hereof, the POSTPONED CLAIMS will neither be affected by nor benefit from the PROPOSAL;
10. In accordance with section 50(13) of the ACT, the PROPOSAL will constitute a compromise of claims against the present and past directors of the COMPANY that arose before the filing of the NOTICE OF INTENTION and that relate to the obligations of the COMPANY where the directors are by law liable in their capacity as directors for the payment of such obligations, and the PROPOSAL, upon APPROVAL, will operate a discharge in favour of such present and past directors with respect to such obligations. Nothing herein shall be interpreted as an acknowledgment of any liability or obligation of the directors;



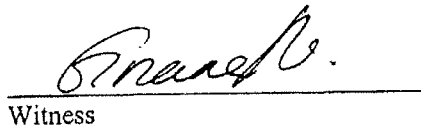
11. Conditionally upon APPROVAL, the statutory terms of Sections 91-101 of the ACT (settlements, preferences, reviewable transactions) shall not apply, the whole pursuant to Section 101.1 of the ACT, and Sections 1631-1636 of the Civil Code of Quebec shall not apply;
12. The COMPANY agrees to the formation of the COMMITTEE;
13. The COMMITTEE shall have the power, at the request of the TRUSTEE, to:
 - (a) approve or ratify such acts of the TRUSTEE as are submitted by the TRUSTEE for approval or ratification and all acts susceptible of such approval or ratification by inspectors in a bankruptcy;
 - (b) authorize the TRUSTEE to institute, compromise, waive or disallow any claim or potential claim including, without limitation, matters relating to proof of claims;
 - (c) approve the distribution of interim dividends and a final dividend;
 - (d) postpone any of the dates for distributions provided for in the PROPOSAL;
 - (e) receive reports from time to time on the status and progress of the monetization of the CARBON CREDITS;
 - (f) confirm that the PROPOSAL has been fulfilled;
 - (g) advise the TRUSTEE on matters relating to the administration of the PROPOSAL;
14. RSM Richter Inc., Licensed Trustee, will be the TRUSTEE under the PROPOSAL and all monies payable under the PROPOSAL will be paid over to the TRUSTEE which will remit the dividends in accordance with the terms of the PROPOSAL.
15. IN THE EVENT OF ANY DISCREPANCY BETWEEN THE ENGLISH AND THE FRENCH TRANSLATION OF THIS PROPOSAL, THE ENGLISH VERSION WILL TAKE PRECEDENCE.

DATED AT MONTREAL, QUEBEC, this 4th day of February, 2009.

POLYCHEM PRODUCTS CANADA INC.



Per: LOUIS NEWMAN
Duly Authorized



Witness



Polychem Products Canada Inc.
Condensed Statement of Affairs
As at February 4, 2009
(As declared and estimated by the Debtor Company)

LIABILITIES

Secured Creditors	\$7,985,169	
Less: unsecured portion	<u>(645,168)</u>	\$ 7,340,001
Preferred Creditors		197,327
Ordinary Creditors	6,858,237	
Plus: unsecured portion of secured claims	<u>645,168</u>	<u>7,503,405</u>
		<u>\$15,040,733</u>

ASSETS
(encumbered)

Accounts receivable		\$ 482,000
Inventory (estimated net book value)		1,154,000
Machinery and equipment (estimated net book value)		2,203,000
Carbon credits		1
Immoveable (estimated net book value)		<u>3,501,000</u>
		<u>\$ 7,340,001</u>
DEFICIENCY		<u>\$(7,700,732)</u>

I, Louis Newman, as Director of Polychem Products Canada Inc., of the City of Outremont, in the Province of Quebec, do swear (or solemnly declare) that this statement is to the best of my knowledge a full, true and complete statement of my affairs on the 4th day of February 2009 and fully disclose all property of every description that is in my possession or that may devolve on me in accordance with Section 67 of the Act.

(signed) Louis Newman

 Louis Newman, as Director of Polychem
 Products Canada Inc.
 Officer

SWORN (or SOLEMNLY DECLARED)
 before me in the City of Montréal,
 in the Province of Québec
 this 4th day of February 2009.

(signed) P. Manel #82973 _____

(Français – au recto)

DANS L'AFFAIRE DE LA PROPOSITION DE Les Produits Polychem Canada Inc., personne morale légalement constituée et dûment incorporée ayant son siège social et son principal établissement commercial au 1501 des Futailles, Montréal (Québec) H1N 3P1.

IN THE MATTER OF THE PROPOSAL OF Polychem Products Canada Inc., a body politic and corporate, duly incorporated according to law and having its head office and its principal place of business at 1501 des Futailles, Montréal, Quebec, H1N 3P1.

La liste suivante des créanciers a été préparée à partir des documents remis au syndic et ne constitue pas l'acceptation d'une réclamation ou de réclamations.

The following list of creditors has been prepared from documents submitted to the Trustee and does not constitute acceptance of any claim or claims.

CRÉANCIERS GARANTIS / SECURED CREDITORS

MONTANT / AMOUNT

Voir liste ci-jointe
See list attached

7.985.169 \$

CRÉANCIERS PRIVILÉGIÉS / PREFERRED CREDITORS

Voir liste ci-jointe
See list attached

197.327 \$

CRÉANCIERS CHIROGRAPHAIRES / ORDINARY CREDITORS

Voir liste ci-jointe
See list attached

6.858.237 \$

LISTE SUPPLÉMENTAIRE / SUPPLEMENTARY LIST

1. Mr. Louis Newman
2. Mr. Mario Lemire
3. Revenu Canada
4. Bell Canada, bureau Insolvabilité
5. Commission de la santé et de la sécurité du travail
6. Commission des normes du travail
7. Dun & Bradstreet du Canada Ltée
8. Equifax Canada Inc., Montréal
9. Hydro-Québec, Gestion du risque
10. Revenu Québec
11. Monsieur Michel Huot, séquestre officiel
12. Mr. Jack McMurray, Canadian Imperial Bank of Commerce
13. Ms. Benita McCloud, Canadian Imperial Bank of Commerce
14. Me Max Mendelsohn, McMillan
15. Me Denis St-Onge, Gowling Lafleur Henderson

Liste des créanciers/Creditors List

Dans l'affaire de la proposition de / In the Matter of the proposal of
Les Produits Polychem Canada Inc. / Polychem Products Canada Inc.

Nom / Name	Montant / Amount
Créanciers garantis / Secured Creditors	
CIBC	1,898,169.00
177960 CANADA INC	550,000.00
HSBC GUYERZELLER BANK S.A.	5,537,000.00
Créanciers garantis / Secured Creditors	7,985,169.00
Créanciers privilégiés / Preferred Creditors	
SALAIRES À PAYER	35,000.00
VACANCES À PAYER	162,327.00
Créanciers privilégiés / Preferred Creditors	197,327.00
Créanciers chirographaires / Ordinary Creditors	
2M RESSOURCES INC.	1,826.12
9074-3014 QUEBEC INC.	91.43
AFFILOR S.R.L. **	14,355.00
AFFUTAGE ORFORD	460.27
ALARMEX INC.	643.67
AMERICAN AGIP CO INC.	609.71
ANPLAST PIECES ET SERVICES INC	112.88
APC RECYCLING *	5,026.40
AQUA PRECISION INC.	9,974.20
ATELIER USINAGE ST-HUBERT LTEE	2,709.00
AUXIPLAST INC.	1,764.18
BALCAN PLASTICS LIMITED	17,100.29
BELL CANADA	914.11
BELL CANADA #300009053	1,244.98
BELL CANADA 348-4094	240.66
BELL CANADA 348-7392	932.66
BELL CANADA 349-2225	195.15
BELL MOBILITE CELLULAIRE	2,474.13
BLUEGRASS RECYCLING LLC *	16,104.00
BOURASSA TRANSPORT INC.	15,506.95
BREPLAST S.P.A. **	540.00
BRUNO FOLCIERI & C. **	2,106.00
BUREAU EN GROS	696.87
BUROPLUS DIV.COMMERCIALE	1,279.03
CANADIAN PLASTIC RECYCLING INC	257,405.20
CANADIAN PLASTICS INDUSTRY	8,500.80
CANDEREL MANAGEMENT INC	39.73
CARBONE OF AMERICA	3,349.90
CASCADES CONVERSION INC.	4,290.38
CASCADES GROUPE TISSUS CANDIAC	7,563.19
CASCADES RE-PLAST INC.	232,567.70
CENTRE DE LAVAGE N.SMITH INC.	9,263.66
CENTRE DE TELEPHONE MOBILE	2,663.82
CERMATIC	280.50
CFH SECURITE	366.84
CHAMBRE DE COMMERCE	180.00
CLIMATISATION MIXAIR INC.	472.95
CLOTURE STRUCTURA 2000	930.38
CN (664037A) TANK CAR	12,970.40
CN (664037A) TANK CAR U.S. *	55,402.17
COMITARE CONSEIL INC.	10,924.05
COMPAGNIE BATTERIES	1,333.28
CONCEPT AIR	1,984.34
CONSULTANTS LUPIEN ROULEAU INC	609.52
COURRIER PUROLATOR LTEE	1,386.57
COURVILLE, MICHEL	460.00
COVER-ALL BUILDING SYSTEMS INC	16,393.76
CSST	27,382.15
DELOM SERVICES	21,396.02
DELTA GOMMA INC.	11,303.87
DERINGER	10.34
DEUBLIN COMPANY	295.28
DHL GLOBAL FORWARDING	2,787.61
DIC SERVICES DU GAZ	250.86
DOMINO PLASTICS COMPANY, INC. *	118,767.70
DUCHESNEAU & FILS INC.	357.67
EDITIONS YVON BLAIS	73.40
EMBALLAGE PERFORMANT INC.	37,808.18
EMBALLAGE ST-JEAN LTEE	155,303.30
EMBALLAGES PORT-ROYAL (LES)	7,559.80
EMCO CORPORATION DISTRIBUTION	325.65

Liste des créanciers/Creditors List

Dans l'affaire de la proposition de / In the Matter of the proposal of
Les Produits Polychem Canada Inc. / Polychem Products Canada Inc.

Nom / Name	Montant / Amount
Créanciers chirographaires / Ordinary Creditors	
ENTREPOSAGE PLASPAK INC.	700 RUE DE DIJON ST-JEAN-SUR-RICHELIEU QC J3B 8G3 37,141.38
ENTREPOT DE DOUANE INC	800 DIJON ST-JEAN-SUR-RICHELIEU QC J3B 8G3 4,393.10
ENTREPRISES G.A. BERGERON INC.	C.P.10065 C.S.P. L'ACADIE ST-JEAN-SUR-RICHELIEU QC J2Y 1J6 5,566.44
ENVIROPLAST	11060 PARKWAY, ANJOU QC H1J 1R6 25,625.96
ENVISION RECYCLING *	BN:12281 7034 RT P.O. BOX 9, DEPOT 1 HAMILTON ON L8L 7T5 41,907.81
EQUIPEMENTS MCF INC	9244 CÔTE DE LIESSE LACHINE QC H8T 1A1 16,479.75
EQUIPLAST INC.	5566 CYPHOT ST-LAURENT QC H4S 1V7 12,253.72
ETIQUETTES I.M.L. INC (LES)	175 WILLIAMS STEUSTACHE QC J7R 0A4 50,636.41
EXTINCTEURS ST-JEAN ENRG.	54 DU BOISE DE L'ILE ST-JEAN-SUR-RICHELIEU QC J2W 2Y7 155.09
EXXEL POLYMERS INC.	CASE POSTALE 11336 SUCC. CENTRE VILLE MONTREAL QC H3C 5H1 7,253.79
FEDERAL EXPRESS CANADA LTEE	PO BOX 4626 TORONTO STN A TORONTO ON M5W 5B4 844.60
FIDUCIE JEAN BOURASSA	C.P. 163 ST-JEAN-SUR-RICHELIEU QC J3B 6Z4 1,806.00
FILTEC s.a.s. **	VIA DEL LAGHETTO 140 ITALY - 3,371.60
FLEURISTE DECORATEUR	910, BOUL. DU SEMINAIRE, ST-JEAN-SUR-RICHELIEU QC J3A 1B5 334.11
FLORIAN SAMSON ENR.	179 DECELLES C.P. 697 GRANBY QC J2G 7P6 11,463.13
G & G MACHINE KNIFE INC	UNIT 1 1246 LORIMAR DR. Mississauga ON L5S 1R2 892.50
G.H. BERGER LTEE	455 BOUL. DU SEMINAIRE ST-JEAN-SUR-RICHELIEU QC J3B 5L4 7,082.49
G3 TRANSPORT	9135 HENRI-BOURASSA EST MONTRÉAL QC H1E 1P4 98,511.35
GABY MORASSE	63 3 EME AVE NORD ROXBORO QC H8Y 2L8 185.00
GALA INDUSTRIES INC. *	181 PAULEY STREET EAGLE ROCK VA 24 085 360.57
GANTS SECURITE MCCORDICK INC.	400 JAMIESON PARKWAY CAMBRIDGE ON N3C 4N3 4,675.85
GATX RAIL CANADA	SUITE 1475 1801 AVE. MCGILL COLLEGE Montreal QC H3A 2N4 40,583.44
GAZMET	171, DU HAVRE MONTREAL QC H2K 2X3 27,128.65
GESTION MIRAGE	351 DAMIEN-CYR LAVAL QC H7L 6H4 4,725.00
GLOBAL TRADING S.R.L. **	VIA SAMMICHELE, 52 FILTRI E TELE METALLICHE 70021 ACQUAVIVA DELLE FONTI (BA) ITALY 26,571.86
GROUPE CTT GROUPE	3000 RUE BOULLE, SAINT-HYACINTHE QC J2S 1H9 QC J2S 1H9 2,387.31
GROUPE VOYAGES VISION 2000 INC	100 ALEXIS NIHON, S 110, ST-LAURENT QC H4M 2N6 50.00
H.MILOT INC.	1025 DES CARRIERES ST-JEAN-SUR-RICHELIEU QC J3B 6Y8 15,485.46
HAYCORE CANADA INC.	3144 GREGOIRE RD. RUSSELL ON K4R 1E5 296,075.10
HEBDOS MONTEREGIENS	184 DE NORMANDIE BOUCHERVILLE QC J4B 5S7 566.37
HUILES THUOT & BEAUCHEMIN INC.	775, GAUDETTE ST-JEAN-SUR-RICHELIEU QC J3B 7S7 2,588.05
HYCO CANADA U.L.C.	1025 RUE PRINCIPALE, C.P. 28, ST-WENCESLAS QC G0Z 1J0 1,522.63
HYDROLICO INTERNATIONAL INC.	1965 BOUL. DAGENAIS OUEST LAVAL QC H7L 5V1 325.08
HYDRO-QUEBEC	Mme L. Dion et MM. J.Bernard & D.Ouimet 140 BOUL. CREMAZIE O, 1er ETAGE MONTRÉAL QC H2P 1C3 157,864.60
ICS	4034 BOUL. POIRRIER ST LAURENT QC H4R 2A5 308.83
INDUSTRIES B. RAINVILLE INC.	175 ROUTE 104, IBERVILLE QC J2X 4J2 232.05
INDUSTRIES MACHINEX INC	2121, RUE OLIVIER PLESSISVILLE QC G6L 3G9 3,523.94
INTERTAPE POLYMER GROUP M2169	CASE POSTALE 11551 SUCCURSALE CENTRE-VILLE MONTREAL QC H3C 5N7 23,300.32
JACMAR	1031 RENAUD LAPOINTE Anjou QC H1J 2T4 836.65
JCL HYDRAULIQUE INC.	429 GRANDE LIGNE, ST-JEAN-SUR-RICHELIEU QC J2X 4J2 1,254.25
JOURNAL L'ACTION	155 SIR WILFRID LAURIER BUREAU 101 SAINT-BASILE-LE-GRAND QC J3N 1A9 507.94
KEARNY STEEL CONTAINER CORP *	401 SOUTY STREET NEWARK NJ 07 105 42,836.00
KEMEX STRAPPING SYSTEMS	1850 TRANS-CANADA DORVAL QC H9P 2N4 2,746.75
L.FINE & COMPANY INC. *	P.O. BOX 511 PEABODY MA 01 960 47,355.40
LA CAROTTINE INC.	P.O. BOX 511 ST-REMI QC J0L 2L0 7,898.89
LAFCO	6774 JARRY EST ST-LEONARD QC H1P 1W3 774.40
LAVERY, DE BILLY	1 PLACE VILLE MARIE BUREAU 4000 Montreal QC H3B 4M4 8,966.37
LAW-MAROT INC.	1150 RUE BROUILLETTE St-Hyacinthe QC J2T 2G6 12,039.66
LE CANADA FRANCAIS	84 RICHELIEU, C.P. 460 ST-JEAN-SUR-RICHELIEU QC J3B 6Z8 746.63
LE CORRE	BUREAU 650 2550 BOUL. DANIEL JOHNSON Laval QC H7T 2L1 4,777.30
LEGACY EXPRESS INC.	921 KEYES DRIVE WOODSTOCK ON N4V 1C3 2,893.80
LES BOULONS INDUSTRIES	1175 FRANCHERE MARIEVILLE QC J3M 1J3 3,109.71
LES EAUX BLUE ORCHID INC.	625 RUE TROTTER ST-JEAN-SUR-RICHELIEU QC J3B 8J8 1,693.12
LES ENTREPRISE D'ELECTRICITÉ GÉLINAS INC	772 BOUL LIONEL BOULET VARENNES QC J3X 1P7 3,941.19
LES PRODUITS DE QUAIS	PO BOX 57117, POSTAL STATION A TORONTO ON M5W 5M5 6,562.19
LINDE CANADA	5555 BOUL.DES GRANDES PRAIRIES Montreal QC H1R 1B4 1,617.30
LIQUIDATION C.B.	405 2EME AVENUE ST-JEAN-SUR-RICHELIEU QC J2X 2B7 395.06
LIVINGSTON INTERNATIONAL	P.O. BOX 5640 TERMINAL A TORONTO ON M5W 1P1 5,872.79
LML AUTOMATISATION LTEE	BUREAU 22 360 BOUL. DU SEMINAIRE NORD ST-JEAN-SUR-RICHELIEU QC J3B 5L1 657.78
LML ELECTRIQUE LTEE	BUREAU 23 360 BOUL. DU SEMINAIRE NORD ST-JEAN-SUR-RICHELIEU QC J3B 5L1 1,478.78
LOCATION PLUS	BUREAU 202 1425 GRAHAM-BELL BOUCHERVILLE QC J4B 6A1 303,041.90
LOGISTIQUE DION INC.	1660 BOUL. INDUSTRIEL, FARMHAM QC J2N 2X8 67,746.75
LUMEN	C.P. 295 DORVAL QC H9R 4M9 5,719.06
LUTEK EQUIPEMENT DE PLASTIQUE	2274 CHEMIN ST-FRANCOIS DORVAL, QC H9P 1K2 QC H9P 1K2 571.15
LUTEK EQUIPEMENT PLASTIQUE INC *	2274 CHEMIN ST-FRANCOIS, DORVAL QC H9P 1K2 19,393.41
MALLOCK LIMITEE	C.P. 295, MONTREAL-NORD, H1H 5L4 QC H1H 5L4 24,206.05
MEDIAVIS INC.	2984 BOUL. TASCHEREAU,S 200, GREENFIELD PARK, QC J4V 2G9 QC J4V 2G9 1,021.52
MEDIGESTAL INC	BUREAU 101 2655 BOUL. DANIEL JOHNSON Laval QC H7P 5Y2 1,225.00
MEDISYS	BUREAU 1100 500 RUE SHERBROOKE OUEST MONTREAL (QC) H3A 3C6 QC H3A 3C6 5,564.15
MENUISERIE GILLES FONTAINE	368, RUE ADRIEN-FONTAINE ST-JEAN-SUR-RICHELIEU QC J2X 5M5 84.66
MOTEUR ELECTRIQUE ST-JEAN INC.	688, ST-JACQUES, ST-JEAN QC J3B 2M7 QC J3B 2M7 2,815.14
MOTEURS ELECTRIQUES LAVAL LTEE	550, MONTEE DE LIESSE ST-LAURENT QC H4T 1N8 QC H4T 1N8 4,375.53
MOTION INDUSTRIES (CANADA) INC	C.P. 11558 SUCC. CENTRE VILLE Montreal QC H3C 5N7 8,642.83

Liste des créanciers/Creditors List

Dans l'affaire de la proposition de / In the Matter of the proposal of
Les Produits Polychem Canada Inc. / Polychem Products Canada Inc.

Nom / Name	Montant / Amount
Créanciers chirographaires / Ordinary Creditors	
MOULE SUD	372.49
MOULES MIRPLEX INC.	6,753.53
MULTI-ENTREPOTS	187.37
NATIONAL ELECTRICAL CARBON CANADA	1,368.21
NEMO PLASTICS INC. *	80,217.60
NEXCYCLE PLASTICS INC.	1,134.00
NORTH AMERICA I.M.L.CONTAINERS	25,911.55
NORTHCOAST INC. RECYCLING *	14,534.33
NOVUS PACKAGING INC.	2,224.09
NUERA	1,142.09
NUSCONSULTING GROUP	109.84
P.J.P. TRANSPORT INC.	8,001.00
PAPIERS CCT INC.	15,491.09
PAVAGE DAUDI LTEE	11,428.59
PDI (POLYMER DISTRIBUTION INC)	41,024.89
PETRO-CANADA	2,194.39
PIECES INDUSTRIELLES JOHN LEAHY	234.64
PITNEY BOWES	6,160.88
PLAS-SEP 2002	70,981.69
PLASTI SERVICE RECYCLAGE (PSR)	23,487.88
PLASTIC AGE PRODUCTS INC	10,123.54
PLASTIQUES D.C. INC.	43,644.24
PNEUS I.C.M. INC.	3,722.15
PNEUS ROBERT BERNARD (ST-JEAN)	255.13
POLIPLASTIC INC.	32,831.34
POLYPACK CORPORATION	50,201.17
PREMIER FLUID SYSTEMS INC.	6,530.52
PIUROLATOR EFP	1,406.31
RADIO COMMUNICATION	976.14
RADIO TAXI UNION LTEE	107.22
RCI ENVIRONNEMENT INC.	58,925.96
RECUPERATION DRUMMOND INC.	5,106.46
REMRQUES 2001	420.08
RENEWPLAST INC.	2,832,011.00
REPARATIONS SOS LIFT.	12,953.26
RESOURCE MANAGEMENT *	61,471.80
RICOPLAST INC	12,292.08
RND SOLUTIONS INC.	3,217.74
ROTO RECYCLING	3,895.31
S.M.J.C.TRANSPORT	1,071.45
SALERNO	141,960.75
SAMSON TRANSPORT	338.63
SBC RECYCLING *	43,895.04
SECURO VISION INC.	1,018.40
SERVICE COLIS RICHELIEU INC	411.83
SERVICE INFO & RESEAUTIQUE	992.45
SERVICES SOLUTEX INC.	2,483.25
SGT 2000	11,157.76
SIMPLEX LOCATION EQUIPEMENT	297.90
SINTO INC.	111.12
SM ENTERPRISES INC. *	31,459.90
SOLENO INC	20,389.97
SOUCY TECHNO INC. *	20,461.75
SPECIALITE BOYAUX QUEBEC	101.63
TAGI ACIER INOXYDABLE	5,333.35
TANGENT PLASTICS INC	2,294.25
TECH BLEND s.a.c.	9,131.59
TENAQUIP LIMITED	3,227.34
THE RECYCLING GROUP *	10,646.08
THYSSENKRUPP MATERIALS NA	314.92
TNT EXPRESS (CANADA) LTD T46259	65.00
TRANS WEST	70.00
TRANSPORT L-60	676.69
TRIVOLT INDUSTRIES	642.46
TWINS TECHNOLOGY LTD	6,930.00
UNI-SHRED	2,741.20
UPS CANADA	56.44
UPS SCS, INC.	10,176.91
UPS-SUPPLY CHAIN SOLUTIONS*	1,438.28
USINAGE ET MAINTENANCE R.B.	586.95
VAUDRY ET FILS INC.	297.62
VECOPLAN, LLC *	90,064.80
VENTILATION LACROIX INC.	1,636.69

Liste des créanciers/Creditors List

Dans l'affaire de la proposition de / In the Matter of the proposal of
 Les Produits Polychem Canada Inc. / Polychem Products Canada Inc.

Nom / Name	Montant / Amount
Créanciers chirographaires / Ordinary Creditors	
VERDURA INC.	740, ROSSITER ST-JEAN-SUR-RICHELIEU QC J3B 8J1 507.94
VILLE DE ST-JEAN	C.P. 1025 188 JACQUES CARTIER NORD ST-JEAN-SUR-RICHELIEU QC J3B 6Z9 117,336.50
WAHBA TRADING & LOGISTICS	INTERNATIONAL INC. 1356 WEBB AVE. LAVAL QC H7W 4M3 23,218.10
XALOY INCORPORATED *	1399 COUNTY LINE RD New CASTLE PA 16 101-2955 35,759.00
ZZ-EURO EXCHANGE AT.5894	725 GAUDETTE SAINT-JEAN-SUR-RICHELIEU QC J3B 7S7 27,669.06
ZZ-US EXCHANGE AT .1823	725 GAUDETTE SAINT-JEAN-SUR-RICHELIEU QC J3B 7S7 130,795.52
Créanciers chirographaires / Ordinary Creditors	6,858,237.23
	<u>15,040,733.23</u>

Grand Total

**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.

PROOF OF CLAIM

(Section 50.1, subsections 65.2(4), 81.2(1), 81.3(8), 81.4(8), 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: _____)

Telephone number: _____

Fax number: _____

E-mail Address: _____

In the matter of the proposal of **Polychem Products Canada Inc.** of Montreal, Québec, and the claim of:

_____, creditor.

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

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

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

3. That the debtor was, at the date of the notice of intention to make a proposal, namely the **6th day of January 2009**, 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. In addition, indicate the creditor's address, fax number, telephone number and E-mail address).**

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.)

() **E. CLAIM BY WAGE EARNER OF \$ _____**
() That I hereby make a claim under subsection 81.3(8) of the Act for the unpaid amount of \$ _____
() That I hereby make a claim under subsection 81.4(8) of the Act for the unpaid amount of \$ _____

PROOF OF CLAIM
(continued)

() **F. 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.)

() **G. 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 bankruptcy event within the meaning of Section 2(1) of the Act, which is 6th day of January 2009: *(Provide details of payments and credits.)*

Dated at _____, this ____ day of _____.

Witness

Signature of creditor or his representative

NOTE: 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 **Polychem Products Canada Inc.:**

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 _____.

Name of creditor and name of authorized signatory

Signature of witness

Per :

Signature

CANADA
PROVINCE OF QUEBEC
DISTRICT OF QUEBEC
DIVISION NO.: 01-MONTREAL
COURT NO.: 500-11-035190-095
ESTATE NO.: 41-1149267

SUPERIOR COURT
(Commercial Division)

IN THE MATTER OF THE PROPOSAL OF:

Polychem Products Canada Inc.

a body politic and corporate, duly incorporated according to law and having its head office and its principal place of business at:
1501 des Futailles Street
Montréal, Quebec H1N 3P1

VOTING LETTER

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

I, _____, creditor
(or I, _____, representative of _____, creditor)
of _____ (name of town or city), a creditor in the above matter for
the sum of _____ \$, hereby request the trustee acting with respect to the proposal of **Polychem Products
Canada Inc.** to record my vote _____ (for or against) the acceptance of the proposal as
made on the 5th day of February 2009.

Dated at _____, this _____ day of _____ 200_____.

Witness

Individual Creditor

- OR -

Name of Corporate Creditor

Witness

Per : _____
Signature of Signing Officer