

Estate No.32-157548

IN THE MATTER OF THE RECEIVERSHIP OF THE  
PROPERTY OF

**Jager Building Systems Inc.**  
Carrying on business in the Town of Bolton  
in the Province of Ontario

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SUPERIOR COURT OF JUSTICE

IN BANKRUPTCY

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**FOURTH INTERIM RECEIVER REPORT**

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**PricewaterhouseCoopers Inc.**  
77 King Street West  
Suite 3000 – Box 82  
Royal Trust Tower  
Toronto Dominion Centre  
Toronto, ON  
M5K 1G8  
(416) 863-1133

**FOURTH INTERIM REPORT**  
**Subsection 246(2) of the**  
**BANKRUPTCY AND INSOLVENCY ACT**

In the matter of the Receivership of the Property of:

**JAGER BUILDING SYSTEMS INC. – Estate # 32-157548**

We report the following:

1. On September 15, 2008, pursuant to an order (the “Appointment Order”) issued by the Honourable Mr. Justice Morawetz, PricewaterhouseCoopers Inc. (“PwCI”) was appointed interim receiver and receiver and manager (the “Receiver”), pursuant to section 47 (1) of the *Bankruptcy and Insolvency Act*, R.S.C.1985, c.B-3, as amended and section 101 of the *Courts of Justice Act*, R.S.O. 1990 c. C.43, as amended, without security, of all of the assets, property and undertakings (the “Property”) of Jager Building Systems Inc. (“Jager”) (the “Receivership Proceedings”).
2. The Appointment Order was granted pursuant to an application made by HSBC Bank Canada (“HSBC”) pursuant to its security agreements with Jager.

3. On September 15, 2008, the Receiver took possession and control of certain of Jager’s Property, which primarily consisted of:

|                                | <u>Estimated Value</u> |
|--------------------------------|------------------------|
| Accounts Receivable            | \$ 7,888,208           |
| Inventory                      | 8,000,000              |
| Machinery, equipment and plant | 12,000,000             |

4. On October 8, 2008, the Court granted an amended Appointment Order to include Jager Building Systems (U.S.) Inc. (“Jager US” and collectively with “Jager” the “Companies”) in the Receivership Proceedings.
5. During the six months from the Third Interim Report of the Receiver, dated May 13th 2010, (the “Period”), the Receiver has realized the following:
- (a) proceeds of CDN \$18,445.86 from the sale of fork lift trucks;
  - (b) collection of CDN \$24,000.00 related to outstanding pre appointment accounts receivable;
  - (c) refund of CDN \$20,257.69 related to Alberta Workers Compensation ; and
  - (d) CDN \$368.22 of interest earned.
6. Attached, as Appendix “A” and Appendix “B” is the Interim Receiver’s Statements of Receipts and Disbursements for the period September 15, 2008 to September 30, 2010, representing the Receiver’s Canadian and US accounts. As indicated in Appendix “A”, the Companies’ Canadian cash receipts have exceeded disbursements by \$13,559,510.41, inclusive of funds transferred from the US accounts, of which \$13,114,473.00 has been

distributed to HSBC, as the secured creditor, in part satisfaction of Jager's indebtedness owed to HSBC. As at the date of this report, the Receiver holds funds of CDN \$445,037.41.

7. The realization from the sale of the Property, will be insufficient to pay, in full, the claims of the secured creditor; accordingly, there will be no funds available for distribution to the unsecured creditors.
8. As at the date of this Report, the Receiver is continuing its efforts to realize on the Companies' remaining Property, including accounts receivable.
9. Further interim reports regarding the status of the appointment will be prepared approximately once every 6 months pursuant to subsection 246(2) of the Bankruptcy and Insolvency Act. Creditors who wish to receive a copy of the interim report may request a copy by writing to the Receiver at the following address:

PricewaterhouseCoopers Inc.  
Interim Receiver and Receiver and Manager of  
Jager Building Systems Inc.  
77 King Street West  
Suite 3000 – Box 82  
Royal Trust Tower  
Toronto Dominion Centre  
Toronto, Ontario M5K 1G8

Attention: Ms. Adele Boulding  
Fax Number: (416) 814-3219



Dated this 29th day of October, 2010.

PRICEWATERHOUSECOOPERS INC.  
Interim Receiver and Receiver and Manager of  
Jager Building Systems Inc. and Jager Building Systems (U.S.) Inc.

A handwritten signature in cursive script that reads "T. Weaver".

T. Weaver  
Vice-President

Enc.

PRICEWATERHOUSECOOPERS INC.  
RECEIVER  
JAGER BUILDING SYSTEMS INC. AND JAGER BUILDING SYSTEMS (U.S.) INC.  
CDN ACCOUNT

Appendix "A"

STATEMENT OF RECEIPTS AND DISBURSEMENTS  
FOR THE PERIOD SEPTEMBER 15, 2008 TO SEPTEMBER 30, 2010

**RECEIPTS**

|  | \$           |
|--|--------------|
| Cash on Hand                           | 334.16       |
| Sale of Inventory                      | 3,260,161.34 |
| Sale of Bolton Property                | 4,114,664.34 |
| Sale of Blainville Property            | 1,197,000.00 |
| Sale of Assets                         | 478,939.81   |
| Accounts Receivable                    | 3,057,876.41 |
| Transfer from Jager (US\$)             | 5,705,975.31 |
| Transfer from Jager (U.S. Inc.) (US\$) | 1,432,263.25 |
| Miscellaneous                          | 18,423.36    |
| Refunds:                               |              |
| Workers Compensation                   | 32,771.13    |
| Supplier                               | 15,824.85    |
| Insurance                              | 54,014.92    |
| Government                             | 477,357.78   |
| Damage Deposits                        | 579,968.68   |
| Rental Income                          | 5,000.00     |
| PST Collected                          | 38,095.24    |
| GST Collected                          | 0.00         |
| Interest Earned                        | 35,503.34    |
|  | 17,425.35    |

|                       |                      |
|-----------------------|----------------------|
| <b>TOTAL RECEIPTS</b> | <b>19,941,630.59</b> |
|-----------------------|----------------------|

**DISBURSEMENTS**

|                                 |              |              |
|---------------------------------|--------------|--------------|
| Operational Costs:              |              |              |
| Payroll fees                    | 512.58       |              |
| Employee/Contractor expenses    | 8,135.98     |              |
| Contractor Costs                | 1,069,084.44 |              |
| Rent                            | 43,272.69    |              |
| Telephone                       | 143,632.22   |              |
| Utilities                       | 294,287.17   |              |
| Consultant fees                 | 230,710.07   |              |
| Equipment Lease and Rentals     | 13,773.78    |              |
| Operating Costs                 | 444,406.33   |              |
| WSIB                            | 28,773.98    |              |
| Insurance                       | 201,018.46   |              |
| Security and Lock Changes       | 154,702.17   |              |
|                                 |              | 2,632,309.87 |
| Section 81.4 Claims             |              | 159,711.81   |
| Tembec Settlement               |              | 117,110.05   |
| Real Estate Commission          |              | 203,500.00   |
| Environmental Assessments       |              | 95,841.81    |
| Transfer to Trustee Account     |              | 26,500.00    |
| Property Taxes                  |              | 530,674.26   |
| Miscellaneous                   |              | 65.57        |
| Appraisal Fees                  |              | 47,887.05    |
| Receiver Fees and Disbursements |              | 1,791,356.96 |
| Legal Fees                      |              | 605,540.77   |
| Provincial Sales Tax            |              | 1,139.24     |
| GST/HST (I.T.C.'s)              |              | 159,328.20   |
| QST Paid                        |              | 10,319.69    |
| Registration Fee                |              | 70.00        |
| Bank Charges                    |              | 764.90       |

|                            |                     |
|----------------------------|---------------------|
| <b>TOTAL DISBURSEMENTS</b> | <b>6,382,120.18</b> |
|----------------------------|---------------------|

|  |                      |
|--|----------------------|
| <b>EXCESS OF RECEIPTS OVER DISBURSEMENTS</b> | <b>13,559,510.41</b> |
|--|----------------------|

|                              |               |
|------------------------------|---------------|
| Repayment to Secured Lenders | 13,114,473.00 |
|------------------------------|---------------|

|  |                   |
|--|-------------------|
| <b>NET RECEIPTS OVER DISBURSEMENTS</b> | <b>445,037.41</b> |
|--|-------------------|

**REPRESENTED BY:**

|              |            |
|--------------|------------|
| Cash in Bank | 25,915.33  |
| Term Deposit | 419,122.08 |

|                                   |                   |
|-----------------------------------|-------------------|
| <b>FUNDS HELD BY THE RECEIVER</b> | <b>445,037.41</b> |
|-----------------------------------|-------------------|

PRICEWATERHOUSECOOPERS INC.  
RECEIVER  
JAGER BUILDING SYSTEMS INC. AND JAGER BUILDING SYSTEMS (U.S.) INC.  
CDN ACCOUNT

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## DISBURSEMENTS

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## TOTAL DISBURSEMENTS

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Repayment to Secured Lenders

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## FUNDS HELD BY THE RECEIVER

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