

**IN THE MATTER OF THE RECEIVERSHIP OF
THE PROPERTY OF**

HALDIMAND-NORFOLK SANITARY LANDFILL INC.

Second Report of SF Partners Inc.

Court File No. 07-CL-7162

ONTARIO
SUPERIOR COURT OF JUSTICE

COMMERCIAL LIST

IN THE MATTER OF 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

BETWEEN:

**ROMPSEN HOLDINGS INC., UPPER CANADA PROPERTIES INC., and 1023877
ONTARIO INC.**

Applicants

-and-

**1303862 ONTARIO INC., 2001824 ONTARIO INC., 1281126 ONTARIO
INC., HALDIMAND-NORFOLK SANITARY LANDFILL INC., WILLIAM COURTNEY
and SHARON CAMPBELL, ESTATE TRUSTEE OF THE ESTATE OF FRANCIS
CAMPBELL**

Respondents

SECOND REPORT OF SF PARTNERS INC.

October 29, 2007

Introduction

1. By Order of the Honourable Mr. Justice Lederman dated September 10, 2007 (the “Receivership Order”), SF Partners Inc. (“the Receiver”), was appointed as interim receiver and receiver manager of the assets, property and undertaking of Haldimand – Norfolk Sanitary Landfill Inc. (“Haldimand”) pursuant Section 47(1) of the *Bankruptcy and Insolvency Act* (the “BIA”) and section 101 of the *Courts of Justice Act*. The Receivership Order is attached as Exhibit “A” to the report.

2. The purpose of this Report is to seek an order of the Court increasing the Receiver's borrowing facilities from \$2 million to \$2.6 million.

Receiver's Borrowings

3. The Receiver requests an increase in its borrowing facility in the amount of \$600,000. In Exhibit "A" to the report, we attach a Statement of Receipts and Disbursements indicating that the Receiver currently has \$141,000 on hand on borrowings of \$893,000. We attach in Exhibit "B", a schedule indicating the required expenditures remaining to complete construction of the landfill, to the stage where it can receive waste, in the amount of \$1.585 million. Based on the expenditures required the Receiver will require total borrowings of a minimum of \$2.5 million. The Receiver is requesting authorization to increase its borrowing limit to \$2.6 million to allow for contingencies.

Conclusion and Recommendation

4. Based on the above, the Receiver respectfully requests that the Court make an Order granting the relief detailed in paragraph 2 above.

All of which is respectfully submitted.

Dated at Toronto, Ontario, this 31st day of October, 2007.

Per:

**SF PARTNERS INC., IN ITS CAPACITY AS
COURT-APPOINTED RECEIVER AND MANAGER OF
HALDIMAND-NORFOLK SANITARY LANDFILL INC.**

SF Partners Inc.

Haldimand-Norfolk Sanitary Landfill Inc.
Second Report of SF Partners Inc.

INDEX

	TAB
A. Statement of Receipts and Disbursements	1
B. Estimated Funding Requirements	2

TAB 1

SF Partners Inc. , Receiver and Manager of
Haldimand-Norfolk Sanitary Landfill Inc.
Statement of Receipts and Disbursements
For the Period September 10, 2007 to October 23, 2007
(\$)

Exhibit "A"

Receipts

Receiver's Borrowings 893,000

Disbursements

Engineering services	200,000
Gravel, stones and installation	87,695
Construction and installation of scale	75,911
Payroll, subcontractors and expenses	99,238
Equipment rentals	59,906
Financing fees	43,000
Construction of fence	38,302
Costs regarding completion of liner	32,172
GST	25,166
Receiver's fees	17,500
Consulting fees-Project manager	14,830
Security system	10,642
Legal fees	9,606
Security	8,801
Electrical services	8,250
Insurance	6,208
Equipment purchases	6,132
Fuel	6,051
Trucking services	2,033
Telephone	535
	<u>751,978</u>

Excess of receipts over disbursements 141,022

This schedule is prepared on a cash basis and does not reflect the liabilities of the Receiver

TAB 2

SF Partners Inc. , Receiver and Manager of
Haldimand-Norfolk Sanitary Landfill Inc.

Exhibit"B"

Estimated Funding Requirements

Prepared as of October 29, 2007

(\$)

Engineering fees- Conestoga Rovers		
Payment per agreement	500,000	
Other required work	<u>50,000</u>	
	550,000	550,000
Contractors and labour		75,000
Financial Assurance payments-MOE		652,000
Completion of Liner-Terrafix		45,000
Letter of Credit re: County		65,000
Final payments for construction of fence		15,000
Legal fees-David Rubin re: MOE issues		25,000
Equipment rentals		20,000
Insurance		13,000
Radiation system		25,000
Other		<u>100,000</u>
		<u><u>1,585,000</u></u>

Notes

1. The funding requirements do not include the funding of any losses that may be incurred after commencement of operations
2. The Receiver's fees and the costs of its counsel are not specifically included in the above analysis
3. This is an estimate, and is subject to material change