

**NOTICE AND STATEMENT OF RECEIVER  
(SECTION 245(1) AND 246(1) OF THE ACT)**

In the matter of the receivership of Bayly Communications Inc. (“BCI” or “the **Company**”)

Take notice that:

1. On the 26<sup>th</sup> day of July, 2011, the undersigned Deloitte & Touche Inc. was appointed Receiver and Manager (the “**Receiver**”) in respect of the undertaking and assets of BCI, an insolvent company that is described below:

	<b>Net Book Values</b>
Accounts receivable	\$ 550,008
Inventory	1,448,056
Furniture, equipment and vehicle	<u>216,783</u>
	<b><u>\$2,214,847</u></b>

*Source: Company books and records including internal balance sheet for the month ended June 30, 2011, and July 26, 2011 accounts receivable and inventory reports.*

The book values shown above may not be representative of the market or realizable value of the assets.

2. The undersigned became a Receiver pursuant to a General Security Agreement provided by the Company in favour of HSBC Bank Canada dated April 16, 2008.
3. The undersigned commenced the exercise of its powers in respect of that appointment on the 26<sup>th</sup> day of July, 2011.
4. The following information relates to the receivership.

a) Address of insolvent company: 105 Green Court, Ajax, Ontario L1S 6W9

b) Principal line of business: Supplier of metro/access telecom solutions connecting voice, data, video, and IP services to public and private networks.

c) Amounts owed by the Company to creditors who appear to hold a security interest on the property described above include:

2091111 Ontario Inc./Robert J. Offley	Unknown
Blue Chip Leasing Corporation	Unknown
Capital Underwriters Inc.	Unknown
Dell Financial Services Canada Limited	Unknown
Douglas E. Carl, Stewart W. Higgins, Kenneth B. Friendship	Unknown
DSM Leasing Ltd.	Unknown
Financialinx Corporation	Unknown
HSBC Bank Canada	\$1,427,799

Leasebank Credit Corporation	Unknown
LiftCapital Corporation	Unknown
National Leasing Group Inc.	Unknown
Northstar Leasing Corporation	Unknown
RCAP Leasing Inc.	Unknown
Relational Funding Canada Corp.	Unknown
Royal Bank of Canada	Unknown

The validity of the above list of secured creditors has yet to be confirmed.


- d) The list of unsecured creditors of the Company and the amount owed to each creditor by the insolvent Company is attached. The total known amount owing to all unsecured creditors is \$487,475.96.
- e) The Receiver is currently in the process of determining the best method of disposition which will yield the highest possible value for the assets of the Company.

Contact person for the Receiver:

Jim Cook  
Deloitte & Touche Inc.  
181 Bay Street, Suite 1400  
Toronto, Ontario M5J 2V1  
Telephone: (416) 775-7284  
Facsimile: (416) 601- 6690

Dated at Toronto this 5<sup>th</sup> day of August 2011.

**DELOITTE & TOUCHE INC.**  
In its capacity as Receiver and Manager  
of Bayly Communications Inc.  
and not in its personal capacity

  
\_\_\_\_\_  
Brenda Wong, CIRP  
Vice President

**DELOITTE & TOUCHE INC.  
IN THE MATTER OF THE RECEIVERSHIP OF THE PROPERTY OF  
BAYLY COMMUNICATIONS INC.**

**MAILING LIST**

SECURED

2091111 ONTARIO INC./ROBERT J. OFFLEY	\$	Unknown
BLUE CHIP LEASING CORPORATION		Unknown
CAPITAL UNDERWRITERS INC.		Unknown
DELL FINANCIAL SERVICES CANADA LIMITED		Unknown
DOUGLAS E. CARL		Unknown
STEWART W. HIGGINS		Unknown
KENNETH B. FRIENDSHIP		Unknown
DSM LEASING LTD.		Unknown
FINANCIALINX CORPORATION		Unknown
HSBC BANK CANADA	1,427,799.00	
LEASEBANK CREDIT CORPORATION		Unknown
LIFTCAPITAL CORPORATION		Unknown
NATIONAL LEASING GROUP INC.		Unknown
NORTHSTAR LEASING CORPORATION		Unknown
RCAP LEASING INC.		Unknown
RELATIONAL FUNDING CANADA CORP.		Unknown
ROYAL BANK OF CANADA		Unknown
	<u>\$</u>	<u>1,427,799.00</u>

UNSECURED

407 ETR	\$	298.56
ABSOPULSE ELECTRONICS LTD.		15,890.64
ABSTRACT ELECTRONICS, INC.		11,003.13
ACME DECALCOMANIA LIMITED		1,411.94
ALL MAINTENANCE CONTRACTORS		756.54
ANIXTER CANADA INC.		1,055.28
AVNET ELECTRONICS MARKETING		5,631.56
AVNET INTERNATIONAL(CANADA)LTD		360.92
BART MANKIEWICZ		297.18
BELL CANADA		525.98
BLACK BOX CANADA CORPORATION		887.67
BMO LIFE ASSURANCE COMPANY		460.00
BOMAR CRYSTAL COMPANY		197.76
CANADA REVENUE AGENCY		Unknown
CANADIAN LINEN & UNIFORM SERVICE		431.11
CONPUTE		655.40
CREST CIRCUIT INC.		10,216.62
D & D FORWARDING SERVICES INC.		8,338.39
D&D FORWARDING SERVICES INC		30.00
DATCOM INC.		762.75
DHL CUSTOMS BROKERAGE LTD.		886.73
DHL EXPRESS (CANADA), LTD.		1,688.90
DIGI-KEY 312700		462.09
DIGI-KEY 355836		970.67
ELECTRO SONIC INC.		3,325.51
ELECTRONIC METALFORM		2,405.49
EMPLOYEES - TERMINATION AND SEVERANCE		Unknown

**DELOITTE & TOUCHE INC.  
IN THE MATTER OF THE RECEIVERSHIP OF THE PROPERTY OF  
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**MAILING LIST**

EMPLOYEES - VACATION PAY	21,425.62
EMPLOYEES - WAGES	72,983.00
EXPEDITORS INTERNATIONAL	225.00
EXPORT DEVELOPMENT CANADA	2,146.27
EXPORT DEVELOPMENT CANADA	2,642.55
FEDERAL EXPRESS CANADA LTD.	7,770.17
FERNANDO ANAYA	5,901.35
FIRST DURHAM INSURANCE	3,555.00
FLO-CORP	1,212.00
FLOW LINE OPTIONS	1,279.21
FUTURE ELECTRONICS	198.06
HALIPLEX COMMUNICATION SYSTEMS	14,527.00
HSBC MASTERCARD	1,424.20
ITRON CANADA INC.	1,457.70
JAC CUSTOM CABLES	9,377.90
JAN-PRO CLEANING SYSTEMS OF CENT	1,954.70
JOHNSTON INDUSTRIAL PLASTICS	944.68
JOSEPH SAYEGH	8,033.03
K&M CERTIFIED	1,497.25
LENTHOR ENGINEERING	1,244.82
LOOP TELECOMMUNICATION	65,345.35
LYRECO (CANADA) INC.	1,354.68
MAMAC SYSTEMS CANADA	203.40
MANITOBA FINANCE TAXATION DIVISION	Unknown
MEYERS NORRIS PENNY	51,975.48
MINISTER OF REVENUE QUEBEC	Unknown
MINISTRY OF REVENUE ONTARIO	Unknown
MINISTRY OF REVENUE SASKATCHEWAN	Unknown
NU VISION METALS INC.	2,738.17
OFFICE CENTRAL	60.74
ONTARIO DATA SUPPLIES LTD.	57.63
OUTPORT DESIGN INC.	5,698.72
PATTON ELECTRONICS CO.	7,889.71
PERMATECH ELECTRONICS	5,840.58
PETRO CANADA INC.	2.67
PHOENIX BROADBAND TECHNOLOGIES	3,392.26
PITNEY BOWES	268.95
PUROLATOR COURIER LTD.	1,255.10
RAISECOM USA	4,202.00
RAYCO ELECTRONICS MFG. INC.	2,201.50
RODAN ENERGY & METERING	1,698.59
ROGERS	1,480.07
ROGERS TELECOM - BUSINESS	283.47
SHARP ELECTRONICS OF CANADA LTD	214.70
SIMCONA ELECTRONICS OF CAN.LTD	1,373.58
SMITH INDUSPAC	916.14
STONEBRIDGE FINANCIAL CORP.	142.83
STRATEGIC SALES-AN AMERICA II CO	2,821.70
TECHCENTIVE SERVICES INC.	1,979.64

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**MAILING LIST**

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TEJAS NETWORKS INDIA LIMITED	15,864.00
THE EMPIRE LIFE INSURANCE COMPANY	4,632.65
THE PRINT PLACE	262.13
THE REGIONAL MUNICIPALITY OF DURHAM	782.39
THOMAS G. KIRTON LIMITED	10,467.76
TIGERDIRECT. CA.INC.	214.15
TNT EXPRESS (CANADA) LTD T46259	379.43
TOWN OF AJAX	42,089.00
UNDERWRITERS LABORATORIES OF CANADA	774.05
UPS CANADA	9,347.34
UPS-SUPPLY CHAIN SOLUTIONS	8,193.10
UTECH ELECTRONICS	644.10
VAN HOUTTE COFFEE SERVICES INC	181.26
WASTE MANAGEMENT	1,248.45
WORKERS' COMPENSATION BOARD	248.16
WORKERS SAFETY AND INSURANCE BOARD	Unknown
	\$ 487,475.96