Court File No. 09-8363-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF BARZEL INDUSTRIES CANADA INC.

Applicant

THIRTEENTH REPORT OF THE MONITOR
DATED DECEMBER 12, 2011

INTRODUCTION AND OVERVIEW

1. This is the Thirteenth Report to this Honourable Court of Deloitte & Touche Inc. ("**Deloitte**") in its capacity as Court-appointed monitor (the "**Monitor**") of Barzel Industries Canada Inc. ("**Barzel Canada**") in connection with Barzel Canada's proceeding under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36 (as amended, the "**CCAA**").

2. On September 15, 2009, Barzel Canada filed for and obtained protection under the CCAA pursuant to an initial order of this Honourable Court (the "**Initial Order**"). Deloitte filed a report (the "**Pre-Filing Report**") with this Court in its capacity as proposed Monitor in connection with the application. The Pre-Filing Report and all other reports previously filed by the Monitor are available on the Monitor's website at www.deloitte.com/ca/barzel.

3. On the same day, Barzel Canada's parent, Barzel Industries Inc. ("**BII**") and certain affiliated U.S. entities including Barzel Holdings Inc., Barzel Finco Inc., Barzel Industries U.S. Inc., American Steel and Aluminum Corporation, Nova Tube and Steel Inc., Novamerican Tube Holdings, Inc. and Nova Tube Indiana, LLC (collectively, the "**U.S. Debtors**") filed voluntary petitions under chapter 11 of title 11 of the *United States Code*,

11 U.S.C. §101-1532 (the "**Bankruptcy Code**") in the United States Bankruptcy Court for the District of Delaware (the "**U.S. Court**").

4. Collectively, Barzel Canada and the U.S. Debtors are known as the "**Barzel Group**".

5. The stay of proceedings granted in the Initial Order (the "**Stay of Proceedings**") and subsequently extended by orders of this Honourable Court is scheduled to expire on December 21, 2011. There is no longer any need or support for the continuation of Barzel Canada's CCAA proceeding, and the Monitor is advised that Barzel Canada will not bring a motion to extend the Stay of Proceedings past December 21, 2011. However, the management of the Barzel Group believe that once excess funds have been distributed for the benefit of the Secured Lenders (as defined below), a bankruptcy is the most appropriate way to wind up the remaining affairs of the Applicant.

PURPOSE

6. The purpose of this Thirteenth Report is to provide information to this Court in respect of the Monitor's motion for an Order, among other things:

- authorizing and directing the disbursement of all remaining funds held in trust by the Monitor to BNY for the benefit of the Secured Lenders (both as defined below), net of amounts required to fund remaining professional fees and the advance to the proposed trustee in bankruptcy;

- authorizing and directing the Monitor to make an assignment in bankruptcy on behalf of Barzel Canada;

- directing the Monitor to pay, forthwith after the making of the assignment in bankruptcy, certain funds to the Applicant's bankruptcy trustee in order to fund the estimated fees and costs of the bankruptcy administration;

- approving the activities of the Monitor as reported in this Thirteenth Report;

- approving the fees and disbursements of the Monitor and its counsel, Osler, Hoskin & Harcourt LLP ("**Osler**") up to and including December 9, 2011;

- discharging Deloitte as Monitor in this CCAA proceeding upon the filing of the Monitor's Certificate (as defined below);

- terminating this CCAA proceeding effective as of the date of the filing of the Monitor's Certificate; and

- granting such other relief as this Honourable Court may permit.

TERMS OF REFERENCE

7. In preparing this Thirteenth Report, the Monitor has relied upon unaudited financial information, Barzel Canada's books and records, financial information prepared by Barzel Canada and its advisors and discussions with management of the Barzel Group, including the chief restructuring officer (the "**CRO**"). The Monitor has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the information. Accordingly, the Monitor expresses no opinion or other form of assurance on the information contained in this report.

8. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian dollars.

BACKGROUND

9. On October 28, 2009, pursuant to sale procedures approved by this Honourable Court and the U.S. Court, the Barzel Group conducted an auction for the sale of substantially all of its assets, property and undertaking. The Barzel Group, in consultation with J.P. Morgan Securities LLC and CIBC World Markets Corp. (collectively, the "**Secured Lenders**"), the unsecured creditors' committee in the United States proceedings and the Monitor and their respective counsel, determined that a bid from Chriscott USA Inc. and 4513614 Canada Inc. (collectively, "**Metco**") was the highest and best bid and therefore the successful bid at the auction.

10. By Order dated October 30, 2009, this Honourable Court approved the sale to and vesting of substantially all of the assets of the Barzel Group, including the assets of Barzel Canada,

in Metco. The sale of the Canadian assets to Metco (the "**Sale Transaction**") closed on November 19, 2009 (the "**Closing Date**"). As the result of the successful completion of the Sale Transaction, Barzel Canada has no ongoing operations, no employees and no management in place other than the CRO.

11. On the Closing Date, the proceeds from the sale attributable to Barzel Canada's assets were transferred to the Monitor to be held to satisfy priority payables and fund the administration of the estate. At the time, Barzel Canada and the Secured Lenders agreed that the Monitor would establish and hold a reserve (the "**Reserve**") in the amount of $1.75 million in respect of: (i) claims relating to the Director's Charge and the Administration Charge; and (ii) amounts required for the administration of a bankruptcy. Barzel Canada and the Secured Lenders further agreed that all Canadian proceeds in excess of the Reserve would be distributed for the benefit of the Secured Lenders.

12. The Monitor is advised by the Applicant that the Applicant is indebted to its U.S. parent Barzel Finco, Inc. ("**Barzel Finco**") as evidenced by two intercompany demand promissory notes (the "**Intercompany Notes**") totalling $125 million. The obligations of the Applicant under the Intercompany Notes are secured by all present and after-acquired property of the Applicant pursuant to a Canadian collateral agreement, dated November 15, 2007, and a charge/mortgage of land dated November 16, 2007 (collectively the "**Inter-company Notes Collateral Documents**"). The Intercompany Notes and the Intercompany Notes Collateral Documents were in turn pledged (and a valid and perfected security interest granted therein) by Barzel Finco to the Secured Lenders to secure obligations owed to the Secured Lenders.

13. Notwithstanding post-closing distributions to the Secured Lenders, Barzel Canada remains indebted to the Secured Lenders (through its obligations to Barzel Finco under the Inter-company Notes) for more than $120 million.

OVERVIEW OF CCAA PROCEEDING SINCE THE CLOSING DATE

14. The Applicant's primary focus since the closing of the Sale Transaction has been the resolution of various outstanding tax issues. After the commencement of the CCAA

proceeding, Barzel Canada hired Mr. Gerard Char to act as its consultant (the "**Tax Consultant**") to facilitate the resolution of the outstanding tax issues. Mr. Char was employed as the director of tax at Barzel Canada and its U.S. parent, BII, prior to the commencement of the U.S. and Canadian insolvency proceedings.

15. Since November 2009, the Tax Consultant has served as liaison with various federal and provincial taxing authorities and has assisted Barzel Canada with the completion of various audits and the closure of related accounts. The Tax Consultant also prepared the 2009 corporate income tax returns for Barzel Canada.

16. In addition, as advised in prior reports, Barzel Canada has been engaged with two more significant and inter-related tax issues: (i) a federal corporate income tax re-assessment for fiscal years 2003-2006 (the "**Corporate Income Tax Re-assessment**"); and (ii) ongoing Quebec provincial tax audits, including audits related to the Applicant's Quebec Sales Tax ("**QST**") liability. Certain of the Applicant's outstanding tax matters are discussed in greater detail in the Twelfth Report of the Monitor dated August 26, 2011 (the "**Twelfth Report**"). The Twelfth Report (without exhibits) is attached as Schedule "A".

17. As noted in the Twelfth Report, CRA finalized the Corporate Income Tax Re-assessment on April 18, 2011. The Monitor understands that the Quebec tax re-assessments could not be completed until after CRA had completed the Corporate Income Tax Re-Assessment. Revenu Quebec has not provided either Barzel Canada or the Tax Consultant with an estimate of the time required for it to complete its review and reach its final conclusions in respect of Barzel Canada's QST and Quebec corporate income tax liability.

18. The Monitor has not been contacted by Revenu Quebec in connection with the Applicant's potential Quebec tax liability, and Revenu Quebec has not made or indicated an intention to assert any claim against the Applicant or its directors in connection with this CCAA proceeding notwithstanding that Revenu Quebec has been in communication with Barzel Canada and the Tax Consultant and was served with the Motion Record of the Applicant dated August 26, 2011 and the Twelfth Report of the Monitor dated August 26, 2011.

19. Since the closing of the sale transaction in November 2009, the Secured Lenders have supported continuing the CCAA proceeding so that Barzel Canada's ongoing tax issues could be resolved in order to determine if there were any remaining priority tax claims and to determine if there was the prospect of any refund being credited to the estate within a reasonable time frame. It is now known that the federal income tax liability pursuant to the final Corporate Income Tax Re-Assessment exceeds the available GST refund credit. Although potential Quebec tax credits and refunds exist, whether or not any outstanding Quebec tax liabilities exceed (and could be offset against) such amounts and the end date of the Revenu Quebec tax review is uncertain.

20. As reported in the Twelfth Report, as of August 26, 2011, counsel to the Secured Lenders advised that the Secured Lenders were prepared to support the continuation of the CCAA proceeding to December 21, 2011. In view of the low likelihood of a recovery of any existing credits by Barzel Canada, the uncertain timeframe for completion of the ongoing audits and assessments by Revenu Quebec and the fact that there is no longer a need to continue Barzel Canada's CCAA proceeding, counsel to the Secured Lenders has advised that the Secured Lenders support the termination of the CCAA Proceedings.

LIABILITY OF DIRECTORS FOR QST AND SOURCE DEDUCTION ARREARS

21. The Monitor is advised by its counsel that directors of corporations can be liable under provincial tax statutes for certain outstanding tax arrears. The Quebec tax act, known in English as the *Tax Administration Act*, R.S.Q., c. A-6.002 (the "**Tax Administration Act**"), creates personal liability for directors in respect of QST and source deduction obligations.

22. The Monitor is further advised by its counsel that the Tax Administration Act contains a two year limitation period in respect of claims by Revenu Quebec against directors for outstanding QST and source deduction obligations. The two year limitations period begins to run on the date that the director resigned. The Monitor is advised that the former directors of Barzel Canada that could face liability for QST and source deduction arrears resigned more than two years ago.

23. The Monitor notes that Revenu Quebec was served with the Motion Record of the Applicant dated August 26, 2011 and the Twelfth Report of the Monitor, both of which were delivered in connection with the Applicant's motion returnable August 31, 2011. The Monitor is advised that Revenu Quebec, among other things, did not commence an assessment against the directors within the applicable two year time period.

24. The Monitor understands that as of the date of the last motion, the former directors of Barzel Canada opposed a bankruptcy on the basis that it would release the Director's Charge, thereby depriving them of recourse in respect of certain statutory liabilities should available Quebec tax credits and refunds be finally determined to be insufficient to offset such statutory liabilities. The Monitor is now advised by counsel to Barzel Canada that the former directors of Barzel Canada no longer oppose the bankruptcy and the release of the Director's Charge because they are of the view that Revenu Quebec is now statute-barred from pursuing claims against them in respect of QST and source deduction arrears in any event. Although no formal Court-approved claims process has been implemented, the Monitor is not aware of any other possible claims that could be asserted against Barzel Canada's directors.

TERMINATION OF CCAA PROCEEDING AND DISTRIBUTION OF REMAINING FUNDS HELD IN TRUST

25. The current Stay of Proceedings expires on December 21, 2011 pursuant to the Order of this Honourable Court dated August 31, 2011.

26. As noted above, Barzel Canada has had no active operations or employees since the Closing Date. The Applicant's activities since the Closing Date have focused on the resolution of outstanding tax issues. There is no remaining business to restructure.

27. Barzel Canada, with the assistance of the Tax Consultant, has worked in good faith over the last two years to resolve outstanding tax issues and other liabilities. At this point, there is no indication that issues outstanding with Revenu Quebec will be resolved in the immediate future or that any future efforts will result in any material recovery to the estate. Each extension to the Stay of Proceedings forces the Applicant and the Monitor to incur

professional advisors fees which satisfaction further reduces the ultimate recovery to the Secured Lenders, who (through Barzel Finco) are the only parties with an economic interest in Barzel Canada's assets.

28. The Secured Lenders no longer support the continuation of the CCAA proceeding, and the Monitor is advised that the former directors of Barzel Canada no longer oppose Barzel Canada making an assignment in bankruptcy. The Monitor agrees that there is no longer any need or support for the continuation of the CCAA proceeding.

29. The Monitor currently holds approximately $702,000 in trust, which includes (i) approximately $489,000 held as a notional reserve for the Director's Charge; and (ii) approximately $212,000 held as a notional reserve for the wind-down of the Applicant's estate. The notional reserve for the Administration Charge is essentially depleted. As noted above, Barzel Canada remains indebted to the Secured Lenders (through its obligation to Barzel Finco under the Inter-company Notes) in an amount significantly in excess of the funds held by the Monitor. Barzel Canada has no other assets available or means to generate assets for distribution to its unsecured creditors under a plan of arrangement.

30. As noted previously, counsel for Barzel Canada and its directors has advised that the limitations period for assessment of a claim against the Applicant's former directors in respect of QST and outstanding source deduction obligations has expired. The Applicant has advised that it is not aware of any other claims that would permit recourse to the Director's Charge. The portion of the Reserve held in respect of the Administration Charge has been substantially exhausted, and the only remaining funds reserved are for the administration of the Applicant's bankruptcy.

31. As reported in the Sixth Report of the Monitor dated December 8, 2009, the Monitor obtained a written opinion from its counsel that the security granted by the Applicant in respect of its obligations under the Inter-company Notes was validly perfected and registered or was otherwise opposable to third parties in the provinces of Quebec and Ontario (the two provinces in which the Applicant had tangible assets). The Monitor is not currently aware of any creditor asserting a claim in priority to the claims of the Secured Lenders' security.

32. It is therefore proposed that the Monitor be authorized and directed to make a disbursement to The Bank of New York Mellon ("**BNY**"), as indenture trustee relating to certain secured notes issued by Barzel Finco Inc. in favour of J.P. Morgan Securities LLC and CIBC World Markets Corp. (collectively, the "**Secured Lenders**") in respect of which the Inter-company Notes issued by the Applicant in favour of Barzel Finco Inc. were assigned to the Secured Lenders, of all amounts held by the Monitor in excess of amounts required to satisfy remaining professional fees plus $35,000 to be transferred to the proposed trustee in bankruptcy for the costs of administration of the bankruptcy of Barzel Canada. The amount transferred to the trustee would be expressly free of any security interest in favour of the Secured Lenders.

33. Subject to the granting of the requested relief, it is anticipated that the disbursement to BNY for the benefit of the Secured Lenders would be made approximately one to two days after the entry of the discharge order upon the final resolution of matters relating to the CCAA proceeding, including the final disbursement of professional fees. The disbursement to BNY will be made prior to the making of the assignment in bankruptcy on behalf of Barzel Canada.

34. After transferring such funds and performing any other final matters incidental to the termination of the CCAA proceeding, it is intended that the Monitor would file a Monitor's Certificate (the "**Monitor's Certificate**") with this Honourable Court certifying the completion of such final matters. It is further proposed that the termination of the CCAA proceeding would be effective as of the date of the filing of the Monitor's Certificate, the form of which is attached as Schedule "A" to the draft discharge order attached to the Monitor's Notice of Motion.

ACTIVITIES OF THE MONITOR SINCE THE TWELFTH REPORT

35. Since the Twelfth Report of the Monitor dated August 26, 2011, the Monitor has:

    (a) consulted with the Tax Consultant to obtain updates on statutory tax audits with and potential claims against Barzel Canada that could result in recourse to the Director's Charge;

(b) communicated with counsel to the Secured Lenders regarding various outstanding issues;

(c) responded to creditor queries and provided general information on the CCAA proceedings; and

(d) prepared this Thirteenth Report to the Court.

APPROVAL OF FEES AND DISBURSEMENTS OF THE MONITOR AND THE MONITOR'S COUNSEL

36. The Applicant also seeks Court approval of the fees and disbursements of the Monitor and Monitor's counsel. Attached as Exhibit "B" to this Thirteenth Report is the Affidavit of Paul Casey sworn December 12, 2011 in respect of the fees of the Monitor for the period up to and including December 9, 2011. Attached as Exhibit "C" to this Thirteenth Report is the Affidavit of Elizabeth Allen Putnam sworn December 12, 2011 in respect of the fees of the Monitor's counsel for the period up to and including December 9, 2011.

37. The Monitor has reviewed the accounts of Osler, Hoskin & Harcourt LLP and believes that they are reasonable. The Monitor has received valuable, comprehensive and ongoing legal advice from its counsel throughout the course of this CCAA proceeding. Osler has actively participated in discussions with the Tax Consultant, CRA, Revenu Quebec, the Department of Justice, Applicant's counsel and counsel to the Secured Lenders and has substantively assisted the Monitor in the carrying out of its duties in the course of these CCAA proceedings. The Monitor is of the view that the rates of Osler are consistent with those of other Toronto law firms providing insolvency and restructuring advice in CCAA proceedings.

ASSIGNMENT IN BANKRUPTCY

38. As noted above, the Monitor is advised that the Applicant believes that there is no longer any need or support for the continuation of the CCAA proceeding or opposition to an assignment in bankruptcy by Barzel Canada. The Applicant has advised that the Barzel Group is of the view that it is appropriate to make an assignment in bankruptcy in order to

wind up the final affairs of the Barzel Group, as Barzel Canada clearly remains insolvent. It is proposed that the assignment in bankruptcy would not be made until after the final distribution is made to BNY for the benefit of the Secured Lenders.

DISCHARGE OF THE MONITOR

39. The Monitor's Motion also seeks the discharge and release of the Monitor following the filing of the Monitor's Certificate.

40. The Monitor has acted diligently and in good faith in respect of all matters relating to this proceeding and in dealing with the Applicant's stakeholders, including the Secured Lenders. The Monitor is of the view that it is just and reasonable for this Honourable Court to provide it with protections as part of the orderly termination of this CCAA proceeding.

MONITOR'S RECOMMENDATIONS

41. To the best of the Monitor's knowledge, the Applicant has acted in good faith and with due diligence, has complied with the provisions of the CCAA and the Orders of this Honourable Court made in this CCAA proceeding and has not done or purported to have done anything that is not authorized by the CCAA.

42. The Monitor recommends that this Honourable Court approve the requested relief on the following basis:

- the Monitor is of the view that the CCAA proceeding should be terminated because there is no longer any support or need for its continuation;

- The Secured Lenders are the only creditors with an economic interest in the Applicant's assets and will receive the remaining funds held in trust by the Monitor in partial satisfaction of the obligations owing to them by Barzel Canada (through its obligations to Barzel Finco under the Inter-company Notes);

- A bankruptcy is an appropriate means for effecting a final wind-up of the affairs of Barzel Canada, as Barzel Canada is clearly insolvent; and

- The Monitor has acted diligently and in good faith with respect to its obligations as an officer of this Court.

All of which is respectfully submitted this 12th day of December, 2011.

DELOITTE & TOUCHE INC.
In its capacity as Monitor of Barzel Industries Canada Inc.

P. Casey.

Paul Casey, CA•CIRP
Senior Vice-President

IN THE MATTER OF the *Companies' Creditors Arrangement Act*, **R.S.C. 1985, c. C-36, as amended**

AND IN THE MATTER OF a Plan of Compromise or Arrangement of Barzel Industries Canada Inc.

Court File No: 09-8363-00CL

Ontario
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

Proceeding commenced at Toronto

THIRTEENTH REPORT OF THE MONITOR

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EXHIBIT A

Court File No. 09-8363-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF BARZEL INDUSTRIES CANADA INC.

Applicant

TWELFTH REPORT OF THE MONITOR
DATED AUGUST 26, 2011

INTRODUCTION AND OVERVIEW

1. On September 15, 2009, Barzel Industries Canada Inc. ("**Barzel Canada**" or the "**Applicant**") filed for and obtained protection under the *Companies' Creditors Arrangement Act* (the "**CCAA**"). Pursuant to the Order of this Court dated September 15, 2009 (the "**Initial Order**"), Deloitte & Touche Inc. ("**Deloitte**") was appointed as the Monitor of Barzel Canada (the "**Monitor**") in the CCAA proceeding. Deloitte filed a report (the "**Pre-Filing Report**") with this Court in its capacity as proposed Monitor in connection with this application. Copies of the Pre-Filing Report, and all other prior reports of the Monitor are available from the Monitor's website at www.deloitte.com/ca/barzel.

2. On the same day, Barzel Canada's parent, Barzel Industries Inc. ("**BII**") and certain affiliated U.S. entities including Barzel Holdings Inc., Barzel Finco Inc. ("**Barzel Finco**"), Barzel Industries U.S. Inc., American Steel and Aluminum Corporation, Nova Tube and Steel Inc., Novamerican Tube Holdings, Inc. and Nova Tube Indiana, LLC (collectively, the "**U.S. Debtors**") filed voluntary petitions under chapter 11 of title 11 of the *United States Code*, 11 U.S.C. §101-1532 (the "**Bankruptcy Code**") in the United States Bankruptcy Court for the District of Delaware (the "**U.S. Court**").

3. The U.S. bankruptcy proceedings were recognized by this Court as a "foreign proceeding" under s. 18.6 of the CCAA in a companion order entered on September 15, 2009.

4. Collectively, Barzel Canada and the U.S. Debtors are known as the "**Barzel Group**".

5. The Applicant is bringing a motion returnable August 31, 2011 seeking, *inter alia*, an extension of the stay of proceedings (the "**Stay Period**") to December 21, 2011. The Monitor is of the view that Barzel Canada continues to work in good faith to facilitate the resolution of certain outstanding tax matters with Revenu Quebec. This Twelfth Report of the Monitor (the "**Twelfth Report**") is filed in connection with the Applicant's motion.

PURPOSE

6. The purpose of this Twelfth Report is to provide information to this Court in respect of:

- the corporate income tax re-assessments affecting Barzel Canada;
- the Applicant's request pursuant to its notice of motion dated August 26, 2011 (the "**Stay Extension Motion**") for this Court to authorize and direct the Monitor to forthwith distribute to The Bank of New York Mellon, as indenture trustee relating to certain secured notes in favour of the Secured Lenders (as defined below), in the amount of $300,000 (the "**Interim Distribution**");
- the proposed extension to the Stay Period pursuant to the Applicant's Stay Extension Motion;
- the fees and disbursements of the Monitor and its counsel, Osler, Hoskin & Harcourt LLP;
- the activities of the Monitor since the Eleventh Report;
- an updated statement of cash flow projections regarding the funds in the possession of the Monitor; and
- the Monitor's recommendation to the Court with respect to the requested extension to the Stay Period.

TERMS OF REFERENCE

7. In preparing this Twelfth Report, the Monitor has relied upon unaudited financial information, Barzel Canada's books and records, financial information prepared by Barzel Canada and its advisors and discussions with management of the Barzel Group, including the CRO. The Monitor has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the information. Accordingly, the Monitor expresses no opinion or other form of assurance on the information contained in this report.

8. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian dollars.

9. Capitalized terms not defined in this Twelfth Report are as defined in the Eleventh Report of the Monitor dated February 23, 2011 (the "**Eleventh Report**"). A copy of the Eleventh Report (without exhibits) is attached as Exhibit "A".

BACKGROUND

10. On September 14, 2009, the Barzel Group entered into an asset purchase agreement (as amended on September 30, 2009), (the "**APA**") with Chriscott USA Inc. and 4513614 Canada Inc. (collectively, "**Metco**") for the sale of substantially all of the assets, property and undertaking of the Barzel Group.

11. At a joint hearing before this Court and the U.S. Court on October 6, 2009, Mr. Justice Morawetz made an Order (the "**Sale Procedures Order**"): (i) approving certain sale procedures (the "**Sale Procedures**"); (ii) approving the APA as the "stalking horse" bid for the purpose of conducting the sale process; and (iii) approving the termination fee and expense reimbursement contemplated in the APA. The U.S. Debtors also received a similar Order from the U.S. Court at that time.

12. In accordance with the Sale Procedures Order, the Barzel Group conducted an auction for the sale of substantively all of its assets on October 28, 2009. The Barzel Group, in consultation with J.P. Morgan Securities LLC and CIBC World Markets Corp. (collectively, the "**Secured Lenders**"), and JPMorgan Chase Bank N.A., CIBC Inc., the

unsecured creditors' committee in the United States proceedings and the Monitor and their respective counsel, determined that a revised bid from Metco was the highest and best bid and therefore the successful bid at the auction. By Order dated October 30, 2009, this Court approved the sale and vesting of substantially all of the assets of Barzel Canada to Metco.

13. The sale transaction (the "**Sale Transaction**") in respect of the Canadian assets closed on November 19, 2009, the date the Monitor delivered a certificate confirming the closing of the Sale Transaction to the satisfaction of the Monitor.

14. Barzel Canada and the Secured Lenders agreed that a portion of the Canadian Proceeds would be set aside in a reserve to be held by the Monitor (the "**Reserve**") pending resolution of any claims secured by the Directors' Charge and the Administration Charge. By Order dated January 14, 2010, the Monitor was empowered to hold the Reserve.

15. Further, on January 14, 2010, JPMorgan Chase Bank, N.A. and CIBC World Markets Corp. (collectively, the "**Holders**"), Barzel Canada and the Monitor entered into an agreement (the "**Reimbursement Agreement**") pursuant to which the Holders agreed to reimburse Barzel Canada or its successors up to a maximum of $1.8 million for claims that are secured by the Directors' Charge that are in excess of the portion of the Reserve attributed to the Directors' Charge.

16. The Barzel Group remains indebted to the Secured Lenders in an amount in excess of USD $310 million.

17. The Eleventh Report provided an extensive update to the Court in respect of matters relating to claims received by the Applicant to the date of that report, various statutory audits performed on Barzel Canada's tax accounts and the potential impact of the corporate income tax re-assessment.

OVERVIEW OF TAX-RELATED ISSUES

18. In the Eleventh Report, the Monitor reported that there were two outstanding and inter-related tax issues: (i) the corporate income tax re-assessment of fiscal years 2003-2006 by

CRA (the "**Corporate Income Tax Re-assessment**") and the impact thereof on Barzel Canada's income tax liabilities to Revenu Quebec; and (ii) a significant Quebec Sales Tax ("**QST**") liability and the extent to which existing credits would be available to be applied against such liability. As described in greater detail below, CRA finalized the Corporate Income Tax Re-assessment on April 18, 2011. Since then, Deloitte understands that the Tax Consultant has made efforts to communicate with Revenu Quebec to determine whether, in view of the Corporate Income Tax Re-assessment, any existing Quebec tax credits will be available to offset the QST liability.

19. The Tax Consultant has reviewed this Twelfth Report and, in particular, the discussions of the ongoing tax audits and the Corporate Income Tax Re-assessment. The Tax Consultant has confirmed that the tax-related information contained in this Twelfth Report is accurate.

CORPORATE INCOME TAX RE-ASSESSMENT

20. The Monitor advised the Court in the Eleventh Report that in December 2008, CRA issued a re-assessment rejecting the income tax treatment of approximately $46 million of expenses related to historical transfer pricing, management fees and corporate jet usage incurred by the Applicant's predecessors, Novamerican Steel Inc. and Nova Steel Ltd. There are federal and Quebec provincial components to the Corporate Income Tax Re-assessment, and the Quebec provincial tax liability is contingent in part on the ultimate resolution of the Corporate Income Tax Re-assessment. As a result, and as discussed more extensively below, issues relating to QST liability and Quebec corporate income tax could not be addressed or finally resolved by Revenu Quebec until after the Corporate Income Tax Re-assessment was completed by CRA.

21. On April 18, 2011, the Corporate Income Tax Re-assessment was finalized by CRA and issued to the Applicant, the Tax Consultant and the Monitor. In prior conversations with the Monitor and the Tax Consultant at that time, a representative from the appeals division of CRA indicated that a copy of the final Corporate Income Tax Re-assessment would also be delivered to Revenu Quebec.

22. The Corporate Income Tax Re-assessment resulted in assessed federal corporate income taxes of $1.1 million and $1.4 million owing by Nova Steel Ltd. and Novamerican Steel Inc., respectively (collectively "the **"Re-Assessed Federal Corporate Income Taxes"**). As reported in the Eleventh Report, between November 2009 and April 2011, the Applicant and the Tax Consultant engaged in various discussions and negotiations with CRA over the appropriate tax treatment of the disallowed expenses, management fees and transfer pricing arrangements. The Monitor has participated in certain of the more recent discussions. The Monitor cannot independently verify the accuracy of the final Corporate Income Tax Re-assessment, however the Tax Consultant has indicated to the Monitor that he is in general agreement with the final position of CRA in respect of the Re-Assessed Federal Corporate Income Taxes.

23. The Monitor reported in the Eleventh Report that CRA had verbally confirmed to both the Monitor and the Tax Consultant that the Barzel Canada account held a credit of approximately $1.1 million in respect of goods and services tax (**"GST"**). As explained in detail in the Eleventh Report, both CRA and the Department of Justice have advised the Tax Consultant and the Monitor that the GST credit would first be applied to federal corporate income tax obligations before any credit would be refunded to the Applicant or transferred to Revenu Quebec for setoff against the Applicant's QST obligation. The amount of the Re-Assessed Federal Corporate Income Taxes exceeds the $1.1 million GST credit.

QUEBEC TAX LIABILITY

24. As noted above, the Corporate Income Tax Re-assessment includes certain determinations that may impact the Quebec corporate income tax liability, although any final determination by CRA is without prejudice to Revenu Quebec's ability to re-evaluate and reach a contrary conclusion in respect of matters raised in the Corporate Income Tax Re-assessment. We understand that the completion of the Corporate Income Tax Re-assessment and its delivery to Revenu Quebec enables Revenu Quebec to commence its final re-assessment process. Upon Revenu Quebec's issuance of a re-assessment, it appears Barzel Canada's outstanding tax issues will have been addressed.

25. As previously reported to the Court, the Applicant owes approximately $470,000 (exclusive of interest and penalties) with respect to QST. A representative of Revenu Quebec has advised the Tax Consultant and the Monitor that the Applicant will not be liable for any post-filing interest and penalties in respect of any QST obligation.

26. The Monitor is advised by the Tax Consultant that the Applicant was not fully aware of the extent of its QST-related obligations until after the commencement of the CCAA proceeding because QST audits were underway in the period leading up to the filing date. In addition, Revenu Quebec administers both GST and QST collection in the province of Quebec and Barzel Canada's QST liabilities up to February 2009 had been offset against GST credits. The Tax Consultant, who was the former Director of Tax at Barzel Canada, has advised the Monitor that this practice was discontinued in respect of Barzel Canada in or around the spring of 2009. As noted above, QST audits have resulted in a QST liability of approximately $470,000 (exclusive of interest and penalties).

27. The Tax Consultant has advised the Monitor that, in addition to its QST liability, Barzel Canada currently has a Quebec corporate income tax credit relating to installments made by Barzel Canada of approximately $558,000 in respect of its fiscal year ended 2009 for which an assessment has not been received from Revenu Quebec. The Tax Consultant has further indicated that at least a portion of the Quebec corporate income tax credit may be released and become available for application against the QST-related obligation. However, according to the Tax Consultant, Revenu Quebec has indicated that the Quebec corporate income tax credits have been frozen by Revenu Quebec pending its review of the final Corporate Income Tax Re-assessment.

28. As noted in the Eleventh Report, the Tax Consultant previously provided the Monitor with an estimate of the Quebec corporate income tax liability which indicated that a portion of the Quebec corporate income tax credit might be available for application against the QST-related obligation. However, because the Re-Assessed Federal Corporate Income Taxes were ultimately greater than originally anticipated, there is a possibility that a lesser amount of the pre-filing overpayment credit will be available to satisfy the QST obligation.

29. The Applicant will not know whether all or a portion of the Quebec corporate income tax credit will be available to offset the QST liability until Revenu Quebec has reviewed the final Corporate Income Tax Re-assessment. The Monitor has been advised by the Tax Consultant that the Tax Consultant has made efforts to contact Revenu Quebec to discuss the status of Revenu Quebec's review of the Corporate Income Tax Re-assessment and its implications for the Applicant's QST and Quebec corporate income tax liabilities. Although a representative of Revenu Quebec was included in certain discussions between the Monitor, the Tax Consultant, the Department of Justice and CRA that took place in the fall and winter of 2010, the Monitor is advised that the Tax Consultant has not yet been able to substantively engage with his contact at Revenu Quebec since the completion of the Corporate Income Tax Re-assessment. The Monitor has been advised by counsel to the Applicant and the CRO that Revenu Quebec has not informed the Applicant whether it agrees with CRA's determination reflected in the Corporate Income Tax Re-assessment. If Revenu Quebec does agree with CRA's position, then it is expected that this will have an impact on the Applicant's Quebec corporate income tax liability (and, in turn, the extent to which existing credits are available to offset QST obligations).

30. The directors and officers of the Applicant may have liability in respect of QST arrears. Even if the Applicant is able to off-set Quebec corporate income tax credits against its QST liability, a portion of the arrears may remain outstanding.

31. The Monitor is currently holding approximately $489,000 in reserve in respect of potential liabilities that might be secured by the Directors' Charge.

32. As noted in the Eleventh Report, Revenu Quebec has told the Tax Consultant and the Monitor that there is a risk that if there is a bankruptcy filing before the Quebec corporate income tax credit is released by Revenu Quebec, the existing credit will remain frozen and will not be available to be applied to off-set the Applicant's QST liability. Revenu Quebec has further advised the Tax Consultant and the Monitor that a bankruptcy could administratively complicate the resolution of the outstanding tax matters.

33. Since the date of the Eleventh Report, the Tax Consultant has corresponded with Revenu Quebec in efforts to clarify the Applicant's Quebec tax liabilities. Throughout this time,

Revenu Quebec has not stated its position in respect of the Applicant's Quebec tax liability pending its review of the Corporate Income Tax Re-assessment.

PROVINCIAL SOURCE DEDUCTION CLAIMS SETTLEMENT

34. As noted in the Eleventh Report, on February 23, 2011, the Monitor was advised by the Tax Consultant of the possibility of additional Quebec provincial source deduction obligations that could total up to $6,000. The Tax Consultant has continued to communicate with Revenu Quebec in respect of outstanding source deduction obligations in order to confirm the extent and validity of such obligations. The Tax Consultant informed the Monitor that Revenu Quebec has verbally indicated that the outstanding source deduction obligations may be as much as approximately $11,000. Once Revenu Quebec has issued a final statement and the outstanding source obligations are confirmed by the Tax Consultant, the Monitor, after consultation with the Applicant and the Secured Lenders, intends to settle the provincial source deduction obligation with funds reserved for payment of liabilities of the directors and officers of Barzel Canada. The Monitor will ask the Tax Consultant to request closure of all of Barzel Canada's source deduction accounts subsequent to the settlement of all outstanding source deduction obligations.

COLLECTION OF OUTSTANDING ACCOUNTS RECEIVABLE

35. The Monitor has continued to pursue the collection of $447,000 of outstanding accounts receivable. The Monitor has not been able to collect any additional accounts receivable since the date of the Eleventh Report.

36. The Monitor is of the view that it is no longer worthwhile to continue efforts to recover and/or negotiate the settlement of outstanding receivables because the cost of pursuit is likely to exceed any ultimate recovery.

REQUEST TO EFFECT AN INTERIM DISTRIBUTION

37. The Stay Extension Motion seeks authorization from this Court to direct the Monitor to forthwith distribute the Interim Distribution to The Bank of New York Mellon, as indenture trustee relating to certain secured notes in favour of the Secured Lenders. As noted above,

the Barzel Group remains indebted to the Secured Lenders in an amount in excess of USD $310 million.

38. Due to the collection of funds transferred from Barzel Canada, accounts receivable collections, and miscellaneous receipts, the Monitor has sufficient funds held in trust to meet the requirements of the Reserve, pursuant to the Order granted by this Court on January 14, 2010, pending resolution of any claims secured by the Directors' Charge and the Administration Charge.

39. Further, the cash flow forecast (discussed in detail below) demonstrates that the Applicant has sufficient funds on hand, subsequent to the Interim Distribution, to continue to fund this CCAA proceeding through the end of the requested extension to the Stay Period. Accordingly, the Monitor supports effecting the Interim Distribution.

CASH FLOW PROJECTIONS

40. Attached as Exhibit "B" to this Twelfth Report is an updated cash flow projection. The Monitor holds approximately $1.09 million in trust as part of the Reserve. This amount includes approximately:

    (a) $300 in respect of the Administration Charge (which was originally $750,000 and which has been used to make disbursements of professional fees to the Monitor, its counsel, and counsel to the Applicant);

    (b) $489,000 in respect of the Directors' Charge;

    (c) $301,000 held in anticipation of costs of administration of the wind-down of the Barzel Canada estate. This reserve was originally $500,000 but has been reduced for disbursements of professional fees totaling $199,000 to the Tax Consultant, the Monitor and its legal counsel for wind-down related services including the drafting and filing of final 2009 federal and provincial corporate income tax returns, the closure of various tax accounts and the finalization of the Corporate Income Tax Re-assessment;

    (d) $248,000 in funds transferred from Barzel Canada;

(e) $15,000 representing collections of accounts receivable;

(f) $31,000 in miscellaneous receipts including insurance and hydro refunds; and

(g) $6,000 in earned interest.

41. If necessary, additional funds may be available through the Reimbursement Agreement if amounts in excess of $500,000 are required to settle claims that would permit recourse to the Directors' Charge. The Reimbursement Agreement, executed on January 14, 2010, has a term ending the earlier of (a) the later of (i) January 14, 2012, or (ii) if any claims against the directors or officers of Barzel Canada are made before January 14, 2012, the date on which the final determination of such claims have been made and, if any such claims are determined to be valid, all reimbursement amounts in respect of such claims have been paid; and (b) the day on which the aggregate amount of all reimbursement amounts paid equal $1.8 million. Accordingly, the Reimbursement Agreement is set to expire on January 14, 2012 unless a valid claim(s) is made against the directors and officers of Barzel Canada prior to that date.

42. The cash flow forecast demonstrates that the Applicant has sufficient liquidity, subsequent to the Interim Distribution, to fund the CCAA proceeding through the end of the requested extension to the Stay Period.

REQUEST FOR EXTENSION TO STAY OF PROCEEDINGS

43. The Stay Period for these proceedings expires on August 31, 2011. The Applicant is now seeking a further extension of the Stay Period for a period up to and including December 21, 2011. As discussed above, the additional time is intended to permit the applicant to continue to work toward the resolution of outstanding tax matters and clarify the availability of existing credits for offset against the QST liability. The Monitor understands that the Secured Lenders support the requested stay extension.

44. As noted previously, the cash flow forecast demonstrates that the Applicant has sufficient funds on hand, subsequent to the Interim Distribution, to continue to fund this CCAA proceeding through the end of the requested extension to the Stay Period.

45. Although the Tax Consultant and the Monitor have been working diligently to advance the outstanding tax issues, the Monitor cannot currently express a viewpoint as to how long it will take for such issues to be finally resolved. At this point in time, because the Secured Lenders continue to support the Applicant's current request for a stay extension to enable the applicant to work toward resolution of outstanding tax issues, the Monitor is of the view that it remains worthwhile to continue to work toward the resolution of the outstanding tax issues.

46. The Monitor is of the view that the Applicant has acted and is continuing to act with due diligence and in good faith. The Monitor therefore supports the requested extension to the Stay Period.

ACTIVITIES OF THE MONITOR SINCE THE ELEVENTH REPORT

47. Since the Eleventh Report of the Monitor filed February 23, 2011, the Monitor has:

(a) consulted with the Tax Consultant to obtain updates on the Corporate Income Tax Re-assessment, statutory tax audits with federal and provincial tax authorities and potential claims against Barzel Canada that could result in recourse to the Directors' Charge;

(b) communicated with Revenu Quebec, CRA and the Department of Justice regarding QST and Corporate Income Tax Re-assessment related issues;

(c) consulted with Barzel Group's CRO regarding efforts to collect the outstanding accounts receivable not assumed by Metco and the general administration of the wind-down of Barzel Canada;

(d) communicated with counsel to the Secured Lenders regarding various outstanding issues; and

(e) responded to creditor queries and provided general information on the CCAA proceedings.

APPROVAL OF FEES AND DISBURSEMENTS OF THE MONITOR AND THE MONITOR'S COUNSEL

48. The Applicant also seeks Court approval of the fees and disbursements of the Monitor and Monitor's counsel. Attached as Exhibit "C" to this Twelfth Report is the Affidavit of Daniel Weisz sworn August 26, 2011 in respect of the fees of the Monitor. Attached as Exhibit "D" to this Twelfth Report is the Affidavit of Elizabeth Allen Putnam sworn August 19, 2011 in respect of the fees of the Monitor's counsel.

49. The Monitor has reviewed the accounts of Osler, Hoskin & Harcourt LLP and believes that they are reasonable. The Monitor has received valuable, comprehensive and ongoing legal advice from its counsel throughout the course of these CCAA proceedings. Osler Hoskin & Harcourt LLP has actively participated in discussions with the Tax Consultant, CRA, Revenu Quebec, the Department of Justice, Applicant's counsel and counsel to the Secured Lenders and has substantively assisted the Monitor in the carrying out of its duties in the course of these CCAA proceedings. The Monitor is of the view that the rates of Osler Hoskin & Harcourt LLP are consistent with those of other Toronto law firms providing insolvency and restructuring advice in CCAA proceedings.

MONITOR'S CONCLUSIONS

50. The Monitor believes that the relief requested by the Applicant is reasonable in the circumstances for the following reasons:

- the Monitor is of the view that it remains worthwhile to continue to work toward the resolution of the outstanding tax issues, as the ongoing effort continues to be supported by the Secured Lenders;

- the Monitor is of the view that the Applicant is continuing to act with due diligence and in good faith and that the Applicant has sufficient funds to administer its affairs through the requested extension to the Stay Period; and

- the Secured Lenders have been consulted about the matters in this Twelfth Report and support the requested extension to the Stay Period.

RECOMENDATION

51. Based on the foregoing, the Monitor respectfully recommends that this Court grant the relief being requested by Barzel Canada.

All of which is respectfully submitted this 26th day of August, 2011.

DELOITTE & TOUCHE INC.
In its capacity as Monitor of Barzel Industries Canada Inc.

for Paul Casey, CA•CIRP
Senior Vice-President

IN THE MATTER OF the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended

AND IN THE MATTER OF a Plan of Compromise or Arrangement of Barzel Industries Canada Inc.

Court File No: 09-8363-00CL

Ontario
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

Proceeding commenced at Toronto

TWELFTH REPORT OF THE MONITOR

OSLER, HOSKIN & HARCOURT LLP
1 First Canadian Place
P.O. Box 50
Toronto, ON M5X 1B8

Marc Wasserman LSUC#44066M
Tel: (416) 862-4908

Elizabeth Allen Putnam LSUC#53194L
Tel: (416) 862-6835
Fax: (416) 862-6666

Lawyers for the Monitor, Deloitte & Touche Inc.

EXHIBIT B

Court File No. 09-8363-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF BARZEL INDUSTRIES CANADA INC.

Applicant

AFFIDAVIT OF PAUL CASEY
(Sworn December 12, 2011)

I, PAUL CASEY, of the city of Toronto, in the Province of Ontario, MAKE OATH AND SAY:

1. I am a Senior Vice-President with the accounting firm Deloitte & Touche Inc. ("**Deloitte**"), and as such I have knowledge of the matters deposed to herein. Deloitte is the Court-appointed Monitor in the proceedings commenced on September 15, 2009 by Barzel Industries Canada Inc. under the *Companies Creditors' Arrangement Act*, R.S.C. 1985, c. C-36, as amended.

2. This affidavit is made in support of a motion to be made by the Applicant that seeks, *inter alia*, approval of the fees and disbursements of Deloitte in its capacity as Monitor in respect of services provided in connection with these CCAA proceedings.

3. Deloitte's invoices, which are dated November 7, 2011 and December 12, 2011, disclose in detail: (i) the names, hourly rates and time expended by each person who rendered services; and (ii) a description of services rendered for the relevant time period. The actual invoices are attached as Exhibit "A" to this Affidavit. After reflecting a courtesy discount on the November 7, 2011 account, these invoices total $45,306.23, which amount includes HST of $5,212.23. These invoices cover the five month period

from July 1, 2011 to December 9, 2011, and represent professional time of 95.6 hours at an average hourly rate of $419.39.

4. The Monitor's fees and disbursements for the period from December 12, 2011 up to and including the effective date of the termination of the CCAA proceeding will be calculated and charged at Deloitte's standard rates. Barring unforeseen circumstances, I estimate that those fees and disbursements will not exceed $10,000.

5. I have been actively involved in this matter. I believe that the time expended and the fees charged are reasonable in light of the services performed and the prevailing market rates for such services.

SWORN BEFORE ME at the City of Toronto, in the Province of Ontario, on December 12, 2011.

Commissioner for Taking Affidavits

Daniel Raphael Weisz, a Commissioner, etc.,
Province of Ontario
for Deloitte & Touche Inc.,
Trustee in Bankruptcy.
Expires June 6, 2014.

PAUL CASEY

This is Exhibit "A" to the

Affidavit of Paul Casey

Sworn December 12, 2011

Commissioner for Taking Affidavits

Daniel Raphael Weisz, a Commissioner, etc.,
Province of Ontario
for Deloitte & Touche Inc.,
Trustee in Bankruptcy.
Expires June 6, 2014.

Deloitte.

Deloitte & Touche LLP
5140 Yonge Street
Suite 1700
Toronto ON M2N 6L7
Canada

Tel: 416-601-6150
Fax: 416-601-6151
www.deloitte.ca

Barzel Industries Canada Inc.
c/o Day Seckler LLP
300 Westage Business Center Drive
Suite 403
Fishkill, NY 12524 USA

Attention: Mr. Wayne Day, CRO

Date:	November 7, 2011
Invoice No:	2952327
Client/Mandate No:	560456.1000017
Billing Partner:	Paul Casey
HST Registration no:	133245290

Invoice

For professional services rendered from July 1, 2011 to October 31, 2011 in connection with the appointment of Deloitte & Touche Inc. by the Ontario Superior Court of Justice [Commercial List] as Monitor of Barzel Industries Canada Inc.

• Preparation of the Monitor's Twelfth Report with respect to matters relating to various statutory tax audits, the potential impact of corporate income tax re-assessments, estate wind-down matters, extension of CCAA proceedings and an interim distribution to the Secured Lenders; • Continued meetings, discussions and correspondence with Barzel Canada's Tax Consultant regarding corporate income tax re-assessments, statutory tax audits with Federal and Provincial tax authorities and potential claims against Barzel Canada that may be subject to the Director's Charge; • Continued discussions and correspondence with counsels for Barzel Canada, Monitor and the Secured Lenders to provide updates on the corporate income tax re-assessment, statutory tax audits with Federal and Provincial tax authorities and potential claims against Barzel Canada; and • Responding to creditor queries and providing general information on the CCAA proceedings.	
Professional fees	$52,941.50
Less discount	(18,000.00)
Subtotal	$34,941.50
HST @ 13%	4,542.40
Total Amount Due:	**$39,483.90**

Payable upon receipt to: Deloitte Management Services LP

Please Return One Copy With Remittance

Accounts shall be due and payable when rendered. Interest shall be charged at a simple daily rate of 0.0493% (equivalent to 18% per annum). Interest shall be charged and payable at this rate on any part of an account which remains unpaid from thirty (30) days after the invoice date to the date on which the entire account is paid.

Summary of Fees

For period July 1, 2011 to October 31, 2011

Professional	Position	Hours	Hourly Rate		Fees
Paul Casey	Partner	4.3	750.00	$	3,225.00
Daniel Weisz	Partner	13.8	750.00		10,350.00
Huey Lee	Senior Manager	1.0	585.00		585.00
Neil Jones	Senior Manager	65.9	585.00		38,551.50
Rose Brown	Estate Administration	2.3	100.00		230.00
Total hours and professional fees		**87.3**		**$**	**52,941.50**
Less: Courtesy discount					(18,000.00)
Total Professional fees				$	34,941.50
HST @ 13%					4,542.40
Total Amount Due				**$**	**39,483.90**

Deloitte.

Deloitte & Touche LLP
5140 Yonge Street
Suite 1700
Toronto ON M2N 6L7
Canada

Tel: 416-601-6150
Fax: 416-601-6151
www.deloitte.ca

Barzel Industries Canada Inc.
c/o Day Seckler LLP
300 Westage Business Center Drive
Suite 403
Fishkill, NY 12524 USA

Attention: Mr. Wayne Day, CRO

Date:	December 12, 2011
Invoice No:	
Client/Mandate No:	560456.1000017
Billing Partner:	Paul Casey
HST Registration no:	133245290

Invoice

For professional services rendered from November 1, 2011 to December 9, 2011 in connection with the appointment of Deloitte & Touche Inc. by the Ontario Superior Court of Justice [Commercial List] as Monitor of Barzel Industries Canada Inc.

• Preparation of the Monitor's Thirteenth Report with respect to matters relating to various statutory tax audits, the statute of limitations on various Director and Officer claims, estate wind-down matters including the bankruptcy filing of Barzel Canada, conclusion of CCAA proceedings, discharge of the Monitor and the final distribution to the Secured Lenders; • Continued correspondence with Barzel Canada's Tax Consultant regarding corporate income tax re-assessments, statutory tax audits with Federal and Provincial tax authorities and potential claims against Barzel Canada that may be subject to the Director's Charge; and • Responding to creditor queries and providing general information on the CCAA proceedings.	
Professional fees	$5,152.50
HST @ 13%	669.83
Total Amount Due:	**$5,822.33**

Payable upon receipt to: Deloitte Management Services LP

Please Return One Copy With Remittance

Accounts shall be due and payable when rendered. Interest shall be charged at a simple daily rate of 0.0493% (equivalent to 18% per annum). Interest shall be charged and payable at this rate on any part of an account which remains unpaid from thirty (30) days after the invoice date to the date on which the entire account is paid.

Summary of Fees

For period November 1, 2011 to December 9, 2011

Professional	Position	Hours	Hourly Rate		Fees
Paul Casey	Partner	1.8	750.00	$	1,350.00
Neil Jones	Senior Manager	6.5	585.00		3,802.50
Total hours and professional fees		**8.3**		**$**	**5,152.50**
HST @ 13%					669.83
Total Amount Due				**$**	**5,822.33**

IN THE MATTER OF the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended

AND IN THE MATTER OF a Plan of Compromise or Arrangement of Barzel Industries Canada Inc.

Court File No: 09-8363-00CL

Ontario
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

Proceeding commenced at Toronto

AFFIDAVIT OF PAUL CASEY

Osler Hoskin & Harcourt LLP
1 First Canadian Place
P.O. Box 50
Toronto, ON M5X 1B8

Marc Wasserman LSUC#44066M
Tel: (416) 862-4908

Elizabeth Allen Putnam LSUC#53194L
Tel: (416) 862-6835
Fax: (416) 862-6666

Lawyers for the Monitor, Deloitte & Touche Inc.

EXHIBIT C

Court File No. 09-8363-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF BARZEL INDUSTRIES CANADA INC.

Applicant

AFFIDAVIT OF ELIZABETH ALLEN PUTNAM
(Sworn December 12, 2011)

I, ELIZABETH ALLEN PUTNAM, of the City of Toronto, in the Province of Ontario, **MAKE OATH AND SAY**:

1. I am an associate with the law firm of Osler, Hoskin & Harcourt LLP ("**Osler**"), lawyers for the Monitor, Deloitte & Touche Inc. ("**Deloitte**"), and as such I have knowledge of the matters deposed to herein.

2. This affidavit is made in support of a motion to be made by the Monitor in the proceedings commenced by Barzel Industries Canada Inc. under the *Companies Creditors' Arrangement Act*, R.S.C. 1985, c. C-36, as amended. The motion seeks, *inter alia*, approval of the fees and disbursements of Osler in its capacity as legal counsel for the Monitor for the period through December 12, 2011.

3. The Osler fee summary discloses in detail: (i) the names, hourly rates and time expended by each person who rendered services; (ii) the dates on which the services were rendered; (iii) the time expended each day; and (iv) the total charges for each of the categories of services rendered for the relevant time period. The Osler fee summary is attached as Exhibit "A" to this Affidavit.

Osler, Hoskin & Harcourt LLP
1 First Canadian Place
PO BOX 50
Toronto ON M5X 1B8
CANADA
416.362.2111 MAIN
416.862.6666 FACSIMILE

OSLER

Steven G. Golick, Partner
Invoice No. 11359138
Client No. 204067
GST/HST Registration No. 121983217 RT0001

ACCOUNT FOR PROFESSIONAL SERVICES RENDERED

August 26, 2011

Deloitte & Touche Inc.
181 Bay Street, Suite 1400
Brookfield Place
Toronto, ON M5J 2V1
CANADA

ATTENTION: Huey Lee

Barzel Industries Inc.
Our File Number: 1118359

Name	Hours Billed	Current Hourly Rate in CAD	Fee
Partner			
Marc Wasserman	3.90	670.00	2,613.00
Associate			
Elizabeth Putnam	14.60	515.00	7,519.00
OUR FEE HEREIN			**10,132.00**
HST @ 13% Payable on Fees			1,317.16

OTHER CHARGES

Courier Expenses *		5.00
Printing Costs *		45.30
Telecommunications - External *		21.67
	Subtotal	**71.97**
HST @ 13% Payable on Taxable Reimbursable Disbursements & Other Charges ***(where applicable *)***		9.36

OSLER

TOTAL DUE ON ACCOUNT **CAD11,530.49**

DUE AND PAYABLE NO LATER THAN 30 DAYS FOLLOWING THE DATE OF THIS INVOICE

Fees, Reimbursable Disbursements and Other Charges, if any,
Recorded after the period covered by this account will appear on a subsequent account.

OSLER

Invoice No.: 11359138

Barzel Industries Inc.
Our File Number: 1118359

TO: PROFESSIONAL SERVICES RENDERED IN THIS MATTER AT YOUR REQUEST

DATE	NAME	HOURS	DESCRIPTION
Mar-08-11	Elizabeth Putnam	0.50	Barzel update call with Deloitte; .
Mar-11-11	Elizabeth Putnam	0.50	Update call re administrative reserve and whether QST is covered by D&O charge.
Mar-11-11	Marc Wasserman	0.50	Conference call regarding administrative reserve and next steps and director and officer liability for QST.
Mar-31-11	Elizabeth Putnam	0.90	Barzel call regarding tax issues; review tax reassessments.
Apr-07-11	Elizabeth Putnam	0.20	Call with N. Jones.
Apr-11-11	Elizabeth Putnam	0.50	Call with N. Jones regarding tax issues; reviewing email to McMillan regarding tax issues; reviewing information received from CRA.
Apr-14-11	Elizabeth Putnam	0.40	Reviewing re-assessments from CRA; emails to N. Jones and H. Lee; reviewing emails to and from CRA.
Apr-18-11	Elizabeth Putnam	0.20	Reviewing draft email and reconciliations from Deloitte; reviewing past correspondence; drafting email to Deloitte regarding tax-related issues.
Apr-19-11	Elizabeth Putnam	1.90	Call with N. Jones regarding re-assessment; call with N. Jones and G. Char regarding CRA issues; reviewing and commenting on correspondence to McMillan; call with Deloitte, McMillan, G. Char.
Apr-25-11	Elizabeth Putnam	0.40	Reviewing draft letter from McMillan; drafting email to N. Jones regarding tax issues; reviewing information in file.
Apr-26-11	Elizabeth Putnam	0.70	Call with N. Jones to discuss tax letter; providing comments on McMillan letter.
Apr-27-11	Elizabeth Putnam	1.10	Marking up settlement offer; discussion with N. Jones regarding terms of settlement; .
Apr-28-11	Elizabeth Putnam	0.30	Drafting emails to N. Jones; creating issues list for discussion with McMillan; call to M. Wasserman.

DATE	NAME	HOURS	DESCRIPTION
May-02-11	Elizabeth Putnam	0.20	Reviewing letter to McMillan; drafting emails to N. Jones.
May-03-11	Elizabeth Putnam	1.00	Call with N. Jones; reviewing mark-up of letter; call with N. Jones and T. Miller; call with N. Jones; reviewing revised letter.
May-09-11	Elizabeth Putnam	1.20	Call with McMillan, Davies, Deloitte, Osler; follow up call with N. Jones.
May-09-11	Marc Wasserman	1.00	Attending conference call regarding director issues in respect of collective and unremitted QST.
May-16-11	Elizabeth Putnam	0.30	Emails to M. Wasserman and N. Jones; reviewing outstanding information requests; reviewing draft response email; email to N. Jones and H. Lee.
May-17-11	Elizabeth Putnam	0.90	Barzel call; call to R. Schwill.
May-17-11	Marc Wasserman	0.50	Attending call with Deloitte regarding instructions in respect of potential QST liability.
May-18-11	Elizabeth Putnam	0.30	Call with N. Jones regarding historical remittance practices at Barzel.
May-25-11	Elizabeth Putnam	0.30	Call with N. Jones to discuss QST issues and opinion for lenders; reviewing draft emails for N. Jones; drafting email to N. Jones and H. Lee.
May-25-11	Marc Wasserman	0.50	Attending conference call regarding QST liability and next steps.
Jun-03-11	Elizabeth Putnam	0.20	Call with N. Jones regarding follow up with Todd Miller and lenders.
Jun-06-11	Elizabeth Putnam	0.40	Call with N. Jones; reviewing correspondence between G. Char and N. Jones regarding QST liabilities.
Jul-19-11	Elizabeth Putnam	0.80	Meeting with M. Wasserman; call to R. Schwill; call to N. Jones; drafting email to N. Jones.
Jul-19-11	Marc Wasserman	0.50	Discussions with B. Putnam regarding settlement discussions with Revenue Quebec; email to and from W. Rostom regarding same.
Jul-22-11	Elizabeth Putnam	1.10	Discussion with M. Wasserman; call with M. Wasserman, P. Casey, N. Jones; reviewing last two Monitor's reports; drafting email to N. Jones.
Jul-22-11	Marc Wasserman	0.90	Discussions with B. Putnam, R. Schwill and W. Rostom regarding Revenue Quebec issues; engaged in discussions with B. Putnam regarding same.

DATE	NAME	HOURS	DESCRIPTION
Jul-27-11	Elizabeth Putnam	0.30	Call with N. Jones.

OSLER

REMITTANCE FORM

ATTENTION: Huey Lee

Deloitte & Touche Inc.
181 Bay Street, Suite 1400
Brookfield Place
Toronto, ON M5J 2V1
CANADA

Re: Client Number: 204067
Matter Number: 1118359
Invoice Number: 11359138

Invoice Total: CAD11,530.49
Invoice Date: August 26, 2011

PLEASE RETURN THIS FORM WITH YOUR PAYMENT TO:

Osler, Hoskin & Harcourt LLP
FINANCE & ACCOUNTING DEPARTMENT (RECEIPTS)
1 First Canadian
PO BOX 50
Toronto ON (Ontario) M5X 1B8
Canada
416.362.2111 MAIN
416.862.6666 FACSIMILE

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Electronic Fee Transfers (EFT) and WIRE INSTRUCTIONS for Account:
(PLEASE NOTE THAT WIRE TRANSFER MAY COST MORE THAN EFT)

Account Name for all payments: **Osler, Hoskin & Harcourt LLP**

(Canadian Dollar Payments)
TD Canada Trust
180 TD Square, 317 – 7th Avenue S.W.
Calgary, Alberta T2P 2Y9
Transit No: 80629-004
Account No: 5219313
Swift Code: **TDOMCATTTOR**

(US Dollar Payments)
Intermediary Bank: ***Bank of America, N.Y.***
ABA: 026009593
Beneficiary Bank: ***TD Canada Trust***
Branch: 55 King St. W., Toronto, ON M5K 1A2
Transit No: 10252-004
Account No: 7366769
Swift Code: **TDOMCATTTOR**

(EURO Payments)
TD Canada Trust
55 King St. W.
Toronto, Ontario M5K 1A2
Transit No: 10252-004
Account No: 0360 01 3952346
Swift Code: **TDOMCATTTOR**

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Toronto ON M5X 1B8
CANADA
416.362.2111 MAIN
416.862.6666 FACSIMILE

OSLER

Steven G. Golick, Partner
Invoice No. 11378920
Client No. 204067
GST/HST Registration No. 121983217 RT0001

ACCOUNT FOR PROFESSIONAL SERVICES RENDERED

October 31, 2011

Deloitte & Touche Inc.
181 Bay Street, Suite 1400
Brookfield Place
Toronto, ON M5J 2V1
CANADA

ATTENTION: Huey Lee

Barzel Industries Inc.
Our File Number: 1118359

Name	Hours Billed	Current Hourly Rate in CAD	Fee
Partner			
Marc Wasserman	9.90	670.00	6,633.00
Associate			
Elizabeth Putnam	26.40	515.00	13,596.00
Paraprofessional			
Kevin MacEachern	0.50	150.00	75.00
OUR FEE HEREIN			**20,304.00**
HST @ 13% Payable on Fees			2,639.52

OTHER CHARGES

Printing Costs *		93.45
Telecommunications - External *		10.80
	Subtotal	**104.25**

HST @ 13% Payable on Taxable Reimbursable Disbursements & Other Charges ***(where applicable *)***	13.55
TOTAL DUE ON ACCOUNT	**CAD23,061.32**

DUE AND PAYABLE NO LATER THAN 30 DAYS FOLLOWING THE DATE OF THIS INVOICE

Fees, Reimbursable Disbursements and Other Charges, if any,
Recorded after the period covered by this account will appear on a subsequent account.

OSLER

Invoice No.: 11378920

Barzel Industries Inc.
Our File Number: 1118359

TO: PROFESSIONAL SERVICES RENDERED IN THIS MATTER AT YOUR REQUEST

DATE	NAME	HOURS	DESCRIPTION
Aug-03-11	Elizabeth Putnam	0.90	Call with N. Jones, M. Wasserman, P. Casey; call to N. Jones to discuss drafting of report; reviewing chronology; drafting emails to R. Schwill regarding motion; drafting report.
Aug-03-11	Marc Wasserman	0.50	Conference call with Deloitte regarding stay extension; discussions with B. Putnam regarding same.
Aug-04-11	Elizabeth Putnam	0.90	Call with N. Jones; creating outline of concepts to include in report; reviewing previous reports; reviewing notes on last five months.
Aug-11-11	Elizabeth Putnam	3.00	Drafting twelfth report of the Monitor; drafting email to N. Jones.
Aug-12-11	Elizabeth Putnam	3.10	Revising Eleventh Report; meeting with M. Wasserman to review Eleventh Report; drafting list of issues for affidavit for R. Schwill; drafting emails to N. Jones.
Aug-15-11	Elizabeth Putnam	2.00	Call to N. Jones; draft of issues for R. Schwill; revising Twelfth Report; emails to R. Schwill; emails to N. Jones.
Aug-17-11	Elizabeth Putnam	1.50	Call with R. Schwill and Deloitte; call with N. Jones regarding Char affidavit and next steps; drafting Char provisions of affidavit; drafting fees affidavits.
Aug-18-11	Elizabeth Putnam	1.10	Calls with N. Jones; revising Twelfth Report; drafting summary for R. Schwill; emails to N. Jones and R. Schwill; reviewing comments from G. Char.
Aug-19-11	Elizabeth Putnam	0.80	Call with R. Schwill regarding motion; call to N. Jones; email to M. Wasserman; email to W. Rostom.
Aug-22-11	Elizabeth Putnam	0.50	Drafting emails to Deloitte and R. Schwill.
Aug-23-11	Elizabeth Putnam	1.90	Reviewing Twelfth Report and providing comments; reviewing Notice of Motion and Order and providing comments; reviewing Char affidavit and providing comments; emails to Deloitte, M. Wasserman, R. Schwill; call to M. Wasserman.

DATE	NAME	HOURS	DESCRIPTION
Aug-24-11	Elizabeth Putnam	1.40	Reviewing revised report; emails to N. Jones, M. Wasserman, R. Schwill, W. Rostom; reviewing comments from lenders; call with M. Wasserman.
Aug-24-11	Marc Wasserman	2.80	Engaged in various conference calls with client regarding stay extension; engaged in discussions with W. Rostom regarding same; reviewing materials for court and providing comments; discussions with B. Putnam regarding same.
Aug-25-11	Elizabeth Putnam	2.70	Reviewing and re-drafting sections of twelfth report in response to concerns of lenders; reviewing comments by lenders; drafting emails to N. Jones, M. Wasserman, R. Schwill, W. Rostom; reviewing revised Notice of Motion, Order, Char Affidavit; providing comments; reviewing cash flows and providing comments.
Aug-25-11	Marc Wasserman	3.20	Continue to review motion materials; comment on report; various discussions and conference calls regarding same with W. Rostom and client.
Aug-26-11	Elizabeth Putnam	3.90	Reviewing Strook comments on report and cash flows; drafting emails to M. Wasserman, N. Jones, R. Schwill, W. Rostom; call to N. Jones; coordinating filing and service of report; calls with M. Wasserman and N. Jones; suggesting revisions to report and cash flows; reviewing final comments on report.
Aug-26-11	Marc Wasserman	3.40	Engaged in various email correspondence regarding upcoming motion; discussions with B. Putnam regarding same; review final report.
Aug-29-11	Kevin MacEachern	0.50	Attending at Commercial Court; filing twelfth report of the monitor.
Aug-29-11	Elizabeth Putnam	0.20	Discussions with N. Jones and M. Wasserman regarding motion.
Aug-30-11	Elizabeth Putnam	0.50	Call to D. Weisz; preparing submissions for motion.
Aug-31-11	Elizabeth Putnam	1.20	Preparing for and attendance at stay extension motion.
Sep-01-11	Elizabeth Putnam	0.40	Call with D. Weisz and N. Jones regarding tax consultant and email to T. Wang; reviewing and commenting on email to T. Wang.
Sep-12-11	Elizabeth Putnam	0.10	Email to N. Jones.
Sep-27-11	Elizabeth Putnam	0.30	Calls with N. Jones regarding Monitor's position on instructions to tax consultant.

OSLER

REMITTANCE FORM

ATTENTION: Huey Lee

Deloitte & Touche Inc.
181 Bay Street, Suite 1400
Brookfield Place
Toronto, ON M5J 2V1
CANADA

Re: Client Number: 204067
Matter Number: 1118359
Invoice Number: 11378920

Invoice Total: CAD23,061.32
Invoice Date: October 31, 2011

PLEASE RETURN THIS FORM WITH YOUR PAYMENT TO:

Osler, Hoskin & Harcourt LLP
FINANCE & ACCOUNTING DEPARTMENT (RECEIPTS)
1 First Canadian
PO BOX 50
Toronto ON (Ontario) M5X 1B8
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(PLEASE NOTE THAT WIRE TRANSFER MAY COST MORE THAN EFT)

Account Name for all payments: **Osler, Hoskin & Harcourt LLP**

(Canadian Dollar Payments)	*(US Dollar Payments)*	*(EURO Payments)*
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180 TD Square, 317 – 7th Avenue S.W.	*ABA: 026009593*	*55 King St. W.*
Calgary, Alberta T2P 2Y9	Beneficiary Bank: *TD Canada Trust*	*Toronto, Ontario M5K 1A2*
Transit No: 80629-004	*Branch: 55 King St. W., Toronto, ON M5K 1A2*	*Transit No: 10252-004*
Account No: 5219313	*Transit No: 10252-004*	*Account No: 0360 01 3952346*
Swift Code: TDOMCATTTOR	*Account No: 7366769*	*Swift Code:* TDOMCATTTOR
	Swift Code: TDOMCATTTOR	

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1 First Canadian Place
PO BOX 50
Toronto ON M5X 1B8
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416.362.2111 MAIN
416.862.6666 FACSIMILE

OSLER

Steven G. Golick, Partner
Invoice No. 11393801
Client No. 204067
GST/HST Registration No. 121983217 RT0001

ACCOUNT FOR PROFESSIONAL SERVICES RENDERED

December 7, 2011

Deloitte & Touche Inc.
181 Bay Street, Suite 1400
Brookfield Place
Toronto, ON M5J 2V1
CANADA

ATTENTION: Huey Lee

Barzel Industries Inc.
Our File Number: 1118359

Name	Hours Billed	Current Hourly Rate in CAD	Fee
Partner			
Marc Wasserman	1.30	670.00	871.00
Associate			
Julien Morissette	0.60	385.00	231.00
Elizabeth Putnam	17.70	515.00	9,115.50
OUR FEE HEREIN			**10,217.50**
HST @ 13% Payable on Fees			1,328.28

OTHER CHARGES

On-line Database Services *		6.80
Printing Costs *		20.70
	Subtotal	**27.50**
HST @ 13% Payable on Taxable Reimbursable Disbursements & Other Charges *(where applicable *)*		3.58

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TOTAL DUE ON ACCOUNT **CAD11,576.86**

DUE AND PAYABLE NO LATER THAN 30 DAYS FOLLOWING THE DATE OF THIS INVOICE

Fees, Reimbursable Disbursements and Other Charges, if any,
Recorded after the period covered by this account will appear on a subsequent account.

OSLER

Invoice No.: 11393801

Barzel Industries Inc.
Our File Number: 1118359

TO: PROFESSIONAL SERVICES RENDERED IN THIS MATTER AT YOUR REQUEST

DATE	NAME	HOURS	DESCRIPTION
Oct-17-11	Elizabeth Putnam	0.40	Call with N. Jones regarding estimate for tax consultant work; reviewing and revising proposed email; reviewing and commenting on work estimate.
Nov-04-11	Elizabeth Putnam	1.70	Reviewing law and precedents on conversion of CCAA to bankruptcy; reviewing Quebec law on director liability; preparing Monitor's report.
Nov-16-11	Elizabeth Putnam	2.50	Reviewing prior correspondence; drafting thirteenth report.
Nov-17-11	Elizabeth Putnam	0.40	Reviewing law on post-filing director liability for sales tax arrears.
Nov-18-11	Elizabeth Putnam	0.20	Drafting email to N. Jones regarding termination of CCAA proceeding, tax issues, bankruptcy.
Nov-21-11	Elizabeth Putnam	2.40	Drafting thirteenth report; researching cases on QST liability of directors.
Dec-02-11	Elizabeth Putnam	1.00	Call to N. Jones; drafting emails to N. Jones and R. Schwill; drafting Thirteenth Report of the Monitor; reviewing prior orders and reports.
Dec-05-11	Elizabeth Putnam	5.30	Call with R. Schwill, N. Jones and M. Wasserman; discussion with N. Jones regarding next steps; call to W. Rostum; preparing thirteenth report of the Monitor; drafting discharge order; call to J. Morrisette for confirmation on analysis of statute of limitations in respect of director liability; calls to N. Jones regarding source deduction issues.
Dec-05-11	Julien Morissette	0.60	Verifying points of Québec law for B. Putnam.
Dec-05-11	Marc Wasserman	0.50	Attending conference call with respect to matters for upcoming stay extension motion.
Dec-06-11	Elizabeth Putnam	3.80	Call with R. Kapoor regarding upcoming motion, outstanding issues; drafting Thirteenth Report, Discharge Order and Notice of Motion; meeting with M. Wasserman to discuss drafts, issues; revising Thirteenth

DATE	NAME	HOURS	DESCRIPTION
			Report and Discharge Order; drafting emails to N. Jones and P. Casey.
Dec-06-11	Marc Wasserman	0.80	Reviewing drafts of Report and Discharge Order with B. Putnam.

OSLER

REMITTANCE FORM

ATTENTION: Huey Lee

Deloitte & Touche Inc.
181 Bay Street, Suite 1400
Brookfield Place
Toronto, ON M5J 2V1
CANADA

Re: Client Number: 204067
Matter Number: 1118359
Invoice Number: 11393801

Invoice Total: CAD11,576.86
Invoice Date: December 7, 2011

PLEASE RETURN THIS FORM WITH YOUR PAYMENT TO:

Osler, Hoskin & Harcourt LLP
FINANCE & ACCOUNTING DEPARTMENT (RECEIPTS)
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(Canadian Dollar Payments)	*(US Dollar Payments)*	*(EURO Payments)*
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Calgary, Alberta T2P 2Y9	Beneficiary Bank: *TD Canada Trust*	*Toronto, Ontario M5K 1A2*
Transit No: 80629-004	*Branch: 55 King St. W., Toronto, ON M5K 1A2*	*Transit No: 10252-004*
Account No: 5219313	*Transit No: 10252-004*	*Account No: 0360 01 3952346*
Swift Code: TDOMCATTTOR	*Account No: 7366769*	*Swift Code:* TDOMCATTTOR
	Swift Code: TDOMCATTTOR	

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1 First Canadian Place
PO BOX 50
Toronto ON M5X 1B8
CANADA
416.362.2111 MAIN
416.862.6666 FACSIMILE

OSLER

Steven G. Golick, Partner
Invoice No. 11394930
Client No. 204067
GST/HST Registration No. 121983217 RT0001

ACCOUNT FOR PROFESSIONAL SERVICES RENDERED

December 12, 2011

Deloitte & Touche Inc.
181 Bay Street, Suite 1400
Brookfield Place
Toronto, ON M5J 2V1
CANADA

ATTENTION: Huey Lee

Barzel Industries Inc.
Our File Number: 1118359

Name	Hours Billed	Current Hourly Rate in CAD		Fee
Associate				
Elizabeth Putnam	7.60	515.00		3,914.00
OUR FEE HEREIN				**3,914.00**
HST @ 13% Payable on Fees				508.82
OTHER CHARGES				
Printing Costs *			25.35	
		Subtotal	**25.35**	
HST @ 13% Payable on Taxable Reimbursable Disbursements & Other Charges *(where applicable *)*			3.30	
TOTAL DUE ON ACCOUNT				**CAD4,451.47**

DUE AND PAYABLE NO LATER THAN 30 DAYS FOLLOWING THE DATE OF THIS INVOICE

Fees, Reimbursable Disbursements and Other Charges, if any,
Recorded after the period covered by this account will appear on a subsequent account.

OSLER

Invoice No.: 11394930

Barzel Industries Inc.
Our File Number: 1118359

TO: PROFESSIONAL SERVICES RENDERED IN THIS MATTER AT YOUR REQUEST

DATE	NAME	HOURS	DESCRIPTION
Dec-07-11	Elizabeth Putnam	3.00	Call with N. Jones to discuss comments on report and issues related to bankruptcy and termination of proceeding; revising report; drafting Notice of Motion; .
Dec-08-11	Elizabeth Putnam	1.40	Drafting emails to N. Jones; revising Thirteenth Report; drafting Notice of Motion; call with G. Char and N. Jones regarding information needed for statement of affairs; final tax issues.
Dec-09-11	Elizabeth Putnam	2.10	Drafting emails to N. Jones and P. Casey; drafting Notice of Motion; revising report and discharge order; drafting emails to R. Schwill, W. Rostum; calls with N. Jones regarding Deloitte comments on report.
Dec-11-11	Elizabeth Putnam	1.10	Revising report; incorporation comments from R. Schwill on litigation documents; drafting emails to N. Jones; drafting email to W. Rostum, R. Kapoor, R. Schwill..

OSLER

REMITTANCE FORM

ATTENTION: Huey Lee

Deloitte & Touche Inc.
181 Bay Street, Suite 1400
Brookfield Place
Toronto, ON M5J 2V1
CANADA

Re: Client Number: 204067
Matter Number: 1118359
Invoice Number: 11394930

Invoice Total: CAD4,451.47
Invoice Date: December 12, 2011

PLEASE RETURN THIS FORM WITH YOUR PAYMENT TO:

Osler, Hoskin & Harcourt LLP
FINANCE & ACCOUNTING DEPARTMENT (RECEIPTS)
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Toronto ON (Ontario) M5X 1B8
Canada
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Calgary, Alberta T2P 2Y9	Beneficiary Bank: *TD Canada Trust*	*Toronto, Ontario M5K 1A2*
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Account No: 5219313	*Transit No: 10252-004*	*Account No: 0360 01 3952346*
Swift Code: TDOMCATTTOR	*Account No: 7366769*	*Swift Code:* TDOMCATTTOR
	Swift Code: TDOMCATTTOR	

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IN THE MATTER OF the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended

AND IN THE MATTER OF a Plan of Compromise or Arrangement of Barzel Industries Canada Inc.

Court File No: 09-8363-00CL

Ontario
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

Proceeding commenced at Toronto

AFFIDAVIT OF ELIZABETH A PUTNAM

Osler Hoskin & Harcourt LLP
1 First Canadian Place
P.O. Box 50
Toronto, ON M5X 1B8

Marc Wasserman LSUC#44066M
Tel: (416) 862-4908

Elizabeth Allen Putnam LSUC#53194L
Tel: (416) 862-6835
Fax: (416) 862-6666

Lawyers for the Monitor, Deloitte & Touche Inc.