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**Estate File No.: 32-1201302**

**IN THE MATTER OF THE BANKRUPTCY OF  
NOBLE METAL PROCESSING CANADA, INC.,  
OF THE CITY OF BRANTFORD, IN THE PROVINCE OF ONTARIO**

**REPORT OF TRUSTEE'S PRELIMINARY ADMINISTRATION**

**1. INTRODUCTION**

On May 1, 2009, Noble Metal Processing Canada, Inc. (the "Bankrupt") filed an assignment in bankruptcy. On May 5, 2009, the Official Receiver issued an Assignment Certificate and appointed RSM Richter Inc. ("Richter") as the Trustee in Bankruptcy.

**2. BACKGROUND**

The Bankrupt is owned by a U.S. based corporation and was incorporated in 1997 under the *Business Corporations Act* (Ontario).

The Bankrupt operated from a single leased facility in Brantford, Ontario.

The Bankrupt was a manufacturer of laser welded blanks for the North American automotive industry and sold its products to North American automotive original equipment manufacturers ("OEM's").

The Bankrupt's insolvency was primarily attributable to, *inter alia*, the following factors:

1. The failure of the Company's parent company, Noble International Ltd. ("Noble International"), which is subject to insolvency proceedings in the U.S. pursuant to Chapter 11 of the *U.S. Bankruptcy Code* (the "US Proceedings"); and
2. The significant downturn in the North American automotive industry.

**3. SECURED CREDITORS**

The Company guaranteed on a secured basis the obligations of Noble International to General Electric Capital Corporation ("GE"). The Guarantee is secured by specific manufacturing equipment subject to GE's security ("the Equipment"). Based on information available to the Trustee, the Equipment will not be sufficient to repay the Company's obligations to GE.

The Trustee engaged Goodmans LLP ("Goodmans") to review the validity and enforceability of the security held by GE ("Security Opinion"). Subject to the assumptions and qualifications contained in the Security Opinion, Goodmans is of the view that GE holds a validly perfected security interest in the property pledged under the Guarantee.

### 3.1 Other Secured Creditors

A search of the *Personal Property Security Registration System* (Ontario) reveals five registrations other than those of GE. Each of these registrants is an equipment lessor. A summary of these registrations is presented in the table below.

Registrant	Amount Owed
CLE Leasing Enterprises Ltd.	Unknown
MCAP Leasing Inc.	Unknown
Wajax Finance Inc.	Unknown
Carrier Truck Centre Inc.	Unknown
General Electric Canada Equipment Finance G.P.	Unknown

## 4. UNSECURED CREDITORS

According to the Bankrupt's books and records, amounts owing by the Bankrupt to its unsecured creditors totalled approximately \$2.9 million as at May 1, 2009. This amount does not include employee claims for severance and termination, if any, and any amounts which may be owing to Canada Revenue Agency or other taxing authorities.

## 5. ASSETS OF THE BANKRUPT

The estimated book values and realizable values of the Company's assets as at May 1, 2009 is as follows:

	(\$000s)	
	Book Value	Estimated Realizable Value
Cash	1,592,276	1,592,276
Accounts Receivable	2,056,264	800,000
Inventory	3,332	-
Intercompany receivable	unknown	-
Fixed Assets	unknown	-
Total	3,651,872	2,392,276

## **5.1 Accounts Receivable**

The Bankrupt's accounts receivable are primarily due from the OEM's. The OEM's supplied certain raw materials to the Bankrupt, which the Bankrupt used in the component parts it produced for the OEMs. The OEM's have claims against the Company for amounts due to them in respect of material shipped to the Bankrupt. The Trustee has been advised that the estimated realizable value of the accounts receivable, as set out on the above schedule, is net of known OEM claims.

## **5.2 Intercompany Receivable**

As Noble International is subject to the US Proceedings, it is not anticipated that the Bankrupt will collect amounts due to it from Noble International.

## **5.3 Fixed Assets**

The majority of the Bankrupt's fixed assets are encumbered pursuant to the Guarantee. The non-pledged fixed assets have negligible realizable value.

## **5.4 Assets of the Bankrupt Not Divisible Amongst Creditors by Virtue of Section 67 of the *Bankruptcy and Insolvency Act***

The Trustee is not aware of any property that is subject to a trust or similar claim that would not be divisible amongst the creditors.

## **6. PROVABLE CLAIMS**

The Trustee has received unsecured proofs of claim totalling approximately \$310,398 million. Based on the proofs of claim received to date, there does not appear to be any substantial change from the preliminary list of creditors.

## **7. BOOKS AND RECORDS**

The Trustee has taken possession of the books and records of the Bankrupt. The books and records are located at the Bankrupt's Brampton premises and at a nearby storage facility. The Trustee has been provided with an inventory of the Company's books and records.

The books and records appear to have been appropriately maintained.

## **8. REVIEWABLE TRANSACTIONS AND PREFERENCE PAYMENTS**

The Trustee is conducting a review into the Bankrupt's affairs during the year prior to the date of bankruptcy. Upon completion of its review the Trustee will discuss its finding with the Inspectors to be appointed in these proceedings.

**9. ANTICIPATED REALIZATION AND PROJECTED DISTRIBUTION**

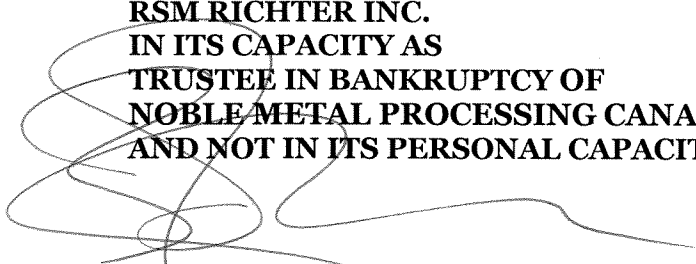
Based on available information, it is anticipated that there will be monies available for distribution to the Bankrupt's unsecured creditors.

**10. OTHER MATTERS**

There are no other matters to be addressed in this report.

DATED at Toronto, Ontario, this 22 day of May, 2009.

**RSM RICHTER INC.  
IN ITS CAPACITY AS  
TRUSTEE IN BANKRUPTCY OF  
NOBLE METAL PROCESSING CANADA, INC.  
AND NOT IN ITS PERSONAL CAPACITY**



Per: Robert Kofman