

Estate File Nos. 31-455620
31-455619
31-455613
31-1118466

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

IN BANKRUPTCY AND INSOLVENCY

**IN THE MATTER OF THE BANKRUPTCY AND INSOLVENCY
OF FIRST WASTE UTILITIES CANADA LIMITED,
FIRST WASTE UTILITIES CORP., FIRST WASTE TRANSLOAD INC. AND
FIRST WASTE AMERICA INC.**

**PRELIMINARY REPORT
OF THE
CHIEF RESTRUCTURING OFFICER**

November 18, 2008

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Chief Restructuring Officer

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TO MAKE A PROPOSAL OF FIRST WASTE UTILITIES CANADA LIMITED,
FIRST WASTE UTILITIES CORP., FIRST WASTE TRANSLOAD INC. AND
FIRST WASTE AMERICA INC.**

**PRELIMINARY REPORT OF THE CHIEF RESTRUCTURING OFFICER
NOVEMBER 18, 2008**

INTRODUCTION

1. On October 1, 2008, First Waste Utilities Canada Limited ("First Waste Canada"), First Waste Utilities Corp. ("Utilities"), First Waste Transload Inc. ("Transload"), and First Waste America Inc. ("America"), hereinafter referred to collectively as "First Waste", filed a Notice of Intention to file a proposal naming Zwaig Associates Inc. ("Zwaig") as proposal trustee (the "Trustee").
2. On October 30, 2008, First Waste brought a motion for the extension of the time period within which to file a proposal and this Honourable Court provided a very short extension, and then on November 3, 2008, this Honourable Court extended the time for filing a proposal to December 3, 2008.

3. By Order of the Honourable Mr. Justice Wilton-Siegel dated November 3, 2008, BDO Dunwoody Limited ("BDO") was appointed the Chief Restructuring Officer ("CRO") of First Waste. A copy of the Order is attached hereto as **Exhibit 1**.
4. Among other things, the CRO was authorized to review and evaluate any offers to invest in First Waste or purchase the whole or part of the assets of First Waste, or other similar restructuring or reorganization opportunities of First Waste, and the CRO was instructed, as per Paragraph 8 of said Order, to "provide a status report (the "First Report") and preliminary recommendations to the Court with respect to its review of the restructuring or reorganization opportunities of First Waste and regarding the various offers to invest in or purchase the whole or part of First Waste no later than November 18, 2008 or such other time as counsel may agree and the Court has availability."

Purpose of this Report

5. The purpose of this First Report is:
 - (a) To inform this Honourable Court of the CRO's activities and findings to date and to seek approval of this Honourable Court for the actions and activities of the CRO as described in this First Report;
 - (b) To provide this Honourable Court with the results of the CRO's preliminary review and assessments;
 - (c) To provide this Honourable Court with the CRO's recommendations in respect of a Court approved sales process of the assets of First Waste;
 - (d) To seek approval of this Honourable Court of the CRO's professional fees and disbursements for the period of November 3, 2008 up to and including November 16, 2008;
 - (e) To seek approval of this Honourable Court for the professional fees and disbursements of the CRO's legal counsel, Torkin Manes Cohen Arbus LLP for the period of November 3, 2008 to November 16, 2008;
 - (f) To seek such other advice and direction of this Honourable Court as may be appropriate in the circumstances and as this Honourable Court may grant.

Disclaimer

6. The CRO has relied upon the financial records and financial statements of First Waste as well as other information supplied by First Waste, their legal counsel and other advisors. The CRO's procedures did not constitute an audit or review engagement. Therefore, the CRO is unable and does not express an opinion on any financial statements, or elements of the financial information referred to in this First Report, or any of the attached Appendices of Exhibits forming part of this First Report. In the event any of the information the CRO relied upon was inaccurate or incomplete, the results of this analysis could be materially affected. The CRO reserves the right to review all conclusions in the light of new information as such information becomes available.

Indemnity

7. Pursuant to a verbal undertaking provided to the CRO by Mr. Dan Dowdall of Fraser Milner Casgrain LLP, counsel for Integrated Business Concepts Inc. ("IBC") in exchange for the CRO's willingness to act in this matter, IBC has provided the CRO with an Indemnity for the CRO's fees and expenses related to this engagement, "in the event there are insufficient monies realized from the assets of First waste to satisfy the same." This Indemnity is attached hereto as **Exhibit 2**.

Corporate Overview

8. According to the information contained in the Affidavit of Joel Wagman ("Wagman"), Chairman of the Board and Acting Chief Executive officer of First Waste sworn October 29, 2008 (the "Wagman Affidavit") in support of the request for the extension of time to file a proposal which was brought on behalf of First Waste, the following appears to have been the corporate structure of the First Waste companies:
 - (a) **First Waste Canada:** is a holding company and does not appear to carry on any active business. It appears to own shares of Transload, Utilities and America (collectively, the "Subsidiaries"), but due to recently reported share transfers (the details of which are set out below), it is unclear how many shares and what percentage of shares are now owned by First Waste Canada. IBC is a secured creditor of First Waste Canada. There also appears to be intercompany debt owing to First Waste Canada by its subsidiaries.

- (b) **Transload:** At paragraph 6 of the Wagman Affidavit, Wagman states that Transload is a wholly owned subsidiary of First Waste Canada which owns a Transload Facility located in the CN MacMillan Rail Yard, which is located in Concord, Ontario. Wagman states that this facility is "North America's first and only purpose built facility whereby construction and demolition waste and industrial, commercial and institutional waste is taken by motor vehicles to the facility and is then transferred to specifically designed railcars for delivery by Canadian National Railway ("CNR") to various landfill destinations. Transload is a party to various agreements with CNR relating to its business and property in Concord, Ontario and according to the books and records of Transload, it is in default of in excess of \$1,000,000 owing to CNR under those agreements.
 - (c) **Utilities:** Operates a construction waste transfer facility at 63A Medulla Avenue, Etobicoke, Ontario; and
 - (d) **America:** Owns the leases for railway cars that are used to transport construction waste. These leases are with American Railcar Leasing LLC. According to the records of First Waste, it currently owes approximately USD \$600,000 on account of arrears of lease payments.
9. On Friday, November 14, 2008, the CRO was advised by Wagman that certain shares of the Subsidiaries were transferred sometime in August. According to Wagman, the minute books of the Subsidiaries had not been kept up to date, but that at this time, the shares of these companies are no longer solely owned by First Waste Canada. The CRO has not been provided with the minute books of the Subsidiaries, but based upon discussions with Wagman and the following email from Mr. Victor Paul ("Paul"), a director and officer of First Waste, the shares of the Subsidiaries are owned as follows:
- "First Waste Transload Inc. and First Waste Utilities Corporation since August 20th at 6.30 pm are substantially owned by Joel Wagman, Ed Newell, Allen Shully and Victor Paul to the extent of a combined 11000 shares. The only other shareholder in these companies is First Waste Utilities Canada Limited, which owns 100 shares in each of First Waste Transload and First Waste Utilities Corp." This email is attached hereto, as **Exhibit 3.**
10. The implications of the change of share ownership are reviewed in greater detail below in this First Report.

The CRO's Activities to Date

Meetings with representatives of First Waste

11. The CRO first attended at the head office premises of First Waste, located at 101 Duncan Mill Road, Suite 400, Toronto, ON, on the afternoon of November 4, 2008, and met with Messrs. Ed Newell, Senior Vice President, and Victor Paul, Chief Operating Officer. This was the first of a number of meetings which have taken place since then. The CRO subsequently also met with Messrs. Sal Bellicoso, Chief Financial Officer, and John Martins, Controller, and was introduced to Mr. Allan Shully.
12. On November 6, 2008, the CRO attended at the MacMillan Yard of CN rail in Concord, ON, being the location from which Transload carries on its business, to meet with the Director of Operations, Mr. Tony Alonzi, and to view the premises and the assets located thereon.
13. Also on November 6, 2008, the CRO attended at the transfer facility on Medulla Avenue, the location from which Utilities carries on its business. The CRO met with Patricia Reithmueller, General Manager, and viewed the premises and the assets located at that site.
14. Due to family commitments, Wagman was unavailable to meet with the CRO until the week following its appointment. The first meeting between the CRO and Wagman took place on Monday, November 10, 2008. At that meeting, Wagman provided the CRO with extensive background information and historical financial information and assisted with setting out the issues that would have to be considered in conjunction with a review of the refinancing opportunities with may be available to First Waste

Meetings with representatives of IBC

15. Additionally, the CRO met at the offices of IBC on two occasions. IBC appears to be the largest stakeholder of First Waste and appears to have advanced the principal amount of \$8,392,481.50. IBC also claims to have a 35% shareholding interest in First Waste, which, based upon the materials filed with this Honourable Court in these proceedings, is disputed by First Waste.

16. On November 6, 2008, the CRO met with Messrs. Vince Villanti, Ravi Chaudhary, Michael Spencley ("Spencley) and Ed Solomon. Messrs. Spencley and Solomon have advised the CRO that they are also shareholders of First Waste Canada. Spencley filed an Affidavit sworn October 29, 2008 in these proceedings pursuant to which he stated that he was a shareholder and former employee of First Waste Canada and that he is currently an independent consulting associate working with IBC.
17. The above meeting with IBC provided the CRO with IBC's perspective of the financial position of First Waste and the reasons for the current insolvency of First Waste. IBC was concerned about the operations of First Waste and although its original commitment provided for a loan of up to \$10,500,000, the advances under the term loan agreement made as of the 29th day of June, 2007 were limited to \$8,392,481.50.
18. The CRO's second meeting with IBC took place on November 12, 2008, when the CRO met with Messrs. Villanti and Chaudhary, with the concurrence of First Waste management, in an attempt to find common ground for a settlement of the various disagreements between IBC and First Waste, so as to facilitate a restructuring of the financial affairs of First Waste and maximize a recovery for all stakeholders, including particularly the unsecured creditors.

Other Discussions

19. Additionally, the CRO has spoken by telephone with Mr. Bruce Darlington of Davies LLP, Counsel to American Railcar Leasing LLC, of St. Charles, Missouri, the lessors to America of 164 railcars. American Railcar Leasing LLC is a major creditor owed approximately US\$600,000 for lease arrears which continue to accrue at the rate of approximately US\$134,000 per month.
20. Additionally, the CRO has been in telephone contact with Ms. Monique Jilesen, of Lenczner, Slaght, Royce, Smith, Griffin LLP, Counsel to CNR, another significant creditor owed more than \$1,000,000 for rail transport charges and charges incurred in cleaning up waste located at the Transload facility located in the MacMillan Rail Yard in Concord, ON.

Operating Results of First Waste

21. The consolidated financial statements of First Waste for the year ended December 31, 2007 indicate revenue for the year of \$728,000, and operating, administrative and financing expenses of \$5,076,000, for an operating loss of \$4,300,000, before the write-off of an investment in Ed's Purely Organic Lawn and Garden Products Ltd., of \$2,457,000, and a write-down of license costs incurred for the MacMillan Rail Yard and the Medulla Avenue Yard of \$410,000, for total losses of \$7.2 million for the year. Effectively, these losses were funded largely from the advances obtained from IBC. The consolidated financial statements are attached to the Confidential Addendum to this Report, as Exhibit "C1".
22. During the period from January 2008 to October 2008, First Waste continued to lose money, despite having started up operations at the MacMillan Yard in March of 2008, and having operated at near capacity during some of the summer months. Due to its poor cash position, which continued to worsen throughout the summer, First Waste was obliged to curtail its operations, and effectively shut-down the MacMillan facility by about the end of September 2008. At present, the Medulla Avenue Yard continues to operate, but on a much reduced basis due to lack of funds.
23. The internally prepared operating summaries of Transload for the ten months to October 31, 2008 indicate revenue of about \$3,700,000, operating costs of \$6,700,000, and other expenses of \$3,500,000, resulting in a loss of \$6,500,000. Additionally, the internally prepared operating summaries of Utilities for the ten months to October 31, 2008 indicate revenue of about \$600,000, operating costs of \$710,000, and other expenses of \$780,000, for a loss of \$890,000. These operating summaries are attached to the Confidential addendum of this Report, as Exhibits C2 and C3.
24. Management advises of numerous unforeseen operational problems which contributed to the magnitude of these losses.
25. As a result of the significant operating losses, and First Waste's inability to finance continuing operations, the companies filed Notices of Intention to Reorganize in October 2008.

Status of Restructuring Efforts

26. On the morning of November 10, 2008, the CRO attended at the offices of a financial broker, together with Messrs. Wagman, Paul and Newell, and a financial intermediary acting on behalf of First Waste, in connection with the request of First Waste for a \$3,500,000 Debtor in Possession ("DIP) financing package for the purposes of providing working capital to First Waste while under the NOI, and funding for critical payments to American Railcar, CNR and others. At the time of drafting this Report, the CRO has seen no letter of commitment, term sheet or other documentation which would provide DIP financing to First Waste.
27. On the morning of November 13, 2008, the CRO attended a meeting at the offices of one of the potentially interested parties described in the Confidential Affidavit (the "Confidential Affidavit") of Wagman, sworn October 30, 2008, together with Messrs. Wagman, Newell and Paul of First Waste. This party indicated that it would seriously consider what was being proposed, and would advise hopefully within a week or so, as to whether or not it would proceed on an acquisition or investment path. No discussions were held as to potential values of the business.
28. On the afternoon of November 13, 2008, the CRO attended a meeting with another party referred to in the above-mentioned Confidential Affidavit, but this meeting was not attended by Mr. Wagman personally, as apparently this meeting was meant to represent only a review of certain financial forecasts which had been presented by First Waste to this party, and to apprise this party of the role of the CRO, amongst other things. This meeting was attended by Messrs. Newell, Paul, Bellicoso and Martins, as well as Mr. Matthew Gaasenbeek, III, the Chairman of the Advisory Committee to the Board of Directors of First Waste.
29. The representative of this investor commented that the operational forecasts for the coming three years, based on the assumption that an equity investment of \$30,000,000 would be provided to First Waste, looked very positive but that, in view of the current state of the economy, and resultant investor reluctance to make new investments, he recommended that any presentations to be made to potential investors should in future be led by the designated new CEO of First Waste, Mr. Scott Eden, who is apparently going

to join the company as of January 1, 2009. Further, even if potential investors could be found who would be interested in making an investment of this magnitude in First Waste, it would take a minimum of 3 to 4 months to finalize arrangements and advance funds. Accordingly, he recommended that it would be important to first obtain the sought-after DIP financing, and settle claims of creditors including particularly American Railcar, CNR, and IBC, before continuing the search for an equity investment.

30. In addition to the two parties referred to in the preceding paragraphs, the CRO was contacted by two separate parties who had been referred to the CRO by CNR, as potentially interested investors. The CRO spoke to these parties to simply advise them of the CRO's mandate, which at this time did not include a sale process administered by the CRO. Both parties wished to keep their identity confidential at this time, and accordingly the CRO merely kept records of their contact information, with a view to contacting these parties if and when a Court supervised sale process were initiated.
31. Further, the CRO requested First Waste to contact the other interested parties referred to in the Confidential Affidavit, and to arrange follow up meetings to determine the nature of their interest. However, First Waste management advises that these parties have not yet been available to meet.
32. The CRO was advised on November 13, 2008 by Mr. Dowdall that IBC intends to present a proposal which is to be formulated so as to satisfy the claims of the creditors of First Waste, and that such proposal is to be presented to the CRO, or to the Court, shortly. At the time of drafting this Report, the CRO has not received any particulars of such proposal and accordingly is unable to comment on the merits of this proposition.
33. While management of First Waste, including particularly Wagman has assured the CRO that a refinancing of First Waste is imminent, the CRO has at the time of drafting this Report not seen any documentation relating to any proposed refinancing.

Court Supervised Sale Process

34. Unless financing commitments or offers to invest or purchase the business of First Waste are forthcoming in the very near future, the CRO recommends that a Court supervised sale process be implemented for the assets of First Waste, utilizing the services of either an Interim Receiver appointed by Court for this purpose or expanded powers of the CRO.

A Court supervised sales process would assist in focusing the efforts of all interested parties and would provide a much needed structure to the sales process. BDO would be prepared to act in this process if so requested by this Honourable Court. The CRO suggests the following time lines:

- (a) Preparation for Marketing Process: From now until December 3, 2008:**
 - (i) Publish Court approved marketing process on interim receiver's website;
 - (ii) Prepare marketing documents, including marketing brochure;
 - (iii) Prepare electronic due diligence room and relevant documentation;
 - (iv) Prepare Confidential Information Memorandum ("CIM") and Confidentiality Agreement;
 - (v) Prepare procedures for submission of offers, and structure of transaction including a form of Agreement of Purchase and Sale;
 - (vi) Compile lists of potential purchasers based on past and/or current expressions of interests, and any and all other available sources;
 - (vii) During this period, First Waste can attempt to finalize any arrangements for the refinancing of its operations from its own sources, during the current stay of proceedings under the NOI/

- (b) Marketing Period (assumes no refinancing of First Waste having become possible):**
 - (i) December 4, 2008 to December 22, 2008;
 - (ii) Publish advertisements in National newspaper(s);
 - (iii) Contact prospective purchasers;
 - (iv) Distribute CIM and Confidentiality Agreements to interested parties;
 - (v) Respond to preliminary inquiries;
 - (vi) Obtain non-binding letters of intent (LOI's) by December 22, 2008 including bidder's comments on Agreement of Purchase and Sale.

- (c) Evaluation of LOI's**
 - (i) December 23 and 24, 2008;
 - (ii) Pre-qualify bidders and short-list selected bidders.

- (d) **Formal due diligence period**
 - (i) December 25, 2008 to January 16, 2009;
 - (ii) Assist short-listed bidders in due diligence process;
 - (iii) The expectation will be that due diligence will be completed and formal offers due by January 19, 2009 will be unconditional;
 - (iv) If bidder requires conditions, these must be specified and set out in the Agreement of Purchase and Sale;
 - (v) Preference will be given to unconditional offers.
 - (e) **Deadline for formal offers**
 - (i) January 19, 2009;
 - (ii) Obtain final formal offers.
 - (f) **Finalization of Sale**
 - (i) Selection of successful bidder, with final bid accepted by January 23, 2009;
 - (ii) Court approval and Vesting Order by January 30, 2009;
 - (iii) Closing in accordance with the terms of the agreement.
35. The timelines for the proposed sale process are longer than normal in similar situations in recognition of the fact that the Christmas holiday period will interrupt the process by about two to three weeks as potential purchasers and their advisors enjoy the holiday season. Further, a due diligence period is likely required, in the CRO's view, since potential purchasers will wish to be in contact with particularly American Railcar and CNR to negotiate assumption of the railcar lease, and of the CNR property lease, Commodities Handling Agreement, and Transportation Agreement. These issues unfortunately extend the time required for a sale process beyond what might otherwise be necessary.

Share Ownership Issues

36. As noted above, the ownership of the shares of the Subsidiaries may be at issue.

37. During one of its first couple of meetings at First Waste, the CRO was handed a document prepared by First Waste in support of its search for DIP financing of \$3,500,000. That same document was subsequently provided on November 10, 2008 to the mortgage broker referred to in paragraph 17 of this report. That document, dated October 31, 2008, in its introductory comments states "*First Waste Utilities Canada Limited owns 100% of First Waste Utilities Corporation and First Waste Transload Inc. and First Waste America Inc.*" The document is attached to the Confidential Supplement of this report, as Exhibit C4.
38. All documentation filed in these proceedings indicate that the Subsidiaries are wholly-owned by First Waste Canada. Wagman has now advised the CRO that that is no longer the case. Wagman has advised the CRO that the failure to properly identify the ownership of the shares was an oversight which was being rectified immediately. Wagman has advised that the shares of the Subsidiaries that were transferred in August, 2008 were transferred in consideration of management fees that had been owing at that time, but that had not been paid. No documentation relating to the issues surrounding the share ownership of the Subsidiaries has been provided to the CRO, although such documentation has been requested.
39. The share ownership of the Subsidiaries needs to be dealt with promptly. The CRO will be guided by the direction of this Honourable Court as to whether the CRO should conduct further review and investigation of the share ownership of the Subsidiaries.

Professional Fees

40. The CRO seeks to have its interim fees and disbursements, including those of its legal counsel, approved by this Honourable Court. For the period ending November 16, 2008, the CRO's fees and disbursements inclusive of all applicable taxes are \$49,581.91. The CRO's detailed account and the affidavit of Uwe Manski regarding the fees and disbursements are appended hereto as Exhibit 4.

41. For the period ending November 16, 2008, the fees and disbursements of the CRO's legal counsel inclusive of all applicable taxes are \$14,269.50. Counsel's detailed account and the affidavit of Fay Sulley regarding the fees and disbursements are appended hereto as Exhibit 5.

Conclusion and Recommendations

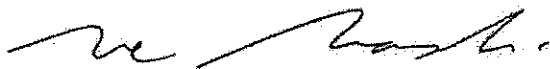
42. For the reasons set out above in this First Report, the CRO respectfully requests that this Honourable Court:
- a. Approve all actions and activities of the CRO to date;
 - b. Approve the sales process outlined herein;
 - c. Approve the interim fees and disbursements of the CRO and its legal counsel as contained in this report.

All of which is respectfully submitted

BDO DUNWOODY LIMITED

Court Appointed Chief Restructuring Officer

Per:



Uwe Manski, FCA, FCIRP

President

THIS IS EXHIBIT "1" REFERRED TO
IN THE PRELIMINARY REPORT OF THE
CHIEF RESTRUCTURING OFFICER



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IN BANKRUPTCY AND INSOLVENCY

THE HONOURABLE MR.)
JUSTICE WILTON-SIEGEL)
MONDAY, THIS 3RD DAY OF
NOVEMBER, 2008.

**IN THE MATTER OF THE NOTICE OF INTENTION
TO MAKE A PROPOSAL OF FIRST WASTE UTILITIES CANADA LIMITED, FIRST
WASTE UTILITIES CORP., FIRST WASTE TRANSLOAD INC. and FIRST WASTE
AMERICA INC.**

ORDER

THIS MOTION, made by Zwaig Associates Inc. ("Proposal Trustee") in its capacity as Proposal Trustee of First Waste Utilities Canada Limited, First Waste Utilities Corp, First Waste Transload Inc., First Waste America Inc. (collectively "First Waste"), Integrated Business Concepts Inc. ("IBC") for an Order abridging the time for service of granting an extension of the time to file a proposal until December 15, 2008 and for other relief was heard this day at 330 University Avenue, Toronto, Ontario.

1. ON READING the Report of the Trustee dated October 2008, affidavit of Joel Wagman sworn October 29, 2008, the confidential affidavit of Joel Wagman sworn October 29, 2008, the affidavit of Michael Spencley sworn October 29, 2008, and the affidavit of Paul B. Bannister sworn October 29, 2008, and on hearing the submissions of counsel for First Waste, IBC and Canadian National Railway Company ("CN");

SERVICE

2. THIS COURT ORDERS that the time for service of the Notice of Motion and the Motion Record are hereby abridged so that this motion is properly returnable today and hereby dispenses with further service thereof.

EXTENSION

3. THIS COURT ORDERS that the time for filing a proposal with respect to each of the First Waste estates shall be extended to December 3, 2008.

APPOINTMENT

4. THIS COURT ORDERS that BDO Dunwoody Limited be appointed The Chief Restructuring Officer ("CRO"), of all companies comprised in First Waste.

The CRO'S POWERS

5. THIS COURT ORDERS that the CRO is hereby empowered to review and evaluate the various offers to invest in or purchase the whole or part of First Waste and other similar restructuring or reorganization opportunities of First Waste in order to make its Report (defined below) to the Court. To that effect and in the fulfillment of its duties and responsibilities set out in this Order, the CRO:

(a) shall meet with management personnel of First Waste;

(b) shall meet with any party that is a major stakeholder in or creditor of First Waste and any person, or representative of any entity or person, that has a desire to make a proposal in respect of First Waste;

- (c) shall consult with CN prior to the commencement of any further work or business activities being conducted by First Waste at the CN MacMillan site;
- (d) shall develop a sales process to the extent one becomes necessary;
- (e) may attend meetings with potential investors and/or purchasers for the purposes of such evaluation;
- (f) shall meet and work with the Proposal Trustee;
- (g) shall consider all options for the restructuring of First Waste; and
- (h) shall assess the liabilities and revenue of First Waste and review all books, records and financial information and, as more fully defined below, the Information, as may be required.

6. THIS COURT ORDERS that the CRO and Proposal Trustee and any other Person shall keep, and shall have in place reasonable safeguards to keep, the Information and Confidential Information (both defined below) confidential to the extent required so as to not cause any prejudice or interference with First Waste's business, the restructuring process or the CRO's purpose, responsibilities and duties set out herein. In particular, but without limiting the generality of the forgoing, the CRO and Proposal Trustee shall keep confidential from IBC, or from any other person planning to make a proposal to invest in or purchase all or part of First Waste, all of the Confidential Information.

7. THIS COURT ORDERS that the CRO shall make available to CN, IBC, Bank of Montreal ("BMO"), American Railcar Leasing LLC ("ARL") and any other creditor of or stakeholder in First Waste, the Information (defined below), as may be limited by the CRO and the Proposal Trustee as required to comply with this Order.

REPORT

8. THIS COURT ORDERS that the CRO shall provide a status report and preliminary recommendations to the Court with respect to its review of the restructuring or reorganization opportunities of First Waste and regarding the various offers to invest in or purchase the whole or part of First Waste ("Report") no later than November 18, 2008 or some other time as counsel may agree and the Court has availability.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE CRO

9. THIS COURT ORDERS that (i) First Waste, (ii) all of their current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "Persons" and each being a "Person") shall make available to the CRO, or deliver to the CRO upon the CRO's request, all necessary and proper information, contracts, orders, corporate, accounting and financial records, and any other records related to the business or affairs of First Waste, (the foregoing, collectively, the "Information") in that Person's possession or control for the purposes of allowing the CRO to make its Report and Recommendations.

10. THIS COURT ORDERS that (i) First Waste, (ii) all of their current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf shall provide to the CRO and the Proposal Trustee all information and documents related to any investment proposal, sale proposal or other similar opportunity available to or that could be available to First Waste ("Confidential Information").

NO INTERFERENCE WITH THE CRO

11. THIS COURT ORDERS that no Person shall directly or indirectly:

(a) interfere with the CRO or the Proposal Trustee in the carrying out of their respective and collective duties and responsibilities; and

(b) interfere with the day to day operations of the business of First Waste ~~or~~

11A. THIS COURT ORDERS that no shareholder of First Waste shall, AMG
 (c) to the extent possible, tell any person or entity, or take any steps whatsoever to cause any person or entity, to restrict, or not commence or consider, any business dealings with First Waste, including financial dealings involving the extension of credit to First Waste.

12. THIS COURT ORDERS that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by First Waste, without written consent of the CRO or leave of this Court.

NO SOLICITATION

13. THIS COURT ORDERS that no Person shall directly, indirectly, or through any other party solicit the employment of any employees of First Waste for the purposes of causing them to leave the employment of First Waste or interfere with the day to day operations of the business of First Waste.

ACCOUNTS

14. THIS COURT ORDERS that any expenditure or liability which shall properly be made or incurred by Bennett Jones LLP on behalf of its clients in this matter, the Proposal Trustee or the CRO, including the fees of the CRO and the fees and disbursements of its legal counsel incurred at the standard rates and charges of the CRO and its counsel, shall form a charge that is *pari passu* among Bennett Jones LLP, the Proposal Trustee and the CRO and which ranks first in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any other Person in respect of all the property and assets of First Waste (the

"Charge") but which shall not rank in priority to the security interest of BMO and the security interest of ARL in the railcars.

the Charge

↳

shall not rank in priority to

MS

Let the order issue on avoidance with its terms
"Carload L.N.T."

THIS IS EXHIBIT "2" REFERRED TO
IN THE PRELIMINARY REPORT OF THE
CHIEF RESTRUCTURING OFFICER

FROM: INTEGRATED BUSINESS CONCEPTS INC. ("IBC")

TO: BDO Dunwoody Limited ("BDO")
123 Front Street West, Suite 1200
Toronto, Ontario M5J 2M2

I N D E M N I T Y

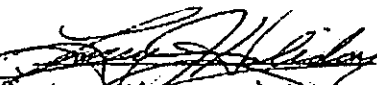
IN CONSIDERATION of your agreeing to act as Court-appointed Chief Restructuring Officer (the "CRO") of First Waste Utilities Canada Limited, First Waste Utilities Corp., First Waste Transload Inc., and First Waste America Inc. (collectively, "First Waste") pursuant to an order of the Honourable Mr. Justice Wilton-Siegel of the Ontario Superior Court of Justice (the "CRO Order") dated November 3, 2008, we hereby agree:

- (a) to pay, subject to you passing your accounts in accordance with the terms of the CRO Order, your reasonable fees at your usual hourly rates and your expenses in your capacity as CRO, including the reasonable fees and disbursements of your legal counsel retained by you in respect of First Waste; and
- (b) to indemnify you and save you harmless from and against all liabilities, actions, proceedings, claims, demands, costs, damages and expenses of any nature or kind whatsoever (collectively referred to as "Claims") which may be brought or made against you or which you may pay, sustain or incur by reason of your appointment or your acting as CRO, save and except any Claims which result from the bad faith, dishonesty, gross negligence, wilful misconduct or unlawful acts of you or your employees, agents, officers, directors or consultants

in the event that there are insufficient monies realized from the assets of First Waste to satisfy the same.

IN WITNESS WHEREOF this indemnity has been duly executed by the undersigned by its authorized signing officer in that behalf this ~~13th~~ day of November, 2008.

INTEGRATED BUSINESS CONCEPTS
INC.

Per: 
Name: LARRY HALIDAY
Title: MANAGER (ADMINISTRATION)

THIS IS EXHIBIT "3" REFERRED TO
IN THE PRELIMINARY REPORT OF THE
CHIEF RESTRUCTURING OFFICER

Manski, Uwe

From: Victor Paul [vpaul@firstwasteutilities.com]
Sent: Friday, November 14, 2008 2:04 PM
To: Manski, Uwe
Cc: 'Joel Wagman'; enewell@firstwasteutilities.com; 'Allen Shully'; Cerrato, Gary

Dear Uwe,

It important for you to understand that we did a consolidated statement of all 4 companies because the Directors and Officers are essentially the same, but for the purposes of BIA as Joel informed you, First Waste Utilities Canada Ltd only has one Creditor, namely: IBC and First Waste America, Inc. only has one Creditor ,namely: ARL. All other Creditors are either of First Waste Transload Inc or First Waste Utilities Corporation.

The IBC security does not extend to any other company other than First Waste Utilities Canada limited.

First Waste Transload Inc and First Waste Utilities Corporation since August 20th at 6.30 pm are substantially owned by Joel Wagman, Ed Newell, Allen Shully and Victor Paul to the extent of a combined 11000 shares. The only other shareholder in these companies is First Waste Utilities Canada Limited ,which owns 100 shares in each of First Waste Transload and First Waste Utilities Corp.

Each of Wagman, Paul ,Newell and Shully as you will note by the employment contracts sent to you are employed jointly and severally by First Waste Utilities Canada, First Waste Utilities Corp and First Waste Transload. Separate opening Balance Sheets are now being prepared for each of the 4 companies as of August 21 2008, and each of them will file a separate Proposal, draft forms of which are now as well underway. I should also add that First Waste America Inc only has one shareholder and one Director and that is Joel Wagman.

It is Joel's opinion that no Proposal made by IBC can extend to any company other than First Waste Utilities Canada, as IBC is not a Creditor of any company except First Waste Utilities Canada Limited. Perhaps Justin should get a copy of this Email.

Notwithstanding ,we of course will continue to supply reasonable information in accord with Spencley's email to you. In that respect, I was surprised to see mention of BFI, further to our NDA with BFI, no information can be supplied to Spencley re BFI.

Best regards

Vic

Victor Paul,

FIRST WASTE UTILITIES CANADA LIMITED

101 Duncan Mill Rd., Suite 400

Toronto, ON

M3B 1Z3

Ph: (416)-449-2783

Fax:(416) 444-5294

11/14/2008

THIS IS EXHIBIT "4" REFERRED TO
IN THE PRELIMINARY REPORT OF THE
CHIEF RESTRUCTURING OFFICER

Estate File Nos. 31-455620
31-455619
31-455613
31-1118466

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

IN BANKRUPTCY AND INSOLVENCY

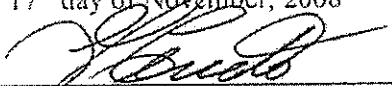
**IN THE MATTER OF THE NOTICE OF INTENTION
TO MAKE A PROPOSAL OF FIRST WASTE UTILITIES CANADA LIMITED,
FIRST WASTE UTILITIES CORP., FIRST WASTE TRANSLOAD INC. AND
FIRST WASTE AMERICA INC.**

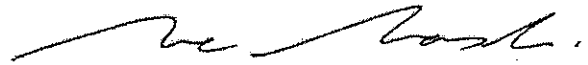
AFFIDAVIT OF UWE MANSKI

I, UWE MANSKI, of the Town of Stouffville, in the Province of Ontario, MAKE OATH AND SAY that:

1. I am the President of BDO Dunwoody Limited, and as such have personal knowledge of the matters referred to herein.
2. By Order of the Honourable Mr. Justice Wilton-Siegel, dated November 3, 2008 (the "Extension Order"), BDO Dunwoody Limited was appointed Chief Restructuring Officer (the "CRO") of First Waste Utilities Canada Limited, First Waste Utilities Corp., First Waste Transload Inc. and First Waste America Inc.
3. Pursuant to the Extension Order, the CRO has provided services and incurred disbursements which are more particularly described in the detailed time dockets attached hereto and marked as **Schedule "A"**.
4. The detailed time dockets attached as Exhibit "A" are a fair and accurate description of the services provided and the amounts charged by the CRO. Additional time will be required to complete the administration of this file.

- 5. The CRO requests that the Court approve its fees and disbursements for the period from October 30, 2008 to November 16, 2008 in the amount of \$47,220.87 plus GST of \$2,361.04, totalling \$49,581.91, for the services set out in Schedule "A".
- 6. The hourly billing rates set out on Schedule "A" are comparable to the hourly rates charged by BDO Dunwoody Limited for services rendered in relation to similar proceedings.
- 7. This affidavit is sworn in support of the CRO's motion for, among other things, approval of its fees and disbursements and those of its legal representatives and for no other or improper purpose.

SWORN BEFORE ME at the City of)
 Toronto, in the Province of Ontario, this)
 17th day of November, 2008)
)
 Commissioner for Taking Affidavits, etc)


 Uwe Manski FCA, FCIRP

Gary Vincenzo Cerrato, a Commissioner, etc.,
 Province of Ontario, for BDO Dunwoody LLP, Chartered
 Accountants and Consultants, BDO Dunwoody Limited,
 Trustee in Bankruptcy, and their subsidiaries, associates
 and affiliates. Expires April 19, 2011.

Schedule "A"

INVOICE

First Waste Utilities Canada Limited
First Waste Utilities Corp.
First Waste Transload Inc.
First Waste America Inc.

Date

Invoice No.

17 November 2008

#001

For Professional Services Rendered for the period commencing October 30, 2008
to November 16, 2008 as per attached detail:

Fees	\$46,750.00
Disbursements	<u>470.87</u>
	47,220.87
Add: GST - R101518124	<u>2,361.04</u>
Total Due	<u>\$49,581.91</u>

Open WIP for First Waste as of Nov-17-08

CRO-2008

Slip Date	Employee	Work Type / Expense	Hours	Rate	Amount	Cumulative	Comments
GL Month: Oct-08							
Time Charges							
Oct-30-08	Manski, Uwe	INSV-Other	0.50	\$475.00	\$237.50	\$237.50	call from Justin Fogarty and dan Dowdall re new appointment; review of company's website.
Time Charges for Oct-08:			0.50		\$237.50		
Total for Oct-08:			0.50		\$237.50		
GL Month: Nov-08							
Time Charges							
Nov-02-08	Manski, Uwe	INSV-Other	4.00	\$475.00	\$1,900.00	\$2,137.50	review of motion records and other information obtained from Fraser Milner and Bennett Jones
Nov-04-08	Manski, Uwe	INSV-Other	5.00	\$475.00	\$2,375.00	\$4,512.50	brief Gary cerrato re new file; review confidential affidavit of Joel Wagman; review Court Order appointing BDO as CRO; review draft indemnity to be obtained from IBC; calls and emails: Kon Williams, maureen ward; call from Bruce Darlington representing American Railcars; - 2hrs attendance at First Waste for meeting with Ed newell and Victor paul; to commence review of company's affairs - 3hrs.
Nov-04-08	Cerrato, Gary	INSV-Other	5.00	\$400.00	\$2,000.00	\$6,512.50	briefing of file with U. Manski; review of court materials; attendance at the company's premises to attend meeting with U. Manski and V. Paul and E. Newell to commence review of company's affairs;
Nov-05-08	Cerrato, Gary	INSV-Reciverships	2.50	\$400.00	\$1,000.00	\$7,512.50	review of financial information provided by J. Martins; further review of court materials; update discussions with U. Manski;
Nov-05-08	Manski, Uwe	INSV-Other	4.50	\$475.00	\$2,137.50	\$9,650.00	calls to arrange attendance at two yards; call from Bruce darlington re concerns of American railcars; calls to Kon Williams, Ed newell and Maureen ward to advise of these concerns; arrangements to meet with IBC; review of financial information provided by John Martins, Controller of First waste
Nov-06-08	Manski, Uwe	INSV-Other	9.00	\$475.00	\$4,275.00	\$13,925.00	attendance at McKillian yard to view facility and meet with Tony Alonzi, together with Gary Cerrato - 1hr; attendance at IBC, together with Gary Cerrato, to meet with Vincent Villani, Ravi Chaudary, Michael Spencley and Ed Solomon, to obtain their perspective on First Waste and suggestions as to their potential involvement in purchasing assets or rescuing company - 2hrs; attendance at Medulla yard, to view facility and meet with Patricia reithmueller, together with gary cerrato - 1hr; attendance at First Waste to meet again with Ed Newell and Victor Paul, and John martins, to obtain and review further financial information; call with Montique Jivesen of Lenczner Slaght, acting for CN, re CN's concerns; -5hrs.

Open WIP for First Waste as of Nov-17-08

CRO-2008

Slip Date	Employee	Work Type / Expense	Hours	Rate	Amount	Cumulative	Comments
GL Month: Nov-08							
Time Charges							
Nov-06-08	Cerrato, Gary	INSV-Other	9.00	\$400.00	\$3,600.00	\$17,525.00	attendance at the McMillan yard to review the facility and to meet with T. Alonzi together with U. Manski; attendance at IBC for meeting with U. Manski, R. Chaudary, V. Villanti, M. Spencley and E. Solomon to obtain their perspective on First Waste and suggestions as to their potential involvement in either purchasing the assets or rescuing the company; attendance at the Medulla yard with U. Manski to view the operations and meet with P. Reithmueller; attendance at First Waste with U. Manski to meet with E. Newell, V. Paul and J. Martins to obtain and review further financial information;
Nov-07-08	Cerrato, Gary	INSV-Recallerships	1.00	\$400.00	\$400.00	\$17,925.00	discussions with U. Manski re information request from M. Spencley; prepare information and forward to IBC; call with R. Chaudary from IBC; update discussions with U. Manski; discussions with U. Manski re proposal and tax issues; prior to his meeting with F. Sulley; forward financial information to F. Sulley;
Nov-07-08	Manski, Uwe	INSV-Other	7.50	\$475.00	\$3,562.50	\$21,487.50	review of email received from Michael Spencley requiring voluminous information about First waste from the CRC; virtually all opt which is not yet in the possession of the CRC if it exists at all; lengthy discussion with Spencley to advise of this; call to ravi Chaudary to inquire again into IBC's intentions; calls from First waste requesting a meeting with IBC; fwd request to ravi Chaudary; - 3hrs; lengthy call with dan Dowdall to advise status of review - 1hr; call with Justin Fogarty to advise of same - .5hrs; calls with two potentially interested purchasers; meeting with Fay Sulley to review issues, status of file, etc. - 3hrs. review of additional financial information provided by John Martins, and review of CN agreements.
Nov-08-08	Manski, Uwe	INSV-Other	1.50	\$475.00	\$712.50	\$22,200.00	attendance at mortgage broker for mtg with management team of First waste, re requested DIP financing of \$3.5M. - 2hrs;
Nov-10-08	Manski, Uwe	INSV-Other	7.50	\$475.00	\$3,562.50	\$25,762.50	attendance at First capital for mtg with Wagman, Paul and newell, together with Gary Cerrato, to obtain Wagman's terms of sitting with IBC; review of financial forecasts and management's plans to meet with other possible acquirers or investors - 5hrs; call to Vincent Villanti of IBC to review alternatives for refinancing First Waste, and arrange meeting to discuss Mr. Wagman's terms. - 5hr.
Nov-10-08	Cerrato, Gary	INSV-Other	5.00	\$400.00	\$2,000.00	\$27,762.50	attendance at the company's premises; meeting with J. Martins to obtain further financial information; meeting with E. Newell, V. Paul and J. Wagman and U. Manski to discuss financial affairs of the company and to work out the details of an arrangement with IBC that the directors of First Waste would approve; meeting with S. Bellicoso, J. Martins and V. Paul to discuss break even analysis and to review new business model which is the basis of the financial forecasting;

Open WIP for First Waste as of Nov-17-08

CRO-2008

Slip Date	Employee	Work Type / Expense	Hours	Rate	Amount	Cumulative	Comments
GL Month: Nov-08							
Time Charges							
Nov-11-08	Cerrato, Gary	INSV-Receiverships	2.50	\$400.00	\$1,000.00	\$28,762.50	review of ARC leasing and make notes; review of reconciliation of management fees; review of contracts for executives, J. Wagman and V. Paul; discussions with V. Paul re financial information; discussions with U. Manski re file;
Nov-11-08	Manski, Uwe	INSV-Other	4.00	\$475.00	\$1,900.00	\$30,662.50	update call with Dan Dowdall - 1hr. mtg at Torkin Manes with Fay Sulley and Barry Cohen to update them, and seek guidance on discussions with Wagman, and with IBC - 3hrs.
Nov-11-08	Chiasson, Bridget	INSV-Other	0.50	\$125.00	\$62.50	\$30,725.00	Email to Vallanti
Nov-12-08	Manski, Uwe	INSV-Other	4.50	\$475.00	\$2,137.50	\$32,862.50	mtg at IBC with Vincent Villanti and Ravi Chaudhary, together with Gary Cerrato, to present Mr. Wagman's terms for a potential settlement of the issues between First Waste and IBC - 2hrs; call's with Maureen Ward, Mel Zwaig. - .5hrs; update Dan Dowdall on mtg with IBC - 5hrs; update Mr. wagman of results of mtg with IBC, and inability to find common ground for a settlement of the issues - .5hrs; call from Bruce Darlington advising of American Railcar's planned motion to lift stay and repossess rail cars. - .5hrs; call from George benchetrit re B of M's concerns about the file - .5hrs.
Nov-12-08	Cerrato, Gary	INSV-Other	2.50	\$400.00	\$1,000.00	\$33,862.50	meeting with U. Manski at IBC with R. Chaudhary and V. Villanti; review of cash flow projections and other file information; update discussions with Manski re file developments;
Nov-13-08	Cerrato, Gary	INSV-Receiverships	2.00	\$400.00	\$800.00	\$34,662.50	update call with Justin Fogarty and Maureen Ward of bennett Jones - .5hrs;
Nov-13-08	Manski, Uwe	INSV-Other	9.00	\$475.00	\$4,275.00	\$38,937.50	attendance at potential purchaser to discuss companies, and possible investment, together with Messrs Wagman, Newell and Paul. - 1.5hrs; meeting with proposal trustee Mei Zwaig to update his perspective on the file - 1hr; mtg at investment banker re potential equity investment. Meeting attended by Newell, Paul, Bellicoso, Martins, and Mr. Matthew Gassenbeek III - 1.5hrs; update call from dan Dowdall, and receipt of promised indemnity from IBC - .5hrs; call with Monique Jlesen of Lenczner Slaght, re CNR's concerns - .5hrs; call from Bruce darlington re American railcar, and furnished him with certain historical financial information - 1hrs. update Fay Sulley on day's events - .5hr; emails, file organization, travel time -2hrs.

Open WIP for First Waste as of Nov-17-08

CRO-2008

Slip Date	Employee	Work Type / Expense	Hours	Rate	Amount	Cumulative	Comments
GL Month: Nov-08							
Time Charges							
Nov-14-08	Manski, Uwe	INSV-Other	9.00	\$475.00	\$4,275.00	\$43,212.50	call with Mr. wagman to advise receipt of indemnity from IBC, and that IBC advises being in process of formulating a proposal so as to settle with the creditors of First waste, as previously discussed; call to Gary Cerrato to advise of Mr. Wagman's comments that the ownership of the operating subs had been assumed by the management group, in August; start to draft CRO's report to Court; call Maureen Ward and Justin Fogarty to advise of email from Victor Paul confirming Mr. Wagman's advice as to change of ownership, and his desire to immediately update the corporate records; call to Dan Dowdall to advise of this issue; call to Fay Sulley to consider implications of this new development; Report
Nov-14-08	Crittason, Bridget	INSV-Other	3.50	\$125.00	\$437.50	\$43,650.00	various discussions with S. Ballicocco re issues with the financial projections; conference call with S. Ballicocco and J. Martins re same; review of CN contracts; discussions with Manski re various issues in preparation of the CRO's report; call to IBC re request for financial information and discussions with R. Chaudhary; call from M. Spendley re his request for financial information; draft emails re authorization to release information to J. Wagman; review of email response from V. Paul re change in corporate structure of First Waste and the subsidiaries; review of email from J. Wagman; discussions with U. Manski re apparent corporate structure change as identified in V. Paul's email; review of U. Manski's confidential report;
Nov-14-08	Cerrato, Gary	INSV:Receiverships	3.00	\$400.00	\$1,200.00	\$44,850.00	further amend CRO's draft first report, and draft confidential addendum to the report. send to Fay Sulley for review and amendments.
Nov-15-08	Manski, Uwe	INSV-Other	4.00	\$475.00	\$1,900.00	\$46,750.00	home to office, to First Waste in Don Mills, back downtown, and home. travel to McKillian yard, to IBC, to Medulla facility, to First waste head office, and home. home to office, to First Waste head office, and home. travel to office; to First Waste, travel home; home to offices of IBC, with Gary Cerrato, to office and home.
Time Charges for Nov-08:							\$46,512.50
Recoverables							
Nov-04-08	Manski, Uwe	Travel(Mileage)			\$79.24	\$46,529.24	
Nov-06-08	Manski, Uwe	Travel(Mileage)			\$94.10	\$46,523.34	
Nov-10-08	Manski, Uwe	Travel(Mileage)			\$59.43	\$46,982.77	
Nov-10-08	Cerrato, Gary	Travel(Parking)			\$15.24	\$46,998.01	
Nov-10-08	Cerrato, Gary	Travel(Mileage)			\$74.29	\$47,072.30	
Nov-12-08	Manski, Uwe	Travel(Mileage)			\$59.43	\$47,131.73	

Open WIP for First Waste as of Nov-17-08

CRO-2008

Slip Date	Employee	Work Type / Expense	Hours	Rate	Amount	Cumulative	Comments
GL Month: Nov-08							
Recoverables							
Nov-13-08	Manski, Uwe	Travel(Mileage)			\$89.14	\$47,220.87	from home to office, to offices of a prospective purchaser, back downtown, and home.
Recoverables for Nov-08:					<u>\$470.87</u>		
Total for Nov-08:			106.00		<u>\$46,983.37</u>		
Total for CRO-2008:			106.50		<u>\$47,220.87</u>		
Total Open WIP:			106.50		<u>\$47,220.87</u>		

THIS IS EXHIBIT "5" REFERRED TO
IN THE PRELIMINARY REPORT OF THE
CHIEF RESTRUCTURING OFFICER

Estate File Nos. 31-455620
31-455619
31-455613
31-1118466

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

IN BANKRUPTCY AND INSOLVENCY

**IN THE MATTER OF THE BANKRUPTCY AND INSOLVENCY
OF FIRST WASTE UTILITIES CANADA LIMITED,
FIRST WASTE UTILITIES CORP., FIRST WASTE TRANSLOAD INC. AND
FIRST WASTE AMERICA INC.**

**AFFIDAVIT OF S. FAY SULLEY
Sworn: November 18th, 2008**

I, S. FAY SULLEY, of the City of Toronto, in the Province of Ontario, MAKE OATH
AND SAY:

1. I am a partner with the law firm of TORKIN MANES COHEN ARBUS LLP, (“**Torkin Manes**”) which was engaged as independent counsel to BDO Dunwoody Limited, in its capacity as Chief Restructuring Officer (the “**CRO**”) of all of the assets, undertaking and property of First Waste Utilities Canada Limited, First Waste Utilities Corp., First Waste Transload Inc. and First Waste America Inc. and, as such, have knowledge of the facts and matters to which I hereinafter depose either through my own knowledge or by informing myself with respect thereto in which case I have indicated the source of my information and belief.

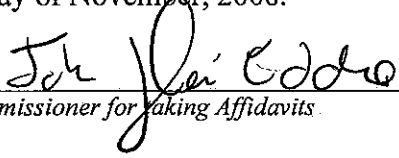
2. Attached hereto and marked as **Exhibit “A”** is a true copy of the account of Torkin Manes rendered to the Receiver with respect to this matter for the period ending November 17, 2008, including detailed descriptions for each amount of the work performed. I confirm that this

account accurately reflects the services provided by Torkin Manes in this matter and the claimed by it.

3. Attached hereto and marked **Exhibit "B"** is a summary of additional information with respect to Torkin Manes' accounts indicating all members of Torkin Manes who worked on this matter, their year of call to the Bar, hourly rates and total time charges, and I hereby confirm that the list represents an accurate account of such information.

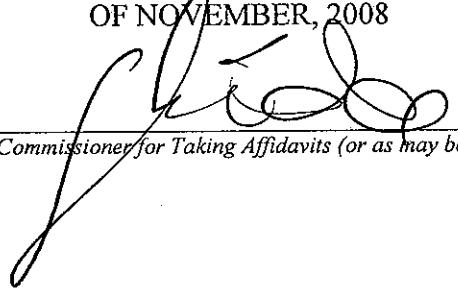
4. I make this in support of the Receiver's application for approval by this Honourable Court to, among other things, approve the fees and disbursements of the Receiver's counsel and those of its counsel and for no improper purpose.

SWORN BEFORE ME at
the City of Toronto, in the
Province of Ontario this
18th day of November, 2008.


A Commissioner for Taking Affidavits


S. FAY SULLEY

THIS IS EXHIBIT "A" REFERRED TO
IN THE AFFIDAVIT OF
S. FAY SULLEY
SWORN BEFORE ME, THIS 18TH DAY
OF NOVEMBER, 2008



Commissioner for Taking Affidavits (or as may be)

							Fay Sulley
2224288	0068	111108 B	.50	262.50	.50	262.50	6082.50 Telephone discussion with Uwe Manski; review of email correspondence; correspondence to Uwe Manski
	(SFS)						
2224290	0068	111208 B	1.50	787.50	1.50	787.50	6870.00 Review of issues relating to CN Contract and American Railcar; review of Wagman Affidavit re structure of business operations; telephone discussion with Uwe Manski
	(SFS)						
2224292	0068	111308 B	.80	420.00	.80	420.00	7290.00 Telephone discussion with Uwe Manski re report to Court; review of correspondence from Uwe Manski
	(SFS)						
2223968	0068	111408 B	1.50	787.50	1.50	787.50	8077.50 Telephone discussion with Uwe Manski; review of correspondence from Uwe Manski; review of information relating to share ownership
	(SFS)						
2223973	0068	111408 B	2.00	1050.00	2.00	1050.00	9127.50 Telephone discussion with Uwe Manski; review of correspondences relating to shareholder issues and indemnity issues
	(SFS)						
2224293	0068	111608 B	3.50	1837.50	3.50	1837.50	10965.00 Review of report to creditors; prepare comments on report to creditor; telephone discussion with Uwe Manski; correspondence to Uwe Manski
	(SFS)						
2224294	0068	111708 B	5.00	2625.00	5.00	2625.00	13590.00 Several telephone discussions with Uwe Manski; correspondence to and from Maureen Ward; revisions to draft report; review and revise Confidential Addendum
	(SFS)						

 FEE SUBTOTAL 13590.00

BALANCE DUE FROM PREVIOUS STATEMENT	0.00
LESS PAYMENT(S)	0.00

BALANCE FORWARD	0.00
TIMECARD SUB-TOTAL (25.80)	13590.00
DISBURSEMENT SUB-TOTAL	0.00
SUBTOTAL CURRENT PERIOD	13590.00
TOTAL DUE	13590.00
TIME VALUE FOR THE MATTER AFTER THE CUTOFF DATE	0.00
COST VALUE FOR THE MATTER AFTER THE CUTOFF DATE	0.00

-----TIME AND FEE SUMMARY-----

-----TIMEKEEPER-----	RATE	HOURS	%	FEES	%
Barry A. Cohen	550.00	1.80	7.0	990.00	7.3
Fay Sulley	525.00	24.00	93.0	12600.00	92.7
TOTALS		25.80		13590.00	
GST				679.50	
TOTAL FEES & GST				14269.50	
GST					.00

TOTAL FEES, COSTS & GST 14,269.50

-----LEDGER SUMMARY-----

Ledger Code	Ledger Description	Debit	Credit	Credit Applied To
TOTAL		0.00	0.00	

AGED ACCOUNTS RECEIVABLE: 0.00 (-30) 0.00 (31-60) 0.00 (61-90) 0.00 (91-120) 0.00 (+)

- | | |
|--|--------------------------------------|
| <input type="checkbox"/> BILL COSTS AND FEES | <input type="checkbox"/> DO NOT BILL |
| <input type="checkbox"/> BILL FEES ONLY | <input type="checkbox"/> CLOSE FILE |
| <input type="checkbox"/> BILL COSTS ONLY | <input type="checkbox"/> FINAL BILL |

-----MATTER DESCRIPTION-----

Restructuring Advice

-----BILLING INSTRUCTIONS-----

-----CLIENT INFORMATION-----

First Waste Utilities Canada Limited

-CLIENT NUMBER-

27953

--ORIGINATING--

0068 SFS
Sulley, Fay

--BILLING--

0068 SFS
Sulley, Fay

--SUPERVISING--

0068 SFS
Sulley, Fay

-----CLIENT ADDRESS-----

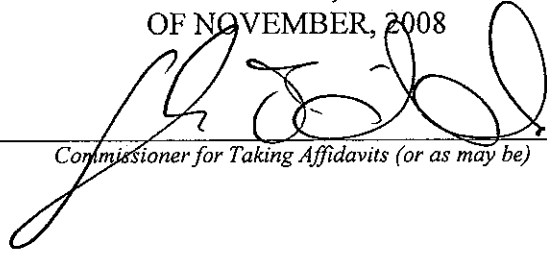
Attention: Uwe Manski
First Waste Utilities Canada Limited
c/o BDO Dunwoody Limited
123 Front Street West, Suite 1200
Toronto, ON M5J 2M2
PHONE: 369-3072
CONTACT: Uwe Manski

-----MATTER ADDRESS-----

Attention: Uwe Manski
First Waste Utilities Canada Limited
c/o BDO Dunwoody Limited
123 Front Street West, Suite 1200
Toronto, ON M5J 2M2
PHONE:
CONTACT: Uwe Manski

-----TRUST ACTIVITY SUMMARY-----

THIS IS EXHIBIT "B" REFERRED TO
IN THE AFFIDAVIT OF
S. FAY SULLEY
SWORN BEFORE ME, THIS 18TH DAY
OF NOVEMBER, 2008



Commissioner for Taking Affidavits (or as may be)

Estate File Nos. 31-455620
 31-455619
 31-455613
 31-1118466

**ONTARIO
 SUPERIOR COURT OF JUSTICE
 COMMERCIAL LIST**

IN BANKRUPTCY AND INSOLVENCY

**IN THE MATTER OF THE NOTICE OF INTENTION
 TO MAKE A PROPOSAL OF FIRST WASTE UTILITIES CANADA LIMITED,
 FIRST WASTE UTILITIES CORP., FIRST WASTE TRANSLOAD INC. AND
 FIRST WASTE AMERICA INC.**

**BILL OF COSTS
 (for the period November 6 to 17, 2008)**

AMOUNTS CLAIMED FOR FEES

STATEMENT OF EXPERIENCE:		
A claim for fees is being made with respect to the following lawyers:		
Name of Solicitor/Clerk	Years of Experience	Hourly Rate
Barry A. Cohen (lawyer)	41 years (1967)	\$550.00
S. Fay Sulley (lawyer)	24 years (1984)	\$525.00
RESTRUCTURING ADVICE		
Various telephone discussions with Uwe Manski; various correspondence from and to Uwe Manski; meeting with Uwe Manski, Barry Cohen and Fay Sulley; review of all court materials filed in the proposal proceedings including the affidavit and court motions on behalf of Joel Wagman, CN and IBC; review issues relating to CN contract and American Railcar; review numerous e-mails from Uwe Manski; correspondence to Uwe Manski; review of Wagman affidavit re structure of business operations; review of information relating to share ownership; review matters relating to shareholder issues and indemnity issues; review report to creditors and draft comments and revisions to report; correspondence from and to Maureen Ward; review and draft revisions to Confidential Addendum.		
Barry A. Cohen	1.80 hrs @ \$550.00	\$990.00
S. Fay Sulley	24.00 hrs @ \$525.00	\$12,600.00
TOTAL:		\$13,590.00
GST ON FEES		\$679.50

TOTAL BILL OF COSTS		<u>\$14,269.50</u>
November 18, 2008	TORKIN MANES COHEN ARBUS LLP Barristers & Solicitors 151 Yonge Street, Suite 1500 Toronto, Ontario M5C 2W7 S. Fay Sulley (24257D) Tel :416-863-1188 Fax:416-863-0305 Solicitors for BDO Dunwoody Limited, Chief Restructuring Officer	

**IN THE MATTER OF THE NOTICE OF INTENTION
TO MAKE A PROPOSAL OF FIRST WASTE UTILITIES CANADA LIMITED,
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**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

PROCEEDING COMMENCED AT TORONTO

BILL OF COSTS
(for the period November 6 to November 17, 2008)

TORKIN MANES COHEN ARBUS LLP
Barristers & Solicitors
151 Yonge Street, Suite 1500
Toronto, Ontario M5C 2W7

S. Fay Sulley (24257D)

Tel: 416-863-1188

Fax: 416-863-0305

Solicitors for BDO Dunwoody Limited,
Chief Restructuring Officer

IN THE MATTER OF THE NOTICE OF INTENTION
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FIRST WASTE UTILITIES CORP., FIRST WASTE TRANSLOAD INC. AND
FIRST WASTE AMERICA INC.

Estate File Nos. 31-455620, 31-455619, 31-455613, and 31-1118466

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

PROCEEDING COMMENCED AT TORONTO

AFFIDAVIT OF S. FAY SULLEY SWORN THIS
18th DAY OF NOVEMBER, 2008

TORKIN MANES COHEN ARBUS LLP
Barristers & Solicitors
151 Yonge Street, Suite 1500
Toronto, Ontario
M5C 2W7

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ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

PROCEEDING COMMENCED AT TORONTO

PRELIMINARY REPORT OF THE
CHIEF RESTRUCTURING OFFICER

TORKIN MANES COHEN ARBUS LLP
Barristers & Solicitors
151 Yonge Street, Suite 1500
Toronto, Ontario
M5C 2W7

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