

SUPREME COURT

COMMONWEALTH OF THE BAHAMAS

2006

IN THE SUPREME COURT

NASSAU, BAHAMAS

COM/bnk/00015

Commercial Division

IN THE MATTER OF MOSAIC COMPOSITE LIMITED (U.S.), INC.
(IN LIQUIDATION)

AND

IN THE MATTER OF THE INTERNATIONAL BUSINESS COMPANIES
ACT,
Chapter 309
Statute Laws of The Bahamas, 2000 Edition

A F F I D A V I T


We, GEORGE CLIFFORD CULMER, of Sans Souci in the Eastern District of the Island of New Providence, and RAYMOND MASSI, of the City of Montreal, Province of Quebec, Canada, make oath and say as follows:-

1. We were appointed Joint Liquidators of the above-named Mosaic Composite Limited (U.S.), Inc. (In Liquidation) by this Honourable Court on the 23rd day of January, 2007.
2. By an Order of this Honorable Court made on the 23rd day of January 2007, the Joint Liquidators are required to file with the court a report in writing as to the position of and the progress made in the winding-up of Mosaic Composite Limited (U.S.), Inc. at intervals of three months.
3. Pursuant to the said Order a Report has been prepared by the Official Liquidators as of the 31st day of March 2008 and is exhibited hereto. We verily believe the contents of this Second Report to be true.
4. The said Report summarises the progress made since the date of our last report on 15th February 2008

SWORN to at the City of Montreal)

In the Province of Quebec)

This 20th day of June, 2008)



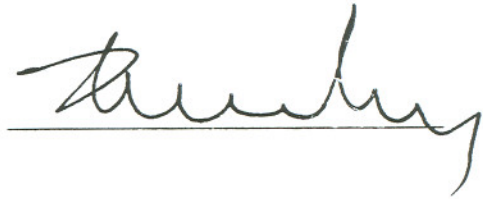
BEFORE ME,

NOTARY PUBLIC

SWORN to at the City of Montreal)

In The Province of Quebec)

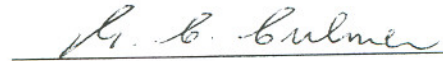
This 20th day of June, 2008)



SWORN to at the city of Nassau)

In the Island of New Providence)

This 20th day of June, 2008)



BEFORE ME,



NOTARY PUBLIC

MOSAIC COMPOSITE LTD.
(In Liquidation)
c/o BDO Mann Judd
P.O. Box N-10144
Nassau, Bahamas

BY HAND

Supreme Court of the Commonwealth of the Bahamas
Nassau, Bahamas

Mosaic Composite Ltd. (In Liquidation) ("Mosaic")
Second Report of the Joint Liquidators
To the Court

- 1) **INTRODUCTION AND BACKGROUND**
 - i) Please refer to the First Report of the Joint Liquidators dated 15 February 2008
 - ii) The Joint Liquidators present herewith their Second Report in accordance with the Court's Order dated 23 January 2007.
- 2) **FINANCIAL POSITION**
 - i) There has been no significant change since the First Report. See Exhibit MCL-3 for changes in receipts and payments.
- 3) **CREDITORS AND SHAREHOLDERS**
 - i) The situation remains the same as outlined in the First Report
- 4) **RECEIPTS AND EXPENDITURE**
 - 4.1. We are exhibiting (MCL-3) dated 31 March 2008 which sets out the transactions of the Mosaic JOLs.
Since the First Report:
 - i) Interest was received into the USD accounts held in the Bahamas and Canada totaling \$74,093
 - ii) Legal fees were paid out of the USD account in Canada in the amount of \$6604
 - iii) Bahamas government license fees for Olympus Uninvest Companies and Strategy Funds were paid from the BSD account in the amount \$4,506.

MOSAIC COMPOSITE LIMITED (U.S.), INC.
RECEIPTS AND PAYMENTS FOR THE PERIOD
20 JANUARY 2006 – 31 MARCH 2008

Exhibit MCL-3

RECEIPTS	Bank Accounts in the Bahamas		Canadian Bank Acct	Total
Settlement – Two Bahamian Liquidations	981,705			981,705
Accumulated dividends from Premier Commercial Real Estate		1,110,990		1,110,990
Settlement – MS-II Class B Shares			7,286,562	7,286,562
Interest Income	9,506	2,585	203,632	215,724
TOTAL RECEIPTS	<u>991,211</u>	<u>1,113,575</u>	<u>7,490,194</u>	<u>9,594,981</u>
DISBURSEMENTS				
Joint Official Liquidators' fees	201,192	54,207	359,952	615,350
Professional fees	233,524	117,892	494,166	845,582
Legal fees	409,858	236,147	1,191,703	1,837,708
Olympus Univest liquidation costs paid by Mosaic	25,356	396,040	641,870	1,063,267
Bank and misc. charges	288	2,065	2,286	9,146
Govt. license fees for Olympus Cos. & Strategy Funds		4,506		
TOTAL DISBURSEMENTS	<u>870,218</u>	<u>810,857</u>	<u>2,689,977</u>	<u>4,371,052</u>
CASH BALANCES	120,993	302,718	4,800,217	5,223,928

Respectfully submitted the 28th day of May 2008

G. C. Culmer

G C Culmer

R. Massi

R Massi

COMMONWEALTH OF THE BAHAMAS

IN THE SUPREME COURT

Commercial Division

IN THE MATTER OF MOSAIC COMPOSITE LIMITED
now **MOSAIC COMPOSITE LIMITED (U.S.), INC.**
(a Minnesota Corporation)

AND

**IN THE MATTER OF THE INTERNATIONAL
BUSINESS COMPANIES ACT**, Chapter 309
Statute Laws of The Bahamas, 2000 Edition ("the Act")

A F F I D A V I T

2006
COM/bnk/00015


Calenders & Co.

Chambers
One Millars Court
Nassau, N.P., Bahamas
Attorneys for the Joint Official Liquidators
Attn: Tracy A.A.A. Ferguson TAAAF/jgh