

**STATEMENT OF AFFAIRS (Sec 158)
IN THE MATTER OF THE BANKRUPTCY OF
360NETWORKS INC.**

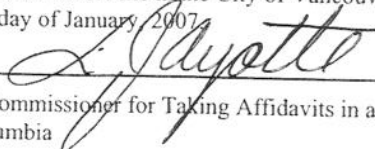
To the Bankrupt:

You are required to carefully and accurately complete this form and the applicable attachments, showing the state of your affairs on the date of your bankruptcy, January 5, 2007. When completed, this form and the applicable attachments will constitute your Statement of Affairs and must be verified by oath or solemn declaration:

Liabilities		Assets	
(as stated and estimated by bankrupt)		(as stated and estimated by bankrupt)	
1. Unsecured creditors as per list 'A'	2,982,120,414.90	1. Inventory	NIL
2. Secured creditors as per list 'B'	123,931.00	2. Trade fixtures, fittings, utensils, etc.....	NIL
3. Preferred creditors as per list 'C'	NIL	3. Accounts Receivable, etc. as per list 'E'	
4. Contingent or other liabilities as per list 'D'	NIL	Good	NIL
estimated to be reclaimable for		Doubtful	NIL
Total Liabilities	2,982,244,345.90	Bad	35,087,972.00
Surplus	NIL	Estimated to produce	NIL
		4. Bills of exchange, promissory notes, etc. as	
		per list 'F'	NIL
		5. Deposits in Financial Institutions.....	123,931.00
		6. Cash	NIL
		7. Livestock	NIL
		8. Machinery, equipment and plant	NIL
		9. Real property or immovable as per list 'G'	NIL
		10. Furniture.....	NIL
		11. RRSPs, RRIFs, Life Insurance, etc	NIL
		12. Securities (Shares, bonds, debentures, etc)	NIL
		13. Interest under wills	NIL
		14. Vehicles	NIL
		15. Other Property	NIL
		If Bankrupt is a Corporation add:	
		Amount of capital subscribed	NIL
		Amount paid thereon	NIL
		Balance subscribed and unpaid	NIL
		Estimated to produce	NIL
		Total Assets	123,931.00
		Deficiency	2,982,120,414.90

I, Todd M. Martin, Senior Vice President, KPMG Inc., in its capacity as Court-appointed Receiver of 360networks inc., do swear that this statement and attached lists are to the best of my knowledge a full, true and complete statement of affairs on January 5, 2007, and fully disclose all property of every description, that is in its possession or that may devolve on it in accordance with Section 67 of the Act.

SWORN before me in the City of Vancouver in the Province of British Columbia this 5th day of January, 2007.



A Commissioner for Taking Affidavits in and for the Province of British Columbia



Signature of Bankrupt or Officer

LORETTA AYOTTE
A Commissioner for Oaths in
and for the Province of British Columbia
Expiry: February 28, 2009

**STATEMENT OF AFFAIRS (Sec 158)
IN THE MATTER OF THE BANKRUPTCY OF
360NETWORKS INC.
List 'A'
Unsecured Creditors**

No	Name	Address	Account No.	Amount of claim
1	ALLEN & GLEDHILL	36 ROBINSON ROAD #18 01 CITY HOUSE SINGAPORE 68877	C1828/7	21,977.86
2	AON REED STENHOUSE INC.	PO BOX 3228 VANCOUVER BC V6B 3X8		615,390.77
3	BEAUVAIS TRUCHON	MARK FORTIER 79,BOULEVARD RENE-LEVESQUE EST BUREAU 200,C.P.1000 HAUTE-VILLE QUEBEC PQ G1R 4T4	For Info Purposes	Unknown
4	BUGGE, ARENTZ-HANSEN & RASMUSSE	OSLO STRANDEN 1 POSTBOKS 1524 VIKA OSLO		21,315.93
5	CANADA CUSTOMS & REVENUE AGENC	CORPORATION INCOME TAX 9777 KING GEORGE HIGHWAY SURREY BC V3T 5E1	895197424RC0001	68,589.75
6	CANADA REVENUE AGENCY	INSOLVENCY SECTION 1166 PENDER STREET WEST VANCOUVER BC V6E 3H8		.00
7	CANADA REVENUE AGENCY - GST	INSOLVENCY 1166 PENDER STREET WEST VANCOUVER BC V6E 3H8	89519 7424 RT0001	.00
8	CMS CAMERON MCKENNA	BANK CENTRE, CITIBANK TOWER 4 FLOOR SZABADSAG TER 7, 1944 BUDAPEST HUNGARY	141420	11,616.57
9	COMPUTERSHARE INVESTOR SERVICES	ACCOUNTS RECEIVABLE DEPARTMEN 100 UNIVERSITY AVE, 8TH FLOOR TORONTO ON M5J 2Y1		4,372.69
10	DATAWORKFORCE LIMITED	JUSTIN HOUSE 6 WEST STREET BROMLEY, KENT UK		217,881.08
11	DLJ ASSET MANAGEMENTT GROUP	277 PARK AVENUE NEW YORK NY 10172		114,062.65
12	INTERNAL REVENUE SERVICE	PO BOX 245 BENSALEM PA 19020	17/9/27/99/980212738	5,745.95
13	JPMORGAN CHASE BANK, N.A.	BLAKE CASSELS & GRAYDON LLP STE 2600 595 BARRARD ST. PO BOX 493 VANCOUVER BC V7X 1L3		1338116069.00
14	MERRILL COMMUNICATIONS LLC	CM-9638 ST PAUL MN 55170-9638		180,528.57
15	MINISTER OF FINANCE & CORP RELATIO	COLLECTIONS, SOCIAL SERVICE TAX CONSUMER TAXATION BRANCH PO BOX 9445, STN. PROV. GOVT		.00

Dated: January 5, 2007



Signature of Bankrupt or Officer

**STATEMENT OF AFFAIRS (Sec 158)
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360NETWORKS INC.**

List 'A'

Unsecured Creditors

No	Name	Address	Account No.	Amount of claim
16	MINISTRY OF PROVINCIAL REVENUE	VICTORIA BC V8W 9W8 INCOME TAXATION BRANCH PO BOX 9444 STN PROV GOVT VICTORIA BC V8W 9W8	01-200957678	116,419.10
17	NATIONAL CITY BANK	TERRY GRAFIS 629 EUCLID AVENUE, STE 635 MAIL LOCATOR 01-3116 CLEVELAND OHIO USA 44114	12% Senior Note 2009	557,600,000.00
18	NATIONAL CITY BANK	TERRY GRAFIS 629 EUCLID AVENUE STE 635 MAIL LOCATOR 01-3116 CLEVELAND OHIO USA 44114	12.5% Senior Note 05	195,160,000.00
19	NATIONAL CITY BANK	TERRY GRAFIS 629 EUCLID AVENUE STE 635 MAIL LOCATOR 01-3116 CLEVELAND OHIO USA 44114	13% Senior Note 2008	220,430,433.00
20	NATIONAL CITY BANK	TERRY GRAFIS 629 EUCLID AVENUE SUITE 635 MAIL LOCATOR 01-3116 CELVELAND OHIO USA 44114	13% Senior Note 2008	669,120,000.00
21	ONTARIO MINISTRY OF FINANCE	COLLECTIONS & COMPLIANCE BRANC INSOLVENCY UNIT 33 KING STREET W. 6TH FLOOR OSHAWA ON L1H 8H5	5907555	Unknown
22	SOUTHCO, INC.	210 N BRINTON LAKE ROAD CONCORDVILLE PA 19331-0116		32,448.97
23	STANDARD & POOR'S	CASH ACCOUNTING MANAGER PO BOX 412 HIGHTSTOWN NJ 08520-0412		45,732.12
24	THORSTEINSSONS	DEBRA A. GORDON 27TH FL, THREE BENTALL CENTRE 595 BURRARD STREET VANCOUVER BC V7X 1J2	For Info Purposes	Unknown
25	TMP WORLDWIDE SEARCH LTD	15/F NATWEST TOWER, TIMES SQUARE 1 MATHESON STREET, CAUSEWAY BA HONGKONG HK		237,830.89
26	WORKERS' COMPENSATION BOARD	COLLECTIONS 6951 WESTMINSTER HIGHWAY RICHMOND BC V7C 1C6		.00
	TOTAL			2,982,120,414.90

Dated: January 5, 2007



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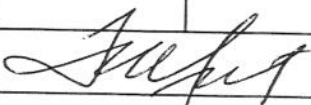
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List 'B'

Secured Creditors

No	Name & Address Nature of Claim Particulars of Security	Amount of Claim	When Given	Estimated Value of Security	Estimated Surplus from Security	Balance of Claim Unsecured
1	JPMORGAN CHASE BANK,N.A. BILL KAPLAN BLAKE CASSELS & GRAYDON LLP STE 2600 595 BURRARD ST,PO BOX 49314 VANCOUVER BC V7X 1L3 Senior Secured Credit Facility-Guarantee Receiver Trust Account Investment in 360networks sub inc. (\$500 US converted @1.1152) Investment in 360america Inc. (\$644,296,288 US converted @1.1152) 360americas	1,338,240,000.00	-- -- -- --	123,931.00	0.00	1,338,116,069.00
TOTAL		1,338,240,000.00				1,338,116,069.00

Dated: January 5, 2007

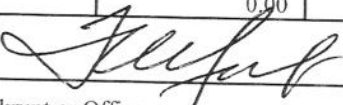


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 List 'C'
 Preferred Creditors for Wages, Rent, Etc.

No	Name of Creditor Address and Occupation	Nature of Claim	Period During Which Claim Accrued	Amount of Claim	Amount Payable in Full	Ranking for Dividend
1	AXANI, RALPH SCORGIE & CASTILLO 870 TRANSALTA PL, 10150 - 100 STREET EDMONTON AB T5J 0P6		/	Unknown	Unknown	
	TOTAL			0.00		

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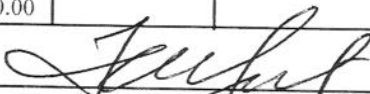
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List 'D'**

Contingent or Other Liabilities

No	Name of Creditor or Claimant Address and Occupation	Amount of Liability or Claim	Amount Expected to Rank for Dividend	Date Liab Incurred Mo Yr	Nature of Liability
	TOTAL		\$0.00		

Dated: January 5, 2007

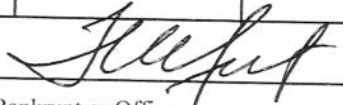


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STATEMENT OF AFFAIRS (Sec 158)
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 List 'E'
 Debts Due to the Estate

No	Name, Address & Occupation of Debtor	Nature of Debt Particulars of Security Folio Ledger for Particulars	Amount of Debt			Contracted <hr/> Yr Mo	Estimated to Produce
			Good	Doubtful	Bad		
1	360americas	Accounts Receivable- Inter Company Converted @ 1.1152 \$31,463,390 US	0.00 0.00 35,087,972.00				0.00
	TOTAL						<hr/> \$0.00

Dated: January 5, 2007



 Signature of Bankrupt or Officer

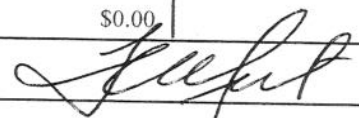
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List 'F'

**Bills of Exchange, Promissory Notes, Lien Notes
Chattel Mortgages, etc., Available as Assets**

No	Name of all Promissors, Acceptors, Endorsers, Mortgagors and Guarantors Address and Occupation	Amount of Bill or Note	Date When Due	Estimated to Produce	Particulars held as Security for Payment of Bills or Notes
	TOTAL			\$0.00	

Dated: January 5, 2007



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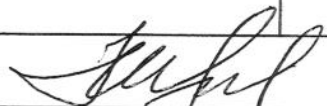
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List 'G'

Real Property or Immovable Owned by

No	Description of Property Nature of 's Interest In Whose Name Does Title Stand	Total Value	Particular of Mortgages, Hypothecs or other Encumbrances		Equity or Surplus
			Name & Address	Amount	
				0.00	
		0.00			
	TOTAL	0.00			

Dated: January 5, 2007



 Signature of Bankrupt or Officer

