

ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)

THE HONOURABLE MR.

) THURSDAY THE 7TH

JUSTICE LEDERMAN

) DAY OF DECEMBER, 2006

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

AND IN THE MATTER OF A PROPOSED PLAN OF COMPROMISE OR ARRANGEMENT
WITH RESPECT TO 3791351 CANADA INC.
CARRYING ON BUSINESS AS "CU-CONNECT"



ORDER

THIS MOTION, made by the Applicant, pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "CCAA") for an Order, inter alia, (i) abridging the time for bringing this motion and dispensing with any further service of this Motion record, (ii) approving the sale process detailed in the Affidavit of Terry Chapman, sworn December 4, 2006 (the "**Chapman Affidavit**"), (iii) extending the Stay Period, as defined in paragraph 14 of the Initial Order dated November 20, 2006 (the "**Initial Order**"), (iv) approving the actions and activities of the Court appointed Chief Restructuring Officer (the "**CRO**") as described in the Chapman Affidavit and (v) approving the First Report dated December 5, 2006 (the "**First Report**") of KPMG Inc., in its capacity as Court Appointed Monitor (the "**Monitor**"), and the actions and activities of the Monitor described therein, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion, dated December 5, 2006, the Chapman Affidavit, and the First Report, and on hearing the submissions of counsel for the Applicant, counsel for the Monitor, and such other parties as may be present,

SERVICE

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

CRO REPORT

2. THIS COURT ORDERS that the actions and activities of the CRO, as described in the Chapman Affidavit, are hereby accepted and approved.

MONITOR'S REPORT

3. THIS COURT ORDERS that First Report of the Monitor be and the same is hereby accepted and the actions and activities of the Monitor as reported therein are hereby approved.

EXTENSION OF STAY


4. THIS COURT ORDERS that the Stay Period, as defined in paragraph 14 of the Initial Order, is hereby extended to February 16, 2007.

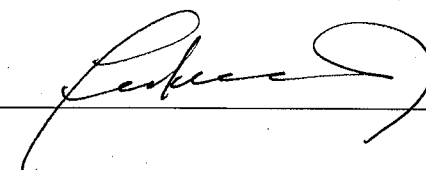
SALES PROCESS

5. THIS COURT ORDERS that the sale process to sell certain assets of 3791351 Canada Inc. as more particularly described in Schedule "A" hereto (the "Sales Process") is hereby approved. Without limiting the foregoing, the Standard Agreement (as defined in Schedule "A") in the form as appended to the Chapman Affidavit be and is hereby approved.
6. THIS COURT ORDERS that the form of advertisement contemplated in Schedule "A" shall be substantially in the form attached hereto as Schedule "B."
7. THIS COURT ORDERS that the CRO is authorized and directed to undertake the Sales Process.

ENTERED AT / INSCRIT À TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO.:

DEC 08 2006

PER/PAR: 



SCHEDULE "A"

- (i) The availability of certain assets of 3791351 Canada Inc., carrying on business as "CU-Connect" ("**CU-Connect**") for sale in accordance with the standard form Agreement of Purchase and Sale in the form annexed to the Chapman Affidavit (the "**Standard Agreement**"), shall be advertised in *The Globe and Mail* on either Friday the 8th of December, 2006 or Saturday the 9th of December, 2006.
- (ii) Once potential purchasers have signed a form of non-disclosure agreement satisfactory to CU-Connect, they will be provided with access to the books and records and management personnel of CU-Connect in order to conduct due diligence.
- (iii) A Standard Agreement is to be distributed to all parties who have expressed interest in the assets of CU-Connect which are for sale, in both a hard copy format and an electronic format by no later than the 12th day of December, 2006. Any potential purchaser who chooses to submit an offer to purchase some or all of the assets of CU-Connect will be asked to provide a blacklined copy of their offer, as submitted, showing all changes made to the form of the Standard Agreement.
- (iv) The Standard Agreement contemplates a deposit of 10% and any final form of agreement would be brought back to the Court for consideration before any closing is completed. Pursuant to the Standard Agreement, the assets associated with respect to the Vault Cash Program of CU-Connect are not being offered for sale.
- (v) Those parties receiving the Standard Agreement would be called upon to submit their offers (using the Standard Agreement, with any changes marked) by no later than the 22nd day of December, 2006.
- (vi) Under the process, neither the highest and best offer nor, in fact, any offer, will necessarily be accepted (although that would be possible). Instead, CU-Connect will retain the right to reject all offers submitted and to proceed, in its discretion (under the Monitor's supervision) towards completion of further negotiations, with one or more parties who submit an offer.

Schedule "B"

Court File No. 06-CL-6746

**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 PROPOSED PLAN OF COMPROMISE OR
ARRANGEMENT WITH RESPECT TO 3791351 CANADA INC.**

CARRYING ON BUSINESS AS "CU-CONNECT" (the "Applicant")

NOTICE OF COURT-APPROVED SALE PROCESS FOR

**3791351 CANADA INC. CARRYING ON BUSINESS AS "CU-CONNECT"
("CU-Connect" or the "Company")**

An Initial Order from the Ontario Superior Court of Justice was obtained by the Company on November 20, 2006 (the "Initial Order"). Under the terms of the Initial Order, KPMG Inc. was appointed as Monitor (the "Monitor") and the Company has obtained Debtor in Possession financing to, amongst other things, allow the Company to operate while seeking offers to purchase the business and assets of the Company. The Company also obtained a Court Order dated December 7, 2006, approving a process for obtaining offers in the form of a standard Asset Purchase Agreement. Such offers are to be submitted to the Company on or before December 22, 2006.

The primary business activity of CU-Connect is as a connection service provider to the Interac and other networks for certain credit unions and other financial institutions to allow them to offer shared cash dispensing at Automated Teller Machines and Point of Sale Direct Payment to their customers at vendor point of sale debit machines. CU-Connect also offers transaction processing services for companies who issue customer gift cards, loyalty program cards and payroll cards.

To obtain information regarding the businesses and assets available for sale, please contact Mr. Terry Chapman, Chief Restructuring Officer of CU-Connect, at (416) 335-8800 or by email at terry@cu-connect.com.

Copies of the materials filed with the Court and related Court Orders are available at the following website established by the Monitor: www.kpmg.ca/cu-connect.

If any stakeholders of the Company wish further information with respect to this proceeding, please contact:

KPMG Inc.
Suite 3300 Commerce Court West
P.O. Box 31 Stn Commerce Court
Toronto, Ontario M5L 1B2

Johnny E. Chow
Tel: (416) 777-3250
Fax: (416) 777-3364

Email: johnnychow@kpmg.ca

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

Court File No: 06-CL-6746

AND IN THE MATTER OF A PROPOSED PLAN OF COMPROMISE OF
ARRANGEMENT WITH RESPECT TO 3791351 CANADA INC. CARRYING ON
BUSINESS AS "CU-CONNECT"

ONTARIO

SUPERIOR COURT OF JUSTICE

Proceeding commenced at Toronto

ORDER

MILLER THOMSON LLP
SCOTIA PLAZA
40 KING STREET WEST, SUITE 5800
TORONTO, ON CANADA M5H 3S1

Jeffrey C. Carhart LSUC#: 23645M
Margaret R. Sims LSUC#: 39664I
Tel: 416.596.8615/8577
Fax: 416.595.8695

Solicitors for the Applicant