

Schedule "F"

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STRATHALLEN
ACQUISITIONS INC.

December 11, 2007

Brad Newton, CA, CIRP ✓
Vice President
KPMG Inc.
Southwestern Ontario Region
Suite 510, 21 King Street West
Hamilton ON L8N 3R1
KPMG Inc.

Nicholas Brearton, CA
Partner, Advisory Services
Transaction Advisory
KPMG LLP
Suite 3300 – Commerce Court West
199 bay Street
Toronto ON M5L 1B2

Dear Sirs:

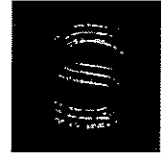
Re: Genfast Manufacturing Company ("Genfast") – 225 Henry Street, Bldg. 5, Brantford ON (the "Premises")

Further to our tour of the Premises yesterday and in anticipation of the Receiver vacating the Premises, we would like to reiterate the concerns and expectations regarding the manner in which the removal of equipment from the Premises is being handled. There appears to be a total disregard by the Receiver and its agent Maynards for the physical structure, the offices and other facilities in the building, and the exterior of the building including the surrounding lands.

We are looking to the Receiver to ensure that all items that the Receiver agreed to attend to in connection with its occupation of the Premises are dealt with and the Premises are left in a clean and broomswept condition with all damage caused by the auction conducted on the Premises and the removal of assets from the Premises repaired prior to us taking possession of the Premises (and the Receiver ceasing to pay occupation rent).

During our walkthrough yesterday we noticed a number of items that are of major concern that we have identified to you. The following, in no particular order, are some, but not all of the concerns:

- The office area has been used by Maynards and the people removing equipment from the Premises. As a result, there is oil all over the office carpet, walls, washrooms, tile floor, etc. The office area must be thoroughly cleaned and all damage repaired.



- Throughout the warehouse oil is everywhere. Most of this oil has leaked from equipment when it was being disconnected and removed. The warehouse must be thoroughly cleaned and all oil removed.
- The floor in some areas of the warehouse has been gouged as a result of machinery being dragged from its location to the exit doors. This damage must be repaired.
- There are pits in the plant which were used for servicing of equipment that are filled with oil and sludge. I witnessed an individual pouring oil and grease into the pit from buckets and additional buckets of oil and grease lined up at the edge of the pit to be poured into the pit. The pits are not intended to be used to dispose of oil and grease or other waste. Oil, grease and other waste must be disposed of properly. The Receiver must remove the oil and sludge from these pits and the pits cleaned. We will hold the Receiver responsible for any environmental harm caused by the actions of individuals on the Premises during the Receiver's occupation.
- Equipment used by Genfast in its heating process was removed from the Premises, but the fire brick in the furnace was dumped on the property at the back of the Premises instead of being put into containers and hauled to a dump. As I understand the pile of rubble will be removed by the Receiver. Our concern is, however, environmental risk while the rubble is on the Premises. We will hold the Receiver responsible for any environmental harm caused by the actions of individuals on the Premises during the Receiver's occupation.
- Machinery to be removed from the Premises is being moved around with seemingly no coordination. We appreciate that the Receiver and Maynards both have insurance, but if any regulatory authority would happen to enter the premises, we are concerned that the removal of equipment from the Premises would be halted.

We expect that the Receiver will take immediate steps to rectify the foregoing and will ensure that the removal of equipment from the Premises is properly supervised by the Receiver to ensure that no further damage is caused to the Premises. If there are any issues with the Receiver rectifying the foregoing or providing going-forward supervision, please advise me immediately so that steps can be taken to preserve the landlord's interests.

We expect that a walk-through of the Premises will take place before the Receiver turns the Premises over to the landlord and we expect that the Receiver will be liable for any continuing environmental issues resulting from the matters identified above. .

Yours truly,


Strathallen Capital Corp.
Andy Krausz

Schedule "G"



Blake, Cassels & Graydon LLP
Barristers & Solicitors
Patent & Trade-mark Agents
199 Bay Street
Suite 2800, Commerce Court West
Toronto ON M5L 1A9 Canada
Tel: 416-863-2400 Fax: 416-863-2653

Michael McGraw
Dir: 416-863-4247
michael.mcgraw@blakes.com

December 17, 2007

VIA E-MAIL

Reference: 72396/2

Michael McIntosh
Maynards Industries Ltd.
Suite 202, 5409 Eglinton Avenue West
Toronto, Ontario M9C 5K6

Joel D. Farber
Fogler, Rubinoff LLP
95 Wellington Street West
Suite 1200, Toronto-Dominion Centre
Toronto, Ontario M5J 2Z9

Dear Sirs:

Re: Genfast Manufacturing Company ("Genfast")
Re: Auction Services Agreement dated July 12, 2007 (the "Agreement")
Re: Genfast premises located at 225 Henry Street, Building 5, Brantford, Ontario (the "Premises")
Re: Letter from Landlord dated December 11, 2007

As you are aware, we represent KPMG Inc. in its capacity as court-appointed Receiver of Genfast (the "Receiver").

We direct your attention to section 1(k) of the Agreement which outlines the obligations of Maynards Industries Ltd. ("Maynards", referred to in the Agreement as the "Auctioneer") to restore the Premises to its condition as at the commencement of the auction. Further, section 1(l) of the Agreement provides that Maynards shall:

"...accept responsibility for and, at its own expense, repair any damage to the Genfast Premises (including the real property located thereon) caused by the Auctioneer, its employees and agents and/or a Purchaser during the Access Period, in connection with the removal of any Assets sold at the Auction or otherwise, except for any damages caused by any party other than the Auctioneer or a Purchaser or any of their respective employees, agents or representatives. For greater certainty, the Auctioneer shall not be responsible for any damage to the Genfast Premises resulting from oil and other lubricants or fluids, except as may have been caused by the Auctioneer, a Purchaser or other persons for whom the Auctioneer is responsible, and for any repair requested by the landlord requiring the removal or alteration of leasehold improvements or tenant installations. The Receiver and the Auctioneer, acting reasonably, agree to conduct periodic inspections of the Genfast Premises during the Access Period to identify any damage which may be the responsibility of the Auctioneer hereunder. The

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Receiver shall provide notice to the Auctioneer in accordance with Section 8 hereof of any claim against the Auctioneer for damage to the Genfast Premises under this provision or otherwise under the terms of this Agreement, as soon as practicable following the discovery of such claim and, where possible, prior to the Deadline Date."

Further, section 1(n) of the Agreement provides that Maynards shall:

"... indemnify and save harmless the Receiver in respect of any losses, damages, costs or expenses incurred by the Receiver as a result of the negligence or wilful misconduct of the Auctioneer, or any of its officers, agents, employees, invitees, bidders or Purchasers, or the breach of any provision hereof by the Auctioneer, including, without limitation, any damages caused to the Genfast Premises."

We refer to the copy of the enclosed letter dated December 11, 2007 from Andy Krausz of Strathallen & Capital Corp., landlord of the Premises (the "Landlord") a copy of which the Receiver forwarded to Maynards on December 11, 2007 which outlines numerous concerns with respect to damages to and the general condition of the Premises arising from Maynards' removal of assets sold at the auction.

The Receiver expects that Maynards will ensure that all concerns described by the Landlord in its letter, including any and all damage, repairs, cleaning and other issues, will be rectified such that the Premises will be left in a clean and broom-swept condition prior to Maynards' vacation of the Premises no later than the required date of Saturday, December 22, 2007 at 11:59 p.m. EST. If Maynards does not intend to repair all of the damage and address all of the concerns outlined in the Landlord's letter immediately prior to vacating the Premises, please advise the Receiver immediately.

Further, pursuant to section 1(l) of the Agreement, as set out above, the Receiver hereby requests that a representative of Maynards attend at the Premises with representatives of the Receiver and the Landlord prior to its vacating of the Premises in order to conduct an inspection of the Premises for the purpose of identifying any damage which may be the responsibility of Maynards. Please contact the Receiver to make arrangements for this inspection.

Finally, if, for any reason, Maynards does not vacate the Premises by Saturday, December 22, 2007 at 11:59 p.m. EST, as required under section 1(b) of the Agreement, Maynards will be responsible for all costs and expenses resulting therefrom, including without limitation, occupation rent. Please advise the Receiver as soon as possible if Maynards believes it will not be able to vacate the Premises by such time so that we can discuss the payment of rent and other occupancy related costs by Maynards after this date.

Yours very truly,



Michael McGraw

MQM:na
Enclosure.

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Schedule "H"



Blake, Cassels & Graydon LLP
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Michael McGraw
Dir: 416-863-4247
michael.mcgraw@blakes.com

Reference: 72396/2

December 19, 2007

VIA FACSIMILE

Andy Krausz
Strathallen Capital Corp.
2 Bloor Street West, Suite 2000
Toronto, Ontario M4W 3E2

Dear Mr. Krausz:

Re: Genfast Manufacturing Company ("Genfast")
Re: 225 Henry Street, Bldg. 5, Brantford, Ontario (the "Premises")

We are counsel to KPMG Inc. in its capacity as court-appointed Receiver of Genfast. This will acknowledge receipt of your letter dated December 11, 2007 with respect to the above matter.

The Receiver expressly denies your suggestion that there has been a total disregard with respect to the Premises by the Receiver and Maynards Industries Ltd. ("Maynards"), Auctioneer pursuant to the Auction Services Agreement between the Receiver and Maynards dated July 12, 2007 (the "Auction Services Agreement"). The Receiver has forwarded your letter to Maynards for review and action and has reminded Maynards of its obligations pursuant to the Auction Services Agreement. As discussed during the walk-through of the Premises on December 17, 2007, the Receiver is committed to working with Maynards and the landlord in order to ensure that any and all reasonable concerns and requests are addressed in a timely and efficient manner.

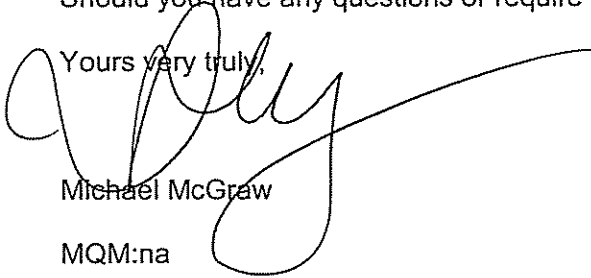
The Receiver understands that Maynards is still on schedule to vacate the Premises on or before 11:59 p.m. EST on Saturday, December 22, 2007. The Receiver will contact you to arrange for a final walk-through with representatives of the landlord, the Receiver and Maynards prior to turning the Premises over to the landlord, which final walk-through is expected to take place on December 22, 2007.

Finally, in response to your statement that "we expect that the Receiver will be liable for any continuing environmental issues resulting from the matters identified above", we direct your attention to the limitations on the Receiver's liability set out at paragraph 16 of the Appointment Order of the Honourable Mr. Justice Campbell dated April 5, 2007.

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Should you have any questions or require additional information, do not hesitate to contact me.

Yours very truly,



Michael McGraw

MQM:na

- c: N. Brearton
- B. Newton
- M. McIntosh
- J. Farber

Schedule "I"

From: Newton, Brad
Sent: Thursday, December 20, 2007 5:37 PM
To: Alex Mc Lellan; greatlakesrigging@sympatico.ca; jking@kingsteelcorp.com
Cc: Brearton, Nick N
Subject: Genfast premises

On November 8, 2007 Great Lakes Rigging Inc. ("GLRI") entered into an agreement with the Receiver to purchase the 4 dust collectors and the related duct work (the "Equipment") located at the Genfast premises. In that agreement, GLRI agreed to remove the Equipment by no later than November 30, 2007. GLRI has not complied with the terms of the agreement and has not removed the Equipment as of December 19, 2007.

Further to our discussions and the email below, the Receiver understands that GLRI has made an agreement with Strathallen Capital Corp Inc. (the "Landlord") of its own accord and at its own risk to remove the Equipment by no later than January 31, 2008. The Equipment is the responsibility of GLRI and the Receiver takes no responsibility for this holdover agreement between GLRI and the Landlord.

Further, the Receiver understands that the Landlord has made an agreement with Jason King of their own accord regarding the removal of various piping from the trench and the furnace pits at the Genfast premises (the "Piping") by no later than January 31, 2008 and that there will be no rental charges during the period the piping is removed. The Piping is the responsibility of Jason King and the Receiver takes no responsibility for this holdover agreement between Jason King and the Landlord either.

Similarly, the Receiver confirms that item number 3 in your email below does not involve the Receiver either.

Finally, the Receiver confirms:

- that the Landlord agrees that two coils may, if necessary, be left at the Genfast premises until no later than January 31, 2008 at no rental cost to the Receiver;
- that the Landlord agrees that the one trailer owned by OSS containing various lubricants and chemicals may be stored at the Premises until no later than January 7, 2008; and,
- that the Receiver will arrange to have the residual oil removed from the furnace pits as quickly as possible and that the Landlord will not charge the Receiver rent while the residual oil is being removed from the Genfast premises.

Regards,

Brad Newton, CA, CBV, CIRP
Vice President
KPMG Inc.
21 King Street West, Suite 510
Hamilton, ON L8N 3R1
Ph: (905) 523-2202
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email: bradnewton@kpmg.ca

From: Alex Mc Lellan [mailto:amclellan@strathallen.com]

Sent: December 18, 2007 3:53 PM

To: Newton, Brad

Cc: 'Andy Krausz'

Subject: Update to Removal of Dust Collectors(Scrubbers),removal of pipes in trench and equipment left on site.

December 18, 2007

Genfast Manufacturing Company,
C/O KPMG Inc. (Receiver)
225 Henry Street,

Attention; Brad Newton

I Alex Mclellan representing Strathallen Capitol Corp.Inc. have agreed to:

1. Allow the dust collectors (4) to remain on site after the closing date, on the understanding that they will be removed before the 31st January 2008.
2. Allow the ducting for the dust collectors (4) inside the plant to remain, on the understanding that the entry holes be sealed to the satisfaction of Strathallen Capitol Corp.Inc.
3. Allow Machinery and fork trucks belonging to Electro Plating Services (Gary Sayers) to remain on site until the 28th December 2007.
4. Allow the removal of the pipes etc. in the trenches to be done at a later date but no later than the 31st January 2008.

Yours truly,

Alex McLellan
Site Manager
Brant Trade & Industrial Park

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