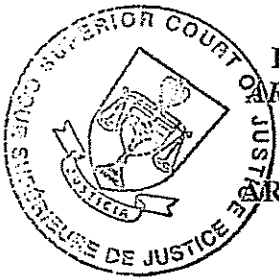


*ONTARIO*  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST

THE HONOURABLE ) THURSDAY, THE 5<sup>TH</sup>  
)  
MR. JUSTICE CAMPBELL ) DAY OF APRIL, 2007



IN THE MATTER OF THE *COMPANIES' CREDITORS*  
*ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED  
AND IN THE MATTER OF A PLAN OF COMPROMISE OR  
*ARRANGEMENT OF GENFAST MANUFACTURING COMPANY*

ORDER

THIS MOTION, made by LaSalle Business Credit, a division of ABN AMRO Bank N.V., Canada Branch (the "Bank") for an Order, inter alia, terminating certain provisions of the Order of Mr. Honourable Justice Campbell dated March 8, 2007 (the "CCA Order") granted under Section 11 of the *Companies' Creditors Arrangement Act* ("CCA") was heard this day at 330 University Avenue, Toronto, Ontario.

**ON READING** that affidavit of David Carson sworn April 4, 2007 and the Exhibits thereto, and on hearing the submissions of counsel for the Bank, the Debtor, Alvarez & Marsal Canada ULC ("Alvarez"), in its capacity as the Monitor (the "Monitor") of Genfast Manufacturing Company (the "Debtor"),

**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.

2. **THIS COURT ORDERS** that all capitalized terms not defined in this Order shall have the meanings given to them in the CCAA Order.

#### **TERMINATION OF CCAA PROCEEDING**

3. **THIS COURT ORDERS** that, except as provided herein, the CCAA proceedings pertaining to the Applicant and the provisions of the CCAA Order be and are hereby terminated effective immediately after an Order is made by the Ontario Superior Court of Justice in Bankruptcy and Insolvency adjudging the Debtor bankrupt (the "Bankruptcy Order") and which Bankruptcy Order becomes effective by its terms.

#### **ACTIVITIES OF MONITOR**

4. **THIS COURT ORDERS** that the Monitor's First Report and the Monitor's Second Report and the actions of the Monitor as set out therein be and are hereby approved.

#### **DISCHARGE OF MONITOR**

5. **THIS COURT ORDERS** that the appointment of Alvarez as the Monitor pursuant to the CCAA Order is hereby terminated and Alvarez is hereby discharged from any further obligations under the CCAA Order forthwith following termination of the CCAA proceedings as described in paragraph 3 herein, subject to paragraph 8 hereof and subject to Alvarez and its legal counsel passing their accounts in accordance with paragraph 31 of the CCAA Order.

6. **THIS COURT ORDERS** that Alvarez has duly and properly discharged its duties, responsibilities and obligations as the Monitor, as set out in the Monitor's First Report and the Monitor's Second Report, and, subject to the terms of this Order, Alvarez is, forthwith following termination of the CCAA proceedings as described in paragraph 3 herein, discharged and released from any and all further obligations as the Monitor, and any and all liability in respect of

any act done by Alvarez in its conduct as the Monitor, pursuant to its appointment in accordance with the CCAA Order, or otherwise, and that all actions of Alvarez from the date of its appointment under the CCAA Order to the time of its discharge under this Order be and are hereby approved, ratified and sanctioned and that Alvarez shall incur no further liability under the CCAA Order, or otherwise, provided that nothing herein shall relieve Alvarez from any liability arising out of the gross negligence or willful misconduct on the part of Alvarez in its capacity as Monitor.

7. **THIS COURT ORDERS** that notwithstanding any provision of this Order, Alvarez shall continue to benefit from all the protections afforded to it by this Court including, without limitation, paragraphs 26 to 32 of the CCAA Order subject to the terms of an Order of this Court appointing a receiver and manager in respect of the Applicant made on April 5, 2007.

8. **THIS COURT ORDERS** that, notwithstanding the provisions of this Order, Alvarez, in its capacity as Monitor, may oversee payment of any and all amounts owing by the Applicant for the supply of goods and services in the CCAA proceedings if Alvarez in such capacity determines, in its sole and absolute discretion, after consultation with the Bank, that the obligations were properly incurred by the Applicant within the CCAA proceedings and that any such amounts were included in any cash flow projections or the funding arrangements approved by the Bank in the CCAA proceedings.

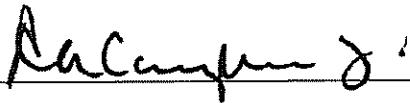
9. **THIS COURT ORDERS** that, notwithstanding any of the foregoing, the Monitor shall forthwith move to pass its accounts in accordance with paragraph 31 of the CCAA Order.

#### **VALIDITY AND PRIORITY OF CHARGES**

10. **THIS COURT ORDERS** that, notwithstanding any of the foregoing but subject to paragraphs 14 and 15 of this Order, the Directors' Charge, the Administration Charge and the DIP Charge (all as defined in the CCAA Order) (collectively, the "Charges" and each a

"Charge") shall continue to attach to the Property (as defined in the CCAA Order) and shall continue to rank in the priority relative to all other security interests, liens, charges and encumbrances affecting the Property, as set out in paragraph 39 of the CCAA Order.

// **THIS COURT ORDERS** that paragraphs 40, 41, 42 and 43 of the CCAA Order shall continue to apply in respect of the Charges.

  
\_\_\_\_\_

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

APR 05 2007

PER/PAR: 

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF GENFAST MANUFACTURING COMPANY

Court File No.: 07-CL-6996

ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)  
Proceeding commenced in Toronto

ORDER

ThorntonGroutFinnigan LLP  
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Suite 3200, P.O. Box 329  
Canadian Pacific Tower  
Toronto-Dominion Centre  
Toronto, Ontario  
M5K 1K7

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Solicitors for LaSalle Business Credit, a  
division of ABN AMRO Bank N.Y. Canada  
Branch



KPMG Inc.  
Suite 3300 Commerce Court West  
PO Box 31 Stn Commerce Court  
Toronto ON M5L 1B2  
Canada

Telephone (416) 777-8500  
Fax (416) 777-3364  
Fax (416) 777-8818  
Internet www.kpmg.ca

[Name]  
[Address]  
[Address]  
[Address]  
[Address]

\_\_\_\_\_, 2007

Dear \_\_\_\_\_:

**Re: Genfast Manufacturing Company ("Genfast" or the "Company")  
Invitation for Proposals to Purchase the Business**

Pursuant to an Order of the Ontario Superior Court of Justice (Commercial List) made on April 5<sup>th</sup>, 2007, KPMG Inc. was appointed as the receiver (the "Receiver") of Genfast (the "Receivership Order"). The Company was in the business of manufacturing bolts, screws, rivets and other types of fasteners, primarily for the automotive industry, and operated from leased facilities located in Brantford, Ontario. When in operation, Genfast had annual sales of approximately \$75 million for year ended December 31, 2006 and employed 200 unionized and 50 salaried employees.

Pursuant to the Receivership Order, the Receiver is authorized to market any or all of the assets of Genfast including advertising and soliciting expressions of interest in respect of the business of Genfast and negotiating such terms and conditions of a purchase agreement as the Receiver in its discretion may deem appropriate. Please note that any purchase agreement entered into by the Receiver will be subject to subsequent Court approval.

Accordingly, we are inviting prospective purchasers of the business of Genfast to submit expressions of interest for the assets being offered for sale consisting of:

- Manufacturing equipment owned by Genfast and located at 255 Henry Street, Brantford, Ontario;
- The Receiver's interest, if any, in certain leased equipment; and
- The Receiver's interest, if any, in the intangibles associated with the business, including the Genfast name.

A tentative deadline of 5:00 p.m. (EST) on Thursday, June 14<sup>th</sup>, 2007 has been established for submission of expressions of interest (the Receiver will provide you with at least ten calendar days' advance notice of the actual deadline date).

Submissions must include, at a minimum, the following information:

- Name of purchaser, and the principals of same;



Page 2

- Purchase price;
- Deposit and terms associated with same;
- Closing date;
- Conditions, if any, and the timeframe within which such conditions are to be satisfied;
- Terms of Sale, if any, which would deviate from those associated with a standard Receiver sale; and
- Evidence of purchaser's ability to finance the transaction.

The expressions of interest received will be evaluated on their merits after the submission deadline. The Receiver reserves the right to negotiate the terms of a purchase agreement with one or more parties whether before or after this deadline. The Receiver is not under any obligation to accept the highest, or any, offer received and the Receiver may discontinue the sale process or withdraw the assets from sale at any time, without notice, at its sole discretion. Please submit your expression of interest marked STRICTLY CONFIDENTIAL to:

Mr. Brad Newton  
KPMG Inc.  
199 Bay Street, Suite 3300  
Commerce Court West, Box 31  
Toronto, ON M5L 1B2  
Fax: 416-777-3364

To obtain information regarding the business and assets available for sale, please contact the undersigned at (519) 754-4400 ext.6020 or (905) 523-2202 or by email at [bradnewton@kpmg.ca](mailto:bradnewton@kpmg.ca). Please note that any parties interested in purchasing the business of Genfast will be required to execute a form of confidentiality agreement prior to the release of any financial and operational information concerning the Company.

Yours truly,

**KPMG Inc.**  
**solely in its capacity as Court-Appointed Receiver**  
**of the assets, properties and undertakings of**  
**Genfast Manufacturing Company and not in its**  
**personal or corporate capacity**

Per: Brad Newton  
*Vice President*



KPMG Inc.  
Suite 3300 Commerce Court West  
PO Box 31 Stn Commerce Court  
Toronto ON M5L 1B2  
Canada

Telephone (416) 777-8500  
Fax (416) 777-3364  
Fax (416) 777-8818  
Internet www.kpmg.ca

[Name]  
[Address]  
[Address]  
[Address]  
[Address]

\_\_\_\_\_, 2007

Dear \_\_\_\_\_:

**Re: Genfast Manufacturing Company ("Genfast")  
Solicitation of Sale/Auction Proposals**

Pursuant to an Order of the Ontario Superior Court of Justice (Commercial List) made on April 5<sup>th</sup>, 2007, KPMG Inc. was appointed as the receiver (the "Receiver") of Genfast (the "Receivership Order").

Pursuant to the Receivership Order and a subsequent Order dated May 22, 2007, the Receiver is authorized to market any or all of the assets of Genfast, including advertising and soliciting auction proposals in respect of the assets and negotiating such terms and conditions of an auction services agreement as the Receiver in its discretion may deem appropriate. Please note that any sale/auction services agreement entered into by the Receiver will be subject to subsequent Court approval.

Accordingly, we are inviting various interested parties to submit proposals by no later than 5:00 p.m. (EST) on June 14, 2007.

Enclosed herewith is an information package which details the Genfast assets and the terms and conditions associated with any proposal. The asset listing is separated into separate distinct lots. The Receiver does not provide any representations or warranties relating to the completeness or accuracy of the information package. Proposals should, for each lot, address the following scenarios:

1. An auction on a straight commission basis;
2. An auction on a net minimum guarantee basis; and
3. An outright purchase of the assets.

Prospective purchasers should note that the equipment described in Lot #1 of the Information Package (the "Utica Equipment") is currently the subject of a priority dispute and may not be available as part of the assets available for sale depending on the outcome of that priority dispute. Accordingly, the Receiver requests that all expressions of interest include separate submissions



\_\_\_\_\_, 2007  
Page 2

with and without the Utica Equipment included, with a separate allocation for the Utica Equipment, where applicable.

Proposals received will be evaluated on their merits after the submission deadline. The Receiver reserves the right to negotiate the terms of any sale/auction proposal received from one or more of the parties whether before or after this deadline. The Receiver is not under any obligation to accept the highest, or any, proposal received and the Receiver may discontinue the sale process or withdraw the assets from sale at any time, without notice, at its sole discretion. Please submit your proposals marked STRICTLY CONFIDENTIAL to:

Mr. Brad Newton  
KPMG Inc.  
199 Bay Street, Suite 3300  
Commerce Court West, Box 31  
Toronto, ON M5L 1B2  
Fax: 416-777-3364

Please contact Greg Karpel at (519) 754-4400 ext. 6100 or (416) 777-8424 or [gkarpel@kpmg.ca](mailto:gkarpel@kpmg.ca) to set-up an appointment to view the assets. For any additional inquiries, please contact Brad Newton at (519) 754-4400 or (905) 523-2202 or [bradnewton@kpmg.ca](mailto:bradnewton@kpmg.ca).

Yours very truly,

**KPMG Inc.**  
**solely in its capacity as Court-Appointed Receiver**  
**of the assets, properties and undertakings of**  
**Genfast Manufacturing Company and not in its**  
**personal or corporate capacity**

Per: Brad Newton  
*Vice President*

/ac  
Enc.

## TENDERS

### INVITATION FOR PROPOSALS

#### To Purchase the Business of Genfast Manufacturing Company.

KPMG Inc. in its capacity as Court-Appointed Receiver (the "Receiver") of Genfast Manufacturing Company ("Genfast"), hereby invites written proposals for the purchase of the Receiver's right, title and interest, if any, in the business operations, undertaking and assets of Genfast on an on bloc basis. Genfast operated from leased facilities located in Brantford, Ontario, manufacturing bolts, screws, rivets and other types of fasteners primarily for the automotive industry.

Assets offered for sale consist of the following:

- Manufacturing equipment owned by Genfast;
- Receiver's interest, if any, in certain leased equipment; and
- Receiver's interest, if any, in the intangibles associated with the business, including the Genfast name.

The highest or any proposal will not necessarily be accepted. Nothing contained in this Invitation for Proposals precludes the Receiver from entering into an agreement to sell any or all assets at any time without notice.

All proposals must conform with the terms and conditions set out in the information package. Court approval of the successful bid will be required. To obtain a copy of the information package please contact Mr. Greg Karpel at (519) 754-4400 or (416) 777-8424 or mail to gkarpel@kpmg.ca.

KPMG Inc.  
Court Appointed Receiver  
of Genfast Manufacturing Company  
and not in its personal or corporate capacity.

AUDIT = TAX = ADVISORY



## INVITATION FOR PROPOSALS

To Purchase/Auction the fixed assets of  
Genfast Manufacturing Company.

KPMG Inc. in its capacity as Court-Appointed Receiver (the "Receiver") of Genfast Manufacturing Company ("Genfast"), hereby invites written proposals for the purchase/auction of the Receiver's right, title and interest, if any, in Genfast's fixed assets on an en bloc basis, or otherwise. Genfast operated from leased facilities located in Brantford, Ontario, manufacturing bolts, screws, rivets and other types of fasteners primarily for the automotive industry.

The highest or any proposal will not necessarily be accepted. En bloc proposals will be given special consideration. Nothing contained in this Invitation for Proposals precludes the Receiver from entering into an agreement to sell any or all assets at any time without notice.

All proposals must conform with the terms and conditions set out in the information package. Court approval of the successful bid will be required. To obtain a copy of the information package please contact Mr. Greg Karpel at (519) 754-4400 or (416) 777-8424 or mail to: [gkarpel@kpmg.ca](mailto:gkarpel@kpmg.ca).

KPMG Inc.  
Court-Appointed Receiver  
of Genfast Manufacturing Company  
and not in its personal or corporate capacity.

AUDIT • TAX • ADVISORY



# **GENFAST MANUFACTURING COMPANY**

## **DOCUMENTS TO BE PROVIDED TO PROSPECTIVE GOING-CONCERN PURCHASERS**

- Premises Lease
- Collective Agreement
- Pension Plan Actuarial Valuations (two)
- Group Benefit Plan Booklet – Salaried  
– Hourly
- Great West Life Agreement re: Benefit Plan
- RBC Dexia Agreement re: Pension Administrator
- Audited Financial Statements – Y/E December 31, 2005  
– Y/E December 31, 2004
- Leases – Utica
- Tax Return – Y/E December 31, 2005
- List of Fixed Assets (i.e. machinery and equipment/office furniture and equipment) owned by Genfast
- List of Intangible Assets
- List of Salaried Employees (including their position, salary and start date)
- List of Hourly Employees (including their start date)
- List of Customers and Sales during Fiscal 2006
- List of Steel Suppliers and Processors as at March 7, 2007
- List of Creditors, and Amount Owed, as at the CCAA Date
- Initial CCAA Order
- Initial Receivership Order