

Court File No. 07-CL-6926

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

THE HONOURABLE MR. ) FRIDAY, THE 27<sup>TH</sup>  
JUSTICE CAMPBELL ) DAY OF JUNE, 2008

**B E T W E E N:**

**LASALLE BUSINESS CREDIT, A DIVISION OF  
ABN AMRO BANK N.V., CANADA BRANCH**

**Applicant**

**- and -**

**GENFAST MANUFACTURING COMPANY**

**Respondent**

**ORDER**

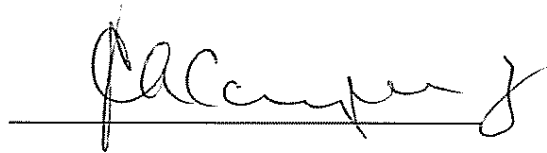
**THESE MOTIONS**, made by KPMG Inc. in its capacity as the Court-appointed Receiver of Genfast Manufacturing Company (“the Receiver”), the Applicant and Utica Leasco LLC (“Utica”) were heard this day at 330 University Avenue, Toronto, Ontario.

**UPON READING** the Ninth Report of the Receiver dated May 30, 2008 (the “Ninth Report”) and the Tenth Report of the Receiver dated June 26, 2008 (the “Tenth Report”, collectively with the Ninth Report, the “Reports”), the Notices of Motion of the Receiver, the Applicant, and Utica, and the Affidavits of David K. Levy and Craig L. Stormer sworn June 25, 2008, all filed, and upon hearing the submissions of counsel for the Receiver, the Applicant; MNP Corporation, General Fasteners Company, Utica and PricewaterhouseCoopers Inc., the administrator of the Genfast Manufacturing Company Retirement Plan for Salaried Employees and the administrator of the Genfast Manufacturing Company Bargaining Unit Pension Plan Members of United Steel Workers of America;

1. **THIS COURT ORDERS AND DECLARES** that the time for service and filing of the Notice of Motion and the materials therein be and is hereby abridged, if necessary, and that all persons requiring notice of this Motion have been duly served with notice thereof, and that the service including the form, manner and time thereof be and is hereby validated, and that further service thereof be and is hereby dispensed with.
2. **THIS COURT ORDERS AND DECLARES** that the Reports be and are hereby approved and accepted and that the activities and conduct of KPMG Inc., in its capacity as the Receiver, to date, as more particularly described in the Reports, be and are hereby approved.
3. **THIS COURT ORDERS AND DECLARES** that all capitalized terms not otherwise defined in this Order have the same meaning as in the Reports.
4. **THIS COURT ORDERS AND DECLARES** that the Sivaco Settlement Agreement including mutual releases with respect to the Lien Coil and the payment by the Receiver in the amount of \$41,000 to Sivaco from the Sivaco Reserve, is hereby approved, *nunc pro tunc*, with the remaining balance to be released from the Sivaco Reserve to the Receiver and made available for distribution by the Receiver pursuant to a further Order of this Court.
5. **THIS COURT ORDERS AND DECLARES** that the allocation of the CCAA Charges and the Receiver's Charge, including its fees and those of its counsel, the Landlord Reserve, the Disputed Pension Claims Reserve, the Future Professional Fees Reserve, the Contingency Reserve, and the CCAA Payables Reserve among Genfast's secured creditors as described in the Revised Allocation Schedules and the Reports is hereby approved, without prejudice to the rights of the Applicant and Utica to make written and/or oral submissions to this Court, as described below, with respect to the proposed allocation of the Court Charges related to the proceeds of the Utica Lease One Equipment but only with respect to the liability for such costs as between the Applicant and Utica.


6. **THIS COURT ORDERS AND DIRECTS** the Receiver to reduce the CCAA Payables Reserve, the Landlord Reserve, the Future Professional Fees Reserve and the Contingency Reserve, as described in the Reports, with the released amounts to be available for distribution by the Receiver pursuant to a further Order of this Court.
7. **THIS COURT ORDERS** that the fees and disbursements of the Receiver and its independent legal counsel for the period from December 1, 2007 to April 30, 2008, as described in the Ninth Report, are hereby approved, and the Receiver is hereby directed and authorized to pay the fees and disbursements of the Receiver and its independent legal counsel forthwith.
8. **THIS COURT ORDERS** that the issue of liability as the between the Applicant and Utica for the costs allocated to the proceeds of the Utica Lease One Equipment, as described in the Reports, shall be resolved by way of written submissions by the Applicant and Utica, unless this Honourable Court finds that oral submissions are required after written submissions are filed or the Applicant and Utica agree that oral submissions are necessary.
9. **THIS COURT ORDERS** that the issue with respect to the costs of the motion heard by this Honourable Court on October 31, 2007 regarding the priority over the proceeds of the Utica Lease One Equipment shall be resolved by way of written submissions by the Applicant and Utica, unless this Honourable Court finds that oral submissions are required after written submissions are filed or the Applicant and Utica agree that oral submissions are necessary.
10. **THIS COURT ORDERS** that the motions by the Applicant and Utica with respect to the priority over and the distribution of the proceeds of the Utica Lease Two Equipment net of the allocations of costs, as described in the Reports, are hereby adjourned to a date to be set by the Commercial List on a timetable agreed upon between the Applicant and Utica.

11. **THIS COURT ORDERS** that the Receiver is hereby authorized and directed to, subject to the Applicant's obligation to disgorge any amount if it, by subsequent Order of a court of competent jurisdiction is found to have been overpaid, forthwith distribute and pay the amount of CDN\$1,497,693 to the Applicant representing a distribution of proceeds subject to the Applicant's security after deducting the allocation of costs as described in the Reports, to be applied by the Applicant as a permanent reduction of Genfast's indebtedness to the Applicant.
  
12. **THIS COURT ORDERS** that the Receiver is hereby directed and authorized to distribute the amount of CDN\$937,934 to Utica representing the proceeds of the Utica Lease One Equipment after the deduction of costs allocated to the Utica Lease One Equipment, as described in the Reports, without prejudice to the rights of the Applicant and Utica as described in paragraph 8 above.



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ON / BOOK NO:  
LE / DANS LE REGISTRE NO.:

JUL 22 2008

PER/PAR:  Joanne Nicoara  
Registrar, Superior Court of Justice

Court File No. 07-CL-6926

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

ONTARIO

SUPERIOR COURT OF JUSTICE  
(Commercial List)

Proceeding Commenced at TORONTO

**ORDER**

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Solicitors for KPMG Inc. in its capacity as  
receiver of the property, assets and undertaking of  
Genfast Manufacturing Company