

Court File No. 07-CL-6926

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

THE HONOURABLE MR. ) THURSDAY, THE 27<sup>TH</sup>  
JUSTICE CAMPBELL ) DAY OF NOVEMBER, 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**

**THIS MOTION**, made by KPMG Inc. in its capacity as the Court-appointed Receiver of Genfast Manufacturing Company (“the Receiver”), was heard this day at 330 University Avenue, Toronto, Ontario.

**UPON READING** the Eleventh Report of the Receiver dated July 17, 2008 (the “Eleventh Report”) and the Twelfth Report of the Receiver dated November 24, 2008 (the “Twelfth Report”, together with the Eleventh Report, the “Reports”), and upon hearing the submissions of counsel for LaSalle Business Credit, a Division of ABN AMRO Bank N.V., Canada Branch; and the Receiver;


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** that all capitalized terms not otherwise defined herein have the same meaning as in the Reports.
3. **THIS COURT ORDERS** that the Eleventh Report (save and except for activities related to the landlord dispute) and the Twelfth Report and the activities of the Receiver described therein are hereby approved.
4. **THIS COURT ORDERS** that the GM Settlement Agreement is hereby approved and the Receiver is hereby authorized and directed to complete the GM Settlement Agreement and to pay the funds received from GM in the amount of CDN\$215,000.00 to the Bank forthwith upon receipt as a permanent reduction of Genfast's indebtedness to the Bank.
5. **THIS COURT ORDERS** that the Receiver is hereby authorized and directed to, pursuant to the Bank-Utica Settlement Agreement, pay to Utica the amount of CDN \$150,000.00 from the Lease Two Reserve, net of expenses and interest, and to pay the balance of the Lease Two Reserve, if any, to the Bank as a permanent reduction of Genfast's indebtedness to the Bank, thereby eliminating the Lease Two Reserve.
6. **THIS COURT ORDERS** that the Receiver is hereby authorized and directed to, pursuant to the Bank-Utica Settlement Agreement, pay the amount of CDN \$150,000.00 to Utica regarding the Utica Lease One Equipment, such amount being in addition to the CDN \$937,934.00 already distributed by the Receiver to Utica pursuant to paragraph 12 of the July 27 Order.
7. **THIS COURT ORDERS AND DIRECTS** the Receiver and MNP, GFC and Utica to fully, finally, forever and mutually release and discharge each other, including their officers, directors, representatives, successors, assigns and affiliates from any and all claims, demands, actions, causes of action, disputes, law suits and liability, known or unknown, regarding the Lease One Reserve and the Lease Two Reserve, the assets which created those Reserves and the accounts receivable owing by MNP and GFC to Genfast,

including those for any costs and expenses of the Receiver in connection with all matters concerning its receivership and the receivership proceedings.

8. **THIS COURT ORDERS** that the fees and disbursements of the Receiver and its independent legal counsel for the period from May 1, 2008 to September 30, 2008, as described in the Twelfth Report, are hereby approved, and directs and authorizes the Receiver to pay the fees and the disbursements of the Receiver and its independent legal counsel forthwith.
9. **THIS COURT ORDERS** that Receiver is authorized and directed to eliminate the Disputed Pension Claims Reserve and the CCAA Payables Reserve and pay the funds associated with same, being CDN \$81,774.00 and CDN \$105,122.00 respectively, to the Bank as a permanent reduction of Genfast's indebtedness to the Bank.
10. **THIS COURT ORDERS** that the Receiver is authorized and directed to reduce the Contingency Reserve by \$100,000.00, to \$150,000.00, and to distribute \$100,000.00 from the Contingency Reserve to the Bank, all as a permanent reduction of Genfast's indebtedness to the Bank.
11. **THIS COURT ORDERS** that the Receiver is authorized and directed to pay to the Bank the amount of \$180,000.00, representing the Income Tax Refund, as a permanent reduction of Genfast's indebtedness to the Bank.



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

NOV 27 2008

PER / PAR: 

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

GENFAST MANUFACTURING COMPANY

ONTARIO  
SUPERIOR COURT O  
(Commercial List)

Proceeding Commenced at TORONTO

**ORDER**

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

27 NOV 2008

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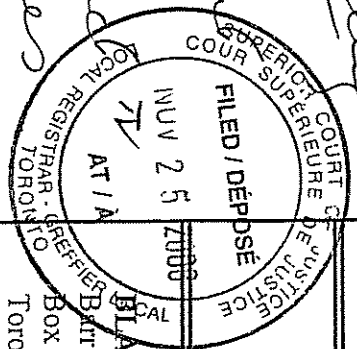
IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, C. C-36 AS AMENDED

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

MOTION RECORD  
(Returnable November 27, 2008)



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

Nov 27/08.

Adm's read the motion record &  
was given counsel's evidence  
Counsel for USU - was partly  
opposing the motion being  
in this order. I am  
being satisfied with the facts  
of the allegations & the facts  
& circumstances of the matter &  
I'm counsel - am over  
will issue in the form filed  
& agreed & is without prejudice  
to any appearance made of USU  
out of bankruptcy. The Court has  
been advised that the Bank  
has accepted in respect of best  
interests will be made on a before Dec 10/08

Alvin...