

Schedule "D"

Court File No.: 07-CL-6926

ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)

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

Applicant

- and -

GENFAST MANUFACTURING COMPANY

Respondent

FIRST REPORT TO THE COURT OF KPMG INC.
IN ITS CAPACITY AS RECEIVER OF
GENFAST MANUFACTURING COMPANY

April 20, 2007

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1.0 Introduction

1.1 Appointment of Receiver

- 1.1.1 Pursuant to the Order of the Honourable Mr. Justice Campbell of the Ontario Superior Court of Justice (Commercial List) dated April 5, 2007 (the "Appointment Order"), KPMG Inc. was appointed as receiver (the "Receiver") without security, of all of Genfast Manufacturing Company's ("Genfast" or the "Company") current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the "Property"), effective at 3:00 p.m. (EST) immediately after the Bankruptcy Order (as defined below) became effective against the Company and the proceedings initiated by the Company under the *Companies' Creditors Arrangement Act* (Canada) ("CCAA") on March 9, 2007 were terminated. The Appointment Order was made pursuant to Sections 101 of the *Courts of Justice Act* (Ontario).
- 1.1.2 A copy of the Appointment Order is attached hereto as **Appendix A**. The application for the appointment of the Receiver was made by LaSalle Business Credit, A Division of ABM AMRO Bank N.V., Canada Branch (the "Applicant" or the "Bank").

1.2 Background

- 1.2.1 Genfast is a limited liability corporation incorporated under the laws of the Province of Nova Scotia operating from leased facilities located in Brantford, Ontario. The Company was in the business of manufacturing bolts, screws, rivets and other types of fasteners, primarily for the automotive industry.
- 1.2.2 Prior to the Bankruptcy Order being effective, the Company employed approximately 185 hourly employees, all of whom are members of the United Steelworkers of America, Local 3567, and 50 salaried employees.
- 1.2.3 The Receiver understands that the Applicant is the operating lender of the Company pursuant to a credit agreement dated November 30, 2000 as amended by agreements dated April 18, 2001, June 21, 2002, October 1, 2003 and November 18, 2005 (collectively, the "Credit Agreement"). Pursuant to the terms of the Credit Agreement, the Bank extended a revolving loan facility and a term loan facility to the Company. As at April 3, 2007, the Receiver understands that the amount outstanding under the revolving loan was \$7,563,682.26 and the amount outstanding under the term loan was \$13,045,646.82. As security for its indebtedness to the Applicant, the Company executed and delivered to the Applicant, among other things, a general security agreement dated November 30, 2000 (the "GSA") and a general assignment of book debts dated November 30, 2000 (the "GABD"). The Applicant registered its security interests against the Company pursuant to the *Personal Property Security Act* (Ontario) on November 22, 2000 against all classes of collateral except "consumer goods".
- 1.2.4 Pursuant to the Order of Honourable Mr. Justice Campbell dated March 8, 2007 (the "Initial Order"), the Company was granted a stay of proceedings pursuant to the CCAA and Alvarez & Marsall Canada ULC was appointed as monitor of the Company (the "Monitor").

- 1.2.5 Pursuant to the terms of a forbearance agreement dated March 8, 2007 (the "Forbearance Agreement"), the Applicant agreed to provide debtor-in-possession financing (the "DIP Borrowings") to the Company during the Company's orderly wind down. On March 23, 2007, pursuant to the terms of the Forbearance Agreement, the Applicant provided notice to the Company that Forbearance Terminating Events had occurred under the terms of the Forbearance Agreement. By letter dated March 25, 2007, the Applicant terminated the Forbearance Agreement, including its obligations to provide DIP Borrowings (as defined in the Initial Order). The Applicant subsequently provided financing to the Company on a short term basis.
- 1.2.6 On April 5, 2007, the Applicant brought forth a motion for the Appointment Order.
- 1.2.7 In addition to granting the Appointment Order, the Honourable Mr. Justice Campbell issued an Order adjudging the Company bankrupt effective as at 3:00 p.m. on April 5, 2007 (the "Bankruptcy Order"). The Bankruptcy Order, among other things, appointed KPMG Inc. as Trustee of the Estate of Genfast ("Trustee"). A separate Order was also issued on April 5, 2007 which, among other things, ordered that:
- the Company's CCAA proceedings shall be terminated effective immediately after the Bankruptcy Order became effective;
 - the Monitor be discharged from any further obligations under the Initial Order (the Monitor, however, may oversee payment of certain amounts in respect of the supply of goods and services during the CCAA proceedings); and
 - the Directors' Charge, the Administration Charge and the DIP Charge (all as defined in the Initial Order) shall continue to attach to the Property of the Company and shall continue to rank in priority relative to all other security interests, liens, charges and encumbrances affecting the Property, as set out in paragraph 39 of the Initial Order.

1.3 Purpose of this Report

- 1.3.1 The purpose of this First Report of the Receiver to the Court is to:
- Report on the activities of the Receiver to date and seek the Court's approval of those activities as set out herein;
 - Report on potential claims against the Directors' Charge ("Directors' Charge Claims"); and
 - Outline the proposed marketing process for the Company's raw material inventory.

2.0 Receiver's Initial Activities

2.1 Premises

- 2.1.1 The Company operated out of leased premises located at 225 Henry Street, Brantford, Ontario (the "Premises"). The Receiver took possession of the Premises on April 5, 2007 at approximately 3:30 pm. The Receiver has made the necessary arrangements to have the locks changed and overhead doors secured. In addition, the Receiver has engaged the services of a security firm to monitor the premises on a 24 hours a day basis.
- 2.1.2 The Receiver has recorded the machinery, equipment and interior of the Premises upon taking possession of the Premises using a video camera. The Receiver also recorded the exterior of the Premises on April 9, 2007 during daylight hours.

2.2 Banking

- 2.2.1 The Receiver notified the Bank, immediately upon its appointment, to freeze the Company's bank accounts. Notice was also sent to the Bank of Nova Scotia ("BNS"), where the Company had a deposit on account.

2.3 Credit Cards

- 2.3.1 The Receiver determined that the Company has been issued credit cards by American Express and Visa (through BNS). Immediately upon its appointment, the Receiver cancelled online all of the credit cards. On April 10, 2007, the Receiver issued letters to BNS and American Express to confirm the cancellation of all of the cards.

2.4 Insurance

- 2.4.1 The Company's existing policies, which are provided through Zurich Insurance Company ("Zurich"), expires on May 1, 2007. The Receiver understands that Zurich is willing to renew the existing policy and is awaiting a premium quotation from Zurich. The Receiver has also requested a quotation from another insurance carrier.
- 2.4.2 The Company's insurance broker has been contacted and a request has been made by the Receiver that certain policy coverage be removed as at the date of the Receiver's appointment (specifically that the business interruption coverage be removed and the Equipment and Inventory limits be reduced to reflect the appraised and current values).

2.5 Inventory

- 2.5.1 The Receiver is in the process of conducting an inventory of the machinery and equipment on the Premises. An inventory of finished goods, WIP and raw materials in existence as at the time of the Receiver's appointment is also being conducted by the Receiver.

2.6 Former Employees

- 2.6.1 The employees of the Company were terminated as at 3:00 p.m. (EST) on April 5, 2007 as a result of the bankruptcy of Genfast, which termination was confirmed by paragraph 13 of the Appointment Order.
- 2.6.2 The Receiver has met separately with the Company's former salaried employees and certain of the union executive to discuss the receivership and various obligations owed by the Company to its former employees including outstanding wages and vacation pay, issuance of records of employment, termination of benefits, and outstanding severance and termination pay.

2.7 Term and Task Engagements

- 2.7.1 The Receiver has retained, pursuant to a term and task letter, certain of the Company's former salaried employees to perform various duties, including safeguarding the Company's assets, closing off the Company's financial records, and assisting in the collection of accounts receivable and sale of inventory.

2.8 Environmental

- 2.8.1 The Receiver has been advised by former Company management that they believe that the Company has always operated within Ministry of Environment ("MOE") guidelines and that there are no outstanding clean-up orders from the MOE. The Company does not, however, have a formal environmental review & procedure policy.
- 2.8.2 The Receiver has located in the Company's records copies of environmental reports which were completed in 1997 and 1998. The site inspection dated April 20, 1998 includes the following comments:

"The soil sampling covered all the areas which were suspected to be at risk for contamination, based on our site inspections and information provided by the tenant and owner. The chemical test results mentioned above exceed the applicable MOE criteria, which indicates that some clean up is required. Based on our assessment, we believe that some remediation is required for this site."

"Of the 13 samples taken, all but 4 samples were within MOE guideline criteria."

"We recommend that oil pooled in the catch basin in the scrap metal dock be pumped out and disposed of at a licensed facility. The condition of the interior of the concrete catch basin could then be assessed."

- 2.8.3 The Receiver has confirmed with former Company management that no measures were taken by the Company to investigate and address the potential environmental concerns raised in the report issued in 1998. The Receiver is in the process of obtaining a quote to remove any pooled oil contained in the catch basin at the time of its appointment. Once the oil has been removed, the Receiver will evaluate what further steps, if any, are required.

2.9 Books and Records

2.9.1 The Receiver has secured the Company's books and records that are located on the Premises.

2.10 Information Systems

2.10.1 The Receiver has met with the Company's former IT Supervisor to discuss IT security issues and controls. The Company's server is located on the Premises. The server is backed up every night, with the back-up being stored for up to 3 months. Back-up tapes, performed at 12:00 a.m. on April 5, 2007, were secured by the Receiver and are being stored offsite. Remote access was removed for all users except for the former IT Supervisor and the former Controller, who have been retained by the Receiver on a term and task basis to assist with the receivership.

2.10.2 Former Company management has also informed the Receiver that a disaster recovery program is currently in place and can be switched over to in a matter of 1 to 2 hours, if required.

3.0 Potential Claims, and Interim Distribution, Against the Directors' Charge

3.1 Introduction

- 3.1.1 Pursuant to paragraph 22 of the Initial Order, the Directors' Charge in the aggregate amount of \$1,000,000 secures the indemnity provided to directors and officers of the Company under paragraph 21 of the Initial Order. Paragraph 21 of the Initial Order relates to failure of the Company to make payments of the nature referred to in subparagraph 6(a) (outstanding wages, salaries, employee and pension benefits, vacation pay, bonuses and expenses), subparagraph 8(a) (statutory deemed trust amounts with respect to employee source deductions), subparagraph 8(b) (goods and services or other applicable sales taxes), and subparagraph 8(c) (other priority taxes) of the Initial Order.
- 3.1.2 The Receiver understands that the Applicant will be bringing a motion to this Honourable Court on April 24, 2007 for an Order which, among other things, directs the Receiver to make an interim distribution to each of the former employees of the Company in an amount equal to the sum of (i) their unpaid wages; and (ii) fifty percent of their vacation pay (the "Vacation Pay Distribution"). These amounts are sought to be distributed on account of such amounts being claims against the Directors' Charge. In the case of the proposed interim distribution associated with the Vacation Pay Distribution, the Applicant is seeking that the distribution be treated as an advance against the authorized amount available under the Directors' Charge but is not seeking similar treatment in respect of the unpaid wages interim distribution. We also understand that the Applicant's motion will seek an expedited 30 day claims process to identify Directors' Charge Claims, which claims will be barred in the event they are not filed by the claims bar date.
- 3.1.3 An interim distribution of the unpaid wages and the Vacation Pay Distribution will represent a significant amount of money for the former employees of Genfast (approximately \$632,000 among 235 employees or an average of \$2,700 per former employee subject to individual salary variations). These amounts have been outstanding since early April.
- 3.1.4 We caution that the information contained herein has been obtained from the books and records of the Company. The information of the Company has not been audited, reviewed or otherwise verified by the Receiver as to its accuracy or completeness, nor has it necessarily been prepared in accordance with generally accepted accounting principles. Accordingly, the Receiver does not express an opinion or any other form of assurance on the financial or other information presented herein.
- 3.1.5 In addition, the Receiver's legal counsel has also not conducted a review as to whether any of the potential liabilities outlined below properly constitute Directors' Charge Claims.

3.2 Unpaid Wages

- 3.2.1 According to the Company's books and records, as at the time immediately before the Receiver's appointment on April 5, 2007, the gross unpaid wages owing to the Company's former employees totaled \$285,790.89, being \$255,703.59 for the former hourly employees and \$30,087.30 for the former salaried employees, subject to the

comment below regarding outstanding salaried cheques. In addition, the employers' required contribution for pension and other contribution were \$20,348.81 and \$1,370.91, respectively. The salaried employee amount is the maximum amount and the actual amount may be lower as the Company issued manual cheques to its salaried employees on April 5, 2007 and the Receiver is still determining how many of these cheques actually cleared the Company's bank account (the Receiver understands that the dollar amount of the issued cheques was after deduction of income tax and other normal course employee withholdings).

- 3.2.2 The Receiver understands that the Order being sought by the Applicant would, if granted, result in the Receiver distributing: i) the net unpaid wages directly to employees; and ii) employee source deductions associated with the unpaid wages directly to Canada Revenue Agency ("CRA"). This would result in \$217,459.74 being distributed to the former hourly and salaried employees for unpaid wages as at April 5, 2007, and \$68,331.15 being distributed to CRA for related employee source deductions. It is the Receiver's understanding that the Applicant's proposed Order will not be requesting any interim distribution on account of outstanding employer contributions.

3.3 Unpaid Benefits

- 3.3.1 The Receiver understands that The Great West Life Assurance Company ("GWL") administers the Company's self-funded medical benefits program. The Company's former Controller has advised the Receiver that, as at April 5, 2007, the unpaid funding requests from GWL totaled \$26,727.04. The Receiver has not yet had an opportunity to contact GWL or any of the former employees to determine if any additional amounts are owed relating to medical or other employee benefits.

- 3.3.2 The Receiver also understands that the Royal Bank of Canada ("RBC") and GWL provided life, accident and long-term disability insurance to the Company's employees, with RBC and GWL invoicing the Company monthly for the associated premiums. The unpaid premiums owing to RBC and GWL as at April 5, 2007 totaled approximately \$35,000. The Receiver understands that these premiums have been unpaid since February 1, 2007.

3.4 Unpaid Vacation Pay

- 3.4.1 As at the time immediately before the Receiver's appointment, the unpaid vacation pay owing to the Company's former employees totaled \$829,360.80. A total of \$624,076.05 relates specifically to the former hourly employees while the remaining balance of \$205,284.75 relates to the former salaried employees.

3.5 GST

- 3.5.1 The Receiver understands that GST returns are prepared and submitted by the Company on a monthly basis and are historically in a refund position. The GST returns are normally reviewed by a 3rd party consultant for accuracy prior to submission. CRA performed its most recent GST audit in 2001 and the Receiver has been advised by the Company's former Controller that no issues were noted.

3.5.2 As at April 5, 2007, the last GST return filed was for the period January 1 to 31, 2007. The GST returns for the pre-CCAA period February 1 to March 7, 2007, and the CCAA period March 8 to April 5, 2007 have not yet been completed.

3.5.3 The Receiver has arranged for an audit to be performed by CRA on April 24, 2007.

3.6 Employee Source Deductions

3.6.1 The Receiver has confirmed that the Company used a third party processor, ADP, to handle both its hourly and salaried payroll. The Receiver also understands that ADP required the Company to fund the gross amount of a payroll, including the employer contributions, prior to it processing the payroll. Thereafter ADP remitted the source deductions and employer contributions to CRA. The Company's former Controller has advised the Receiver that he believes ADP has remitted to CRA all amounts it received from Genfast relating to source deductions and employer contributions.

3.6.2 The Receiver has arranged for an audit to be performed by CRA on April 24, 2007.

3.7 Pension Premium Obligations

3.7.1 The Receiver understands that the Company's pension plan contribution for March 2007, being \$241,216.67 based on the most recent actuarial report obtained by the Company, has not been remitted, as it was not due until 30 days after month end. In addition, the pension plan contribution for the period April 1 to 4, 2007 inclusive, which the Receiver estimates to be \$32,162.22 based on a pro-rated month amount, is also outstanding. Thus, outstanding pension plan contributions total \$273,378.89 as at April 5, 2007.

3.8 Other

3.8.1 The Company's former Controller has advised the Receiver that, as at April 5, 2007, Workplace Safety & Insurance Board was owed approximately \$25,000. In addition, the Company had accrued approximately \$1,000 for unpaid Employer Health Tax (this liability relates to employees receiving long-term disability payments through GWL).

3.8.2 The Receiver has inquired of the Company's former Controller, who has advised that he is not aware of any claims made against any of the Company's directors and officers as at April 5, 2007 or which could be made against any of the Company's directors and officers other than as set out in this Report, which may give rise to a claim against the Directors' Charge. The Receiver has not yet had an opportunity to review the books and records of the Company, or contact any of the Company's former directors and officers, to confirm any claims made against the Company's directors and officers as at April 5, 2007.

3.9 Interim Distribution

3.9.1 As previously discussed in paragraph 3.1.1 of this Report, the Applicant is seeking an Order that, if granted, would result in the Receiver making an interim distribution to former employees, in respect of claims for unpaid wages and 50% of unpaid vacation pay, with the latter interim distribution for vacation pay being treated as an advance against the authorized amount available under the Directors' Charge. Based on the balances outlined in Section 3.4 above and the Order being sought by the Applicants, the

Receiver would make an interim distribution of \$414,680.40 to the Company's former employees on account of their vacation pay claims, thereby reducing the amount remaining under the Directors' Charge to \$585,319.60.

- 3.9.2 There is a theoretical possibility that the treatment of the Vacation Pay Distribution as an advance against the Directors' Charge could result in the recipients of these funds being preferred as against other claimants against the Directors' Charge. This would occur if the aggregate amount of the Directors' Charge Claims, including the entire unpaid vacation pay amounts owing, exceeds \$2 million. In that situation, the pro rata amount available to claimants under the Directors' Charge Claims (other than in respect of vacation pay) would be less than 50%. Based on the Company's books and records, and comments from former Company management, it would appear that Directors' Charge Claims are not likely to exceed \$2 million (the aggregate amount of the liabilities outlined above, ignoring unpaid wages, for which specific dollar amounts are provided total \$1,212,186.45). However, in the absence of a formal claims process, there is no assurance that total Directors' Charge Claims will not exceed \$2 million. However, the Receiver believes that it is appropriate to weigh this theoretical risk against the real and substantial benefit that former employees of Genfast would obtain from the proposed interim distributions (i.e. avoiding the potential financial hardship that may be experienced by some former employees if these payments are further delayed). The proposed claims bar process for other Directors' Charge Claims although expedited will be subject to usual delay risk due to the possibility of disputed claims, appeals and the resolution thereof. Although the Receiver is not currently holding adequate funds to make the interim distribution and does not anticipate having adequate funds in the near future without funding, it is the Receiver's understanding that the Applicant is prepared to fund the Receiver amounts sufficient for the Receiver to make the proposed interim distributions as soon as practicable after the proposed Order is made and all applicable appeal periods have expired. For these reasons, the Receiver is prepared to recommend distribution of the interim distributions being proposed by the Applicant in respect of unpaid wages and the Vacation Pay Distribution.

4.0 Marketing Process for Genfast Raw Materials Inventory

- 4.1.1 The Company's records indicated that, as at April 5, 2007, its raw materials inventory, in the form of green and processed steel rod in coil form, had a book value in excess of \$2.1 million. The bulk of the raw materials are located on the Premises, with the balance being located at two third party processors or in-transit from a Thailand supplier in respect of prepaid raw materials.
- 4.1.2 The Receiver has prepared an information package (the "RMIP") that seeks proposals for the purchase of Genfast's raw material inventory, other than the in-transit inventory which is described in Section 4.1.5 below. A copy of the RMIP is attached hereto as **Appendix B**.
- 4.1.3 The Receiver has, with the assistance of former Company management, identified 12 parties it intends to distribute the RMIP to, which parties are either brokers, manufacturers of fasteners or former Genfast customers who signed agreements with Genfast to purchase "useable" and "merchantable" raw material inventory associated with their product. Given the specialized nature of the inventory, the Receiver believes that the significant cost associated with advertising the raw materials inventory to a broader market will outweigh the additional benefit, if any, that may be obtained and therefore the Receiver does not recommend a more general advertising of the raw material inventory.
- 4.1.4 As outlined in the RMIP, the Receiver intends to invite proposals from interested parties for the purchase of certain raw materials of Genfast on the following terms and conditions:
- The sale will be on an "as is, where is" basis;
 - The highest or any proposal will not necessarily be accepted;
 - En bloc proposals for the purchase of all of the raw material will be given special consideration;
 - The Receiver reserves the right to enter into an agreement to sell any or all of the raw materials prior to the stated deadline for submission of proposals;
 - All proposals must be received in writing by the Receiver, no later than 12:00 p.m. (EST) on Friday, May 4, 2007;
 - Upon acceptance of an offer, if any, the Receiver will notify the successful bidder in writing. The successful bidder must provide an immediate non-refundable deposit to the Receiver, by certified cheque or wire transfer, in an amount equal to ten percent of the purchase price; and
 - Any purchase of Genfast's raw materials will be completed in accordance with the provisions of the Receivership Order.
- 4.1.5 The Receiver will be conducting a separate, abridged invitation for proposals for that portion of the remaining raw materials which is in-transit from a supplier in Thailand, as

this inventory is currently located in the U.S. and is subject to high storage costs. The process, and sales terms, will be identical to that associated with the RMIP other than the number of potential purchasers who will be approached will be much smaller. As the inventory is very specialized, the Receiver recommends that only US based parties be approached so as to minimize freight and brokerage costs and the time period necessary to complete a transaction.

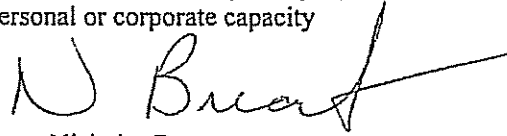
5.0 Summary and Recommendations

5.1.1 For the reasons outlined in this Report, the Receiver recommends that this Honourable Court:

- (i) approve this Report and the Receiver's activities and dealings with the Company's assets as described in this Report;
- (ii) approve the Receiver's proposed marketing process for the Company's raw material inventory as outlined herein, including the information package attached hereto as **Appendix B**; and
- (iii) approve the proposed interim distributions of unpaid wages and the Vacation Pay Distribution to the Company's former employees.

All of which is respectfully submitted this 20th day of April, 2007

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: Nicholas Brearton
Senior Vice President

A Division of ABM AMRO Bank N.V., Canada Branch
Applicant

LaSalle Business Credit, and Genfast Manufacturing Company
Respondent

Court File No: 07-CL-6926

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding commenced at Toronto

RECEIVER'S FIRST REPORT TO THE
COURT DATED APRIL 20, 2007

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SCHEDULE "E"



Court File No. 07-CL-6926

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE MR.) TUESDAY, THE 24TH
)
JUSTICE CAMPBELL) DAY OF APRIL, 2007

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 the Applicant was heard this day at 330 University Avenue, Toronto, Ontario.

UPON READING the First Report of KPMG Inc., in its capacity as the Court-appointed Receiver of the Respondent (the "Receiver") dated April 20, 2007 (the "Report"), and upon hearing the submissions from the Applicant's and Receiver's counsel, no one else appearing although service was properly-made upon the Service List:

1. THIS COURT ORDERS 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 parties 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 the Report be and is hereby approved and accepted and that the conduct of KPMG Inc., in its capacity as the Receiver of the Company, to date, as more particularly described in the Report, be and is hereby approved.

Definitions

3. **THIS COURT ORDERS** that the followings terms in this Order shall have the following meanings ascribed thereto:

- (a) **“Administration Charge”** means the charge granted pursuant to paragraph 32 of the Initial CCAA Order;
- (b) **“CCAA”** means the *Companies’ Creditors Arrangement Act* (Canada), R.S.C. 1985, c.C36, as amended from time to time;
- (c) **“Claimants”** means a Person entitled to assert a D&O Claim;
- (d) **“Claims Bar Date”** means 5:00 p.m. (Toronto time) on May 24, 2007;
- (e) **“Company”** means Genfast Manufacturing Company;
- (f) **“D&O Charge”** means the charge granted pursuant to paragraph 22 of the Initial CCAA Order;
- (g) **“D&O Claim”** means any right or claim of any Person against any Officer or Director in its capacity as an Officer or Director which is indemnified by the Company pursuant to paragraph 21 of the Initial CCAA Order relating to the failure of the Company in respect of the period up to and including the Time of the Receivership to make any of the payments referred to in subparagraphs 6(a), 8(a), 8(b) or 8(c) of the Initial CCAA Order, in respect of which the Director or Officer may be liable under any law in his or her capacity as a Officer or Director, except to the extent that, with respect to any Officer or Director, such Officer or Director has actively participated in the breach of any related fiduciary duties or

has been grossly negligent or guilty of wilful misconduct. For the purposes of this Order, a "D&O Claim" does not include any right or claim of the Applicant;

- (h) "DIP Borrowings" has the meaning ascribed to it in paragraph 33 of the Initial CCAA Order;
- (i) "DIP Charge" means the charge granted pursuant to paragraph 36 of the Initial CCAA Order;
- (j) "Director" means anyone who is or who was at any time a director of the Company;
- (k) "Employee" means any Person employed by the Company in accordance with the *Employment Standard Act* (Ontario) prior to the Time of the Receivership;
- (l) "Initial CCAA Order" means the Order of the Honourable Mr. Justice Campbell dated March 8, 2007 under the CCAA;
- (m) "Instruction Letter" means the letter in the form attached hereto as Schedule "A";
- (n) "Newspaper Notice" means the notice of this Order to be published in accordance with this Order in the form attached hereto as Schedule "B";
- (o) "Notice of Disallowance" means the notice in the form attached hereto as Schedule "C" advising a Claimant that their D&O Claim has been disallowed in whole or in part;
- (p) "Officer" means anyone who is or who was at any time an officer of the Company;
- (q) "Person" means any individual, corporation, limited or unlimited liability company, general or limited partnership, association, trust, unincorporated organization, joint venture, government or any agency, officer or instrumentality thereof or any other entity;

- (r) **“Proof of Claim”** means a Claimant’s written notice of a D&O Claim in the form of the Proof of Claim annexed hereto as Schedule “D”;
- (s) **“Proven Claim”** means a D&O Claim that has been finally determined in accordance with the terms of this Order;
- (t) **“Receiver”** means KPMG Inc. in its capacity as Court-appointed receiver of the Company;
- (u) **“Receivership Order”** means the Order of the Honourable Mr. Justice Campbell dated April 5, 2007 under section 101 of the *Courts of Justice Act* (Ontario), R.S.O. 1990, c. C-43;
- (v) **“Time of the Receivership”** means 3:00 p.m. (Toronto time) on April 5, 2007;
- (w) **“Vacation Pay”** means vacation pay, net of applicable source deductions, accrued but unpaid to the date of the Time of the Receivership; and
- (x) **“Wages”** means such wages, net of applicable source deductions, as may be due but unpaid for work actually performed by any Employee prior to the Time of the Receivership.

Interim Distribution

4. **THIS COURT ORDERS** that the Receiver is hereby directed, upon receipt by it of adequate funds in the Receiver’s discretion, including advances from the Applicant pursuant to paragraph 9 of this Order, to forthwith make a distribution to each of the Employees so entitled or as such Employee may direct or may have directed, in an amount equal to their unpaid Wages as calculated by the Receiver, and that notwithstanding that the distributions made by the Receiver under this paragraph are on account of claims against the D&O Charge, the amount of any distributions made by the Receiver in accordance with this paragraph shall not reduce the amount of the D&O Charge.

5. **THIS COURT ORDERS** that the Receiver is hereby directed, upon receipt by it of adequate funds in the Receiver's discretion, including advances from the Applicant pursuant to paragraph 10 of this Order, to forthwith make a distribution to Canada Revenue Agency (the "CRA"), in an amount equal to the applicable source deductions in respect of the Wages as calculated by the Receiver, and that notwithstanding that the distributions made by the Receiver under this paragraph are on account of claims against the D&O Charge, the amount of any distributions made by the Receiver in accordance with this paragraph shall not reduce the amount of the D&O Charge.

6. **THIS COURT ORDERS** that the Receiver is hereby directed, upon receipt by it of adequate funds in the Receiver's discretion, including advances from the Applicant pursuant to paragraph 10 of this Order, to forthwith make a distribution to each of the Employees so entitled, in an amount equal to fifty percent (50%) of each such Employee's Vacation Pay as calculated by the Receiver, and each such distribution shall reduce the amount of the D&O Charge in an equivalent amount.

7. **THIS COURT ORDERS** that the Receiver is hereby directed, upon receipt by it of adequate funds in the Receiver's discretion, including advances from the Applicant pursuant to paragraph 10 of this Order, to forthwith make a distribution to CRA, in an amount equal to the applicable source deductions in respect of Vacation Pay as calculated by the Receiver, and each such distribution shall reduce the amount of the D&O Charge in an equivalent amount.

8. **THIS COURT ORDERS** that any distribution made by the Receiver in accordance with this Order is on account of claims giving rise to charges created under the Initial CCAA Order and is not a payment of wages or other employment related entitlement.

9. **THIS COURT ORDERS** that nothing in this Order, nor any actions by the Receiver pursuant to this Order causes the Receiver to become or be deemed to be an employer or successor employer, or gives rise to or acknowledges any employment relationship between the Employees and the Receiver, all of which are expressly outside of the mandate of the Receiver pursuant to the terms of the Receivership Order.

10. **THIS COURT ORDERS** that the distributions to be made by the Receiver in accordance with paragraphs 4, 5, 6, 7 and 16 of this Order may be funded by the Applicant, and such funding shall constitute DIP Borrowings which form part of the DIP Charge.

Claims Process

11. **THIS COURT ORDERS** that a Claimant wishing to assert a D&O Claim shall deliver to the Receiver a Proof of Claim in the manner contemplated by paragraph 18 of this Order on or before the Claims Bar Date. For greater certainty, Employees are not required to deliver a Proof of Claim to the Receiver in respect of claims for Wages or Vacation Pay unless the Employee disagrees with the Receiver's calculation thereof as set out in the Wages/Vacation Pay Statement (defined below), in which case such Employee shall be required to file a Proof of Claim with the Receiver in the manner contemplated by paragraph 18 of this Order on or before the Claims Bar Date.

12. **THIS COURT ORDERS** that the D&O Claims of all Claimants who do not deliver to the Receiver a Proof of Claim by the Claims Bar Date shall be forever extinguished and barred from and after the Claims Bar Date and all such Claimants shall be deemed to have fully and finally released all such D&O Claims. Any portion of any D&O Claim which is disallowed shall also be forever extinguished and barred whereupon such Claimants shall be deemed to have fully and finally released all such D&O Claims in respect of such disallowed portions.

13. **THIS COURT ORDERS** that following the delivery of one or more Proofs of Claim to the Receiver on or prior to the Claims Bar Date, the following provisions shall apply to each Proof of Claim:

- (a) The Receiver shall forthwith provide a copy of the Proof of Claim to counsel to the Applicant and each of the Directors and Officers or their counsel as noted on the attached Schedule "E";
- (b) The Receiver, in consultation with counsel to the Applicant, shall either allow, partially allow or disallow a Proof of Claim;

- (c) A Proof of Claim may be disallowed or partially disallowed by sending a Notice of Disallowance by no later than June 8, 2007, to each of the Claimants (or their counsel), counsel to the Applicant and each of the Directors and Officers or their counsel as noted on the attached Schedule "E", failing which the Proof of Claim will be allowed as filed;
- (d) Any Claimant who wishes to appeal any disallowance or partial disallowance of its Proof of Claim shall do so by sending a written notice of appeal to the Receiver and counsel to the Applicant within seven (7) days of the date of the Notice of Disallowance, failing which the Receiver's determination of such Claimant's D&O Claim, shall be final and binding on such Claimant and all other Persons and there shall be no further right to appeal, review or recourse to this Court or any other court or tribunal in respect of the Receiver's determination of the D&O Claim, and that portion of the Claimant's D&O Claim disallowed in the Receiver's Notice of Disallowance shall be forever barred and extinguished;
- (e) The Receiver shall provide a copy of any written notice of appeal received in accordance with paragraph 13(d) of this Order to each of the Directors and Officers or their counsel as noted on the attached Schedule "E";
- (f) At any time, the Receiver may agree to settle any disputed D&O Claim, provided that no settlement shall be accepted by the Receiver unless counsel for the Applicant has consented in writing to such settlement; and
- (g) In the event that the Receiver is not able to settle any disputed D&O Claim, it shall seek instructions from this Honourable Court in respect of the distribution of such disputed D&O Claim.

Mailing to Employees

14. **THIS COURT ORDERS** that the Receiver shall send to each Employee a blank form of the Proof of Claim and Instruction Letter, together with a statement setting out the Receiver's calculation of the amount owing to that Employee in respect of Wages and Vacation

Pay (the "Wages/Vacation Pay Statement"), as soon as practicable and no later than five (5) days after the issuance of this Order, by ordinary mail to the address of each Employee as appears from the books and records of the Company.

Publication of Newspaper Notice

15. **THIS COURT ORDERS** that as soon as practicable and no later than five (5) business days after the issuance of this Order, the Newspaper Notice shall be published by the Receiver in *Brantford Expositor* and *The Globe and Mail* (National Edition).

D&O Claims

16. **THIS COURT ORDERS** that, following the Claims Bar Date, notwithstanding any other provision contained in this Order and notwithstanding the amount of any Proven Claim, the Receiver, upon receipt by it of adequate funds in the Receiver's discretion, including advances from the Applicant pursuant to paragraph 10 of this Order, may make distributions to Claimants in respect of Proven Claims up to the maximum aggregate amount of the D&O Charge, namely \$1,000,000.00, less any distributions made pursuant to paragraphs 6 and 7 of this Order (the "Remaining D&O Charge"). Notwithstanding any of provision of this Order, including, without limitation, any Proof of Claim allowed pursuant to paragraph 13(c) of this Order, if the aggregate amount of Proven Claims (after inclusion of all amounts distributed pursuant to paragraphs 6 and 7 of this Order):

- (i) is less than \$2,000,000, the Claimants' entitlements to the Remaining D&O Charge shall be calculated by the Receiver on a pro rata basis among Proven Claims including all amounts in respect of Vacation Pay whether distributed pursuant to paragraphs 6 and 7 or not, provided, however, that the amount of any distribution in respect of outstanding Vacation Pay not distributed pursuant to paragraphs 6 and 7 of this Order shall be calculated by deducting all amounts already distributed pursuant to paragraphs 6 and 7 of this Order; and
- (ii) is \$2,000,000 or more, then the Claimants' entitlement to and distribution of the Proven Claims against the Remaining D&O Charge shall be calculated on a pro

rata basis among Proven Claims but ignoring any amounts in respect of Vacation Pay. For greater certainty, in such case, no further distributions for Vacation Pay shall be made in respect of the Remaining D&O Charge.

17. **THIS COURT ORDERS** that any amounts distributed by the Receiver in respect of a D&O Claim in accordance with the proceeding paragraph of this Order shall further reduce the Remaining D&O Charge in an equivalent amount.

Notices and Communications

18. **THIS COURT ORDERS** that any notice or other communication including, without limitation, Proofs of Claim, to be given under this Order by a Claimant to the Receiver shall be in writing in substantially the form, if any, provided for in this Order and will be sufficiently given only if given by courier, by hand delivery, by facsimile transmission or by electronic mail addressed to:

If to the Receiver:

KPMG Inc., in its capacity as the Court-appointed
Receiver of the Company
Suite 3300, 199 Bay Street, Commerce Court West
P.O. Box 31, Station Commerce Court
Toronto, ON M5L 1B2

Attention: **Nicholas Brearton**
Email: nbrearton@kpmg.ca
Fax: (416) 777-3364

If to the Applicant's counsel:

ThomsonGroutFinnigan LLP
Canadian Pacific Tower
100 Wellington Street West
Suite 3200, PO Box 329
Toronto, ON M5K 1K7

Attention: **Leanne M. Hoyles**
Email: lhoyles@tgf.ca
Fax: (416) 304-1313

or to such other address as may be designated by written notice given by either party to the other. Any notice or other communication given by personal delivery shall be deemed to have been given on the day of actual receipt thereof and, if given by electronic communication, on the day of transmittal thereof if given during the normal business hours of the recipient and on the business day during which such normal business hours next occur if not given during such hours on any day.

Administration Charge

19. **THIS COURT ORDERS** that the Administration Charge is hereby terminated and dispensed with and no further amounts may be charged thereunder.

20. **THIS COURT ORDERS** that, if requested by the Applicant, the accounts of the Company's CCAA counsel funded by the Applicant shall be subject to assessment by this Honourable Court in the same manner as the accounts of the Monitor and the Monitor's counsel as outlined in paragraph 31 of the Initial CCAA Order.

21. **THIS COURT ORDERS** that the distribution made by the Bank in respect of claims under the Administration Charge constitutes DIP Borrowings which form part of the DIP Charge.

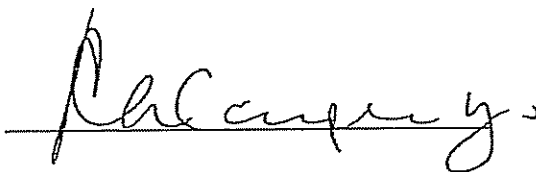
Raw Materials Marketing Process

22. **THIS COURT ORDERS** that the raw materials inventory marketing process as described in Section 4 of the Report entitled "Marketing Process for Genfast Raw Materials Inventory" be and is hereby approved.

General Provisions

23. **THIS COURT ORDERS** that the Receiver shall use reasonable discretion as to the adequacy of completion and execution of any document completed and executed pursuant to this Order and, where the Receiver is satisfied that any matter to be proven under this Order has been adequately proven, the Receiver may waive strict compliance with the requirements of this Order as to the completion and execution of documents.


24. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

A handwritten signature in cursive script, appearing to read "R. Campbell", written over a horizontal line.

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

APR 24 2007

PER/PAR:

Handwritten initials or a signature mark, possibly "SW", written in a stylized cursive font.

SCHEDULE "A"

Court File No. 07-CL-6926

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

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

INSTRUCTION LETTER

RE: CLAIMS AGAINST THE OFFICERS' AND DIRECTORS' CHARGE

This instruction sheet is provided to assist you in preparing your Proof of Claim form.

Completion of Proof of Claim

In order for the Proof of Claim (a copy of which is enclosed) to be eligible for allowance, it must be completed on the enclosed form in all respects, including:

1. name, address, telephone number, facsimile number (if available) and e-mail address (if available) of the claimant;
2. description of the claim with copies of supporting documents, statements, invoices, vouchers, etc. attached; and
3. signing of the Proof of Claim by a representative of the Creditor.

DeadlinePlease note that the deadline for receipt of Proofs of Claim by the Receiver at the address set out below is 5:00 p.m. (Toronto time) on May 24, 2007, failing which your claim will be forever extinguished and barred. If you have any questions, please call the Receiver, KPMG Inc., as indicated below.**KPMG Inc.**Suite 3300, 199 Bay Street
Commerce Court West
P.O. Box 31, Stn. Commerce Court
Toronto, ON M5L 1B2**Attention: Nicholas Brearton**

Email: nbrearton@kpmg.ca

Tel: (416) 777-3768

Fax: (416) 777-3364

SCHEDULE "B"

Court File No. 07-CL-6926

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

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

NOTICE TO CREDITORS

RE: NOTICE OF DIRECTORS AND OFFICERS CLAIMS BAR DATE

PLEASE TAKE NOTICE that this Notice is being published pursuant to an Order of the Ontario Superior Court of Justice (Commercial List) (the "Ontario Court") made on April 24, 2007 (the "D&O Claims Bar Order").

NOTICE is hereby given that KPMG Inc., in its capacity as Court-appointed receiver (the "Receiver") of the assets, properties and undertakings of the Respondent, intends to make distributions as a reduction of the amount available under the Directors 'Charge.

Pursuant to the D&O Claims Bar Order, anyone wishing to assert a claim set out below must deliver a proof of claim in writing to the Receiver at the address set out below by 5:00 p.m. Toronto time on May 24, 2007 (the "Claims Bar Date") failing which all such claims will be forever extinguished and barred.

- 2 -

The following claim must be made by the Claims Bar Date:

- (a) any claim against any Director or Officer in its capacity as a Director or Officer indemnified by the Respondent pursuant to paragraph 21 of the Initial CCAA Order relating to the failure of the Respondent in respect of the period up to and including the Time of Receivership to make any of the payments referred to in subparagraphs 6(a), 8(a), 8(b) or 8(c) of the Initial CCAA Order, in respect of which the Director or Officer may be liable under any law in his or her capacity as a Director or Officer, except to the extent that, with respect to any Director or Officer, such Director or Officer has actively participated in the breach of any related fiduciary duties or has been grossly negligent or guilty of wilful misconduct.

Creditors who have not received a Proof of Claim form or who have any further inquiries or requests for documentation, including a copy of the D&O Claims Bar Order, should contact the Receiver as indicated below.

DATED at Toronto this day of , 2007.

KPMG Inc., in its capacity as Court-Appointed Receiver of the assets, properties and undertakings of the Respondent

Suite 3300, 199 Bay Street
Commerce Court West
P.O. Box 31, Stn. Commerce Court
Toronto, ON M5L 1B2

Attention: Nicholas Brearton

Email: nbrearton@kpmg.ca

Tel: (416) 777-3768

Fax: (416) 777-3364

SCHEDULE "C"

Court File No.: 07-CL-6926

ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)

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

Applicant

- and -

GENFAST MANUFACTURING COMPANY

Respondent

NOTICE OF DISALLOWANCE OF CLAIM

Reference Number []

TO: [Name of Claimant]

KPMG Inc., in its capacity as court-appointed receiver of the assets, properties and undertaking of Genfast Manufacturing Company (the "Receiver") has reviewed your Proof of Claim, and has revised or rejected your D&O Claim as follows:

A) Proof of Claim

Claim Number	Proof of Claim as Submitted	Revised Claim as Accepted
Total Claim		

SCHEDULE "C"

B) Reason for the Revision or Disallowance:

If you do not agree with this Notice of Disallowance, please take notice of the following:

If you intend to appeal this Notice of Disallowance, you must, by no later than seven (7) calendar days after the date of this Notice of Disallowance, send a written notice of appeal to the Receiver and the Applicant's counsel, at the applicable addresses set out below, by personal delivery, fax or email.

The address of the Receiver is as follows:

KPMG Inc.,
 in its capacity as Court-Appointed Receiver
 of the assets, properties and undertakings of Genfast Manufacturing Company
 Suite 3300, 199 Bay Street
 Commerce Court West
 P.O. Box 31, Stn, Commerce Court
 Toronto, ON
 M5L 1B2

Attention: Mr. Nicholas Brearton
 Email: nbrearton@kpmg.ca
 Fax 416-777-3364

The address of the Applicant's counsel is as follows:

ThorntonGroutFinnigan LLP
 Canadian Pacific Tower
 100 Wellington Street West
 Suite 3200, PO Box 329
 Toronto, ON M5K 1K7

Attention: Leanne M. Hoyles
 Email: lhoyles@tgf.ca
 Fax: (416) 304-1313

If you do not deliver a written notice of appeal within the time period set out above, the value of your D&O Claim shall be deemed to be the Revised Claim as Accepted in this Notice of Disallowance.

SCHEDULE "C"

IF YOU FAIL TO DELIVER A WRITTEN NOTICE OF APPEAL WITHIN THE TIME PERIOD SET OUT ABOVE, THIS NOTICE OF DISALLOWANCE WILL BE FINAL AND BINDING UPON YOU AND YOU SHALL HAVE NO FURTHER RIGHT OF APPEAL, REVIEW OR RECOURSE.

DATED at Toronto, this __ day of _____, 2007.

Court File No. 07-CL-6926

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

BETWEEN:

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

Applicant

- and -

GENFAST MANUFACTURING COMPANY

Respondent

PROOF OF CLAIM

Please read carefully the enclosed Instruction Sheet for completing this Proof of Claim. Please print legibly.

A. PARTICULARS OF CLAIMANT

- 1. Full legal name of Creditor: _____ (the "Creditor")
(The full legal or corporate name inserted above should be the party who is a Creditor of Genfast Manufacturing Company (the "Respondent"))
- 2. Full mailing address of the Creditor: _____

- 3. Telephone Number of Creditor: _____
- 4. Fax Number of Creditor: _____
- 5. Email of Creditor: _____
- 6. Attention (Contact Person): _____

B. PROOF OF CLAIM

I, _____ (Name of Creditor or Representative of the Creditor), certify:

- 2 -

- (a) that I am a Creditor of/hold the position of _____ of the Creditor and have knowledge of all the circumstances connected with the Claim described herein.
- (b) that my Claim is in respect of the following:
- (i) The Creditor make the following Claim against the directors and officers of the Respondent:

CLAIM \$ _____

C. PARTICULARS OF CLAIM

(If inadequate space is provided below, please append a Schedule clearly marked as corresponding with the particulars set out in the relevant section below)

- (a) Description of the basis for the Claim (including the nature of the Claim and the facts and dealings giving rise to the Claim):

(attach the documents related to the Claim)

The fully completed Proof of Claim together with supporting documentation must be returned and received by the Receiver **no later than 5:00 p.m. Toronto time on May 24, 2007** at the following address by mail, fax or e-mail:

KPMG Inc., in its capacity as Court-Appoint Receiver of the assets, properties and undertakings of the Respondent

Suite 3300, 199 Bay Street
 Commerce Court West
 P.O. Box 31, Stn. Commerce Court
 Toronto, ON M5L 1B2

Attention: Nicholas Brearton

Email: nbrearton@kpmg.ca

Tel: (416) 777-3768

Fax: (416) 777-3364

Dated at _____, this _____ day of _____, 2007.

(Signature of Witness)

(Signature of individual completing this form)

(Please print name)

(Please print name)

MILLER THOMSON LLP

One London Place
255 Queens Avenue, Suite 2010
London, ON N6A 5R8

A. Duncan Grace

dgrace@millerthomson.com

Tel: (519) 931-3507

Fax: (519) 858-8511

Solicitors for David H. Grossman

THOMAS R. KLEIN

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Utica, MI 48317

tom.klein@mnp.com

LAWRENCE S. BERMAN

44225 Utica Road
Utica, MI 48318

larry.berman@mnp.com

CRAIG L. STORMER

1642 Stoney Creek Drive
Rochester, MI 48307

craig.stormer@mnp.com

Tel: (586) 254-1320

Fax: (586) 726-5799

DONALD G. LOEFFLER

22120 Worcester Drive
Novi, MI 48374

dloeffle@genfast.com

Tel: (519) 754-4400 ext. 6100

Fax: (519) 754-4455

- 2 -

CASARE BERTI

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Brantford, ON N3S 7R4

Cesare.Berti@genfastca.com

MAURICE P. CHIASSON

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Halifax, NS B3J 2X2

maurice.chiasson@mnp.com

BERNIE THITECA

44225 Utica Road
Utica, MI 48318

bernie.thiteca@mnp.com

IN THE MATTER OF THE COMPANIES' CREDITOR 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-6926

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

ORDER

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

Leanne M. Hoyles
Law Society No.: 41877E

Tel: (416) 304-1616
Fax: (416) 304-1313

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