

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE

)

TUESDAY, THE 23rd DAY

)

MR. JUSTICE CUMMING

)

OF OCTOBER, 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 or Plans of Compromise or Arrangement of Ivaco Inc. and the Applicants listed in Schedule "A"

ORDER
(IVACO & DOCAP ASSIGNMENTS IN BANKRUPTCY)

THIS MOTION, made by National Bank of Canada (the "Secured Creditor"), for an order authorizing and directing Ernst & Young Inc., in its capacity as the Monitor of Ivaco Inc. ("Ivaco") and Docap (1985) Corporation ("Docap") (the "Monitor") to cause Ivaco and Docap to make voluntary bankruptcy filings upon the satisfaction of certain conditions, and related relief, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Fortieth Report of the Monitor, dated October 17, 2007, and on hearing the submissions of counsel for the Secured Creditor and of counsel for the Monitor:

1. **THIS COURT ORDERS** that the time for service of the notice of motion and motion record herein is abridged such that this motion is properly returnable today and that further service thereof upon any other person, party or entity not served or otherwise notified is dispensed with.

2. **THIS COURT ORDERS** that the stay of proceedings and the standstill in these proceedings are lifted or amended insofar as may be necessary to allow the notice of motion herein to be brought and heard.

3. **THIS COURT ORDERS** that, as and when (i) the Salaried Pension Payment, the Designated Pension Payment, the Ingersoll Pension Payment and the Docap Pension Payment (as those terms are defined in the minutes of settlement next referred to) are made as contemplated, respectively, by the Salaried Plan Minutes of Settlement, the Designated Plan Minutes of Settlement, the Ingersoll Plan Minutes of Settlement and the Docap Plan Minutes of Settlement (as those terms are defined in the Order of the Honourable Mr. Justice Spence dated September 24, 2007, dealing with, *inter alia*, the appointment of representative counsel in these proceedings) and (ii) the pending appeal to the Supreme Court of Canada by the Superintendent of Financial Services of Ontario in these proceedings has been withdrawn and the stay associated therewith terminated,

- (a) the Monitor is authorized and directed to cause Ivaco to file an Assignment in Bankruptcy pursuant to the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "BIA"), naming Ernst & Young Inc. as the Trustee in Bankruptcy, and in that regard to sign such documents in the name of Ivaco and take all such steps as are necessary to the make the Assignment in Bankruptcy;
- (b) the Monitor, as and when it receives a notice of request from the Secured Creditor in the form attached to this Order as Schedule "B", is authorized and directed to cause Docap to file an Assignment in Bankruptcy pursuant to the BIA naming Raymond Chabot Inc. as the Trustee in Bankruptcy, and in that regard to sign such documents in the name of Docap and take all such steps as are necessary to make the Assignment in Bankruptcy;

- (c) the stay of proceedings and the standstill in these proceedings, insofar as they relate to the Secured Creditor's rights and remedies against Ivaco and Docap, are terminated; and
- (d) Ernst & Young Inc. is authorized to accept an appointment as the Secured Creditor's agent for the purpose of realizing on the Secured Creditor's security over some or all of the property and assets of Ivaco or Docap or both.

4. **THIS COURT ORDERS AND DECLARES** that

- (a) all property of Ivaco held under the control of the Monitor at the time of the Assignment in Bankruptcy by Ivaco and all property of Ivaco that is received by or otherwise comes under the control of the Monitor thereafter (including any interest earned by the Monitor's investment or reinvestment of such property) shall be deemed to be proceeds of realization of the Secured Creditor's security (to the extent of such security), shall be deemed to be held under the control of Ernst & Young Inc. as agent for the Secured Creditor and not on behalf of Ivaco, and shall not pass to or vest in the Trustee in Bankruptcy of Ivaco for any purpose; and
- (b) to the extent that such property exceeds the unpaid balance of the indebtedness owing or becoming due to the Secured Creditor, such excess shall not pass to or vest in the Trustee in Bankruptcy of Ivaco until such time as, and on the condition that, the Secured Creditor has been paid in full.

5. **THIS COURT ORDERS** that, notwithstanding

- (a) the pendency of these proceedings and the declarations of insolvency made herein,
- (b) the pendency of any petition for receiving orders existing or hereafter issued pursuant to the BIA in respect of any of the Applicants and any receiving orders issued pursuant to any such petitions and

(c) the provisions of any federal or provincial statute, this Order and the actions contemplated herein (i) are and shall always be legal and valid and binding on the Applicants, their successors and assigns and are fully enforceable against the Applicants, their successors and assigns and all persons in accordance with their terms, and (ii) are not oppressive, settlements, fraudulent preferences, fraudulent conveyances or other challengeable or reviewable transactions under any applicable law, federal, provincial or otherwise.

6. **THIS COURT HEREBY REQUESTS** the aid and recognition (including assistance pursuant to section 17 of the CCAA, as applicable) of any court or any judicial, regulatory or administrative body in any province or territory of Canada and any judicial, regulatory or administrative tribunal or other court constituted pursuant to the Parliament of Canada or the legislature of any province or any court or any judicial, regulatory or administrative body of the United States and of any other nation or state to act in aid of and to be complementary to this Court in carrying out the terms of this Order.

Oct 23, 2007 *Robert A. Cumming J.*

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

OCT 23 2007

PER/PAR: *CE*

SCHEDULE "A"

Ivaco Rolling Mills Inc.
Ifastgroupe Inc.
IFC (Fasteners) Inc.
Ifastgroupe Realty Inc.
Docap (1985) Corporation
Florida Sub One Holdings, Inc.
3632610 Canada Inc.

SCHEDULE "B"

Notice of Request

To: ERNST & YOUNG INC., in its capacity as Monitor of Docap (1985) Corporation

Re: The Order of the Honourable Justice Cumming of the Ontario Superior Court of Justice (Commercial List) dated October 23, 2007 relating to, *inter alia*, the making of an Assignment in Bankruptcy by Docap (1985) Corporation (the "Order")

The undersigned hereby requests that you proceed to cause Docap (1985) Corporation to make an Assignment in Bankruptcy, as authorized and directed by the Order.

Dated this _____ day of _____, 200__.

NATIONAL BANK OF CANADA

by: _____

IN THE MATTER OF the *Companies' Creditors Arrangement Act*
R.S.C. 1985, c. C-36

AND IN THE MATTER of a Plan of Compromise or Arrangement of
Ivaco Inc. and the Applicants listed in Schedule "A"

Court File No. 03-CL-5145

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings Commenced in Toronto

ORDER
(IVACO & DOCAP
ASSIGNMENTS IN BANKRUPTCY)

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