Court File No. 03-CL-5145

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE	) MONDAY, THE 18TH
	)
MR. JUSTICE FARLEY	) DAY OF JULY, 2005

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"

Applicants

ORDER

THIS MOTION, made by the Superintendent of Financial Services for:

1. an Order declaring that the claims and rights against Ivaco Inc. ("Ivaco"), Ivaco Rolling Mills Ltd. ("IRM"), Ifastgroupe Inc. ("Ifastgroupe") and Docap (1985) Corporation (the "Companies") in respect of the following four pension plans (the "Salaried Plans") in favour of the Superintendent, and the administrator, trustee and beneficiaries of the Salaried Plans, rank in priority to the claims of all the Companies' other creditors except the Charges as defined in the amended and restated Initial Order, dated September 16, 2003 (the "Initial Order"), and further, an Order directing the Monitor to pay forthwith to the Salaried Plans an amount sufficient to meet the Companies' liabilities, including wind-up liabilities, to the following plans:

   (a) the Pension Plan for Salaried Employees of Ivaco Inc. and Participating Subsidiary Companies (Plan Registration No. 410357) (the "Ivaco Salaried Plan");

(b) the Pension Plan for Designated Hourly Rated Employees of Ivaco Inc. (Plan Registration No. 407130) (the "Designated Employees Plan");

(c) the Pension Plan for Salaried Employees of Ifastgroupe Inc. – Ingersoll Fasteners Division (Plan Registration No. 1048669) (the "Ingersoll Plan"); and

(d) the Pension Plan to Employees of Docap (1985) Corporation (Plan Registration No. 970095) (the "Docap Plan");

2. in the alternative, to the extent that any amount in respect of unpaid contributions or other liabilities that are owed by the Companies to the Salaried Plans is not ordered to be paid under paragraph 1, an Order requiring the Monitor to pay an amount sufficient to meet such unpaid liabilities into segregated trust accounts controlled by the Monitor pending the determination of the quantum, status and priority of such claims, as may be determined in these proceedings or hereafter;

3. in the alternative, an Order declaring that the funds held in trust by the Monitor are held by it in trust for the beneficiaries of the Salaried Plans;

4. an Order declaring that funds under the control of the Monitor are subject to a lien and charge in favour of the administrators of the Salaried Plans and that the lien and charge ranks in priority to all secured claims against the Companies but behind the Charges as set out in the Initial Order and that such amounts shall be paid into the Salaried Plans before any further distributions are made to any other creditors;

5. if necessary, an Order declaring that all claims of the Superintendent as the administrator of the Pension Benefits Guarantee Fund ("PBGF") are valid claims against the Applicants;

6. in the still further alternative, an Order declaring that nothing in the Initial Order or the Order of this Honourable Court dated November 28, 2003 (the "Pension Funding Stay Order") prejudices, impairs or determines, in any manner, the rights of the beneficiaries of the Salaried Plans, the Ivaco Pension Committee, any administrator of any of the Salaried Plans or the Superintendent in its own capacity as subrogee of the rights of the administrators of the Salaried Plans or in its capacity as the administrator of the PBGF, in respect of their rights and interests regarding the enforcement of the statutory liens, charges or deemed trusts created under the *Pension Benefits Act*, R.S.O. 1990, c. P. 8, as may currently exist, regardless of whether the enforcement of such liens, charges or deemed trusts occurs prior to or following the bankruptcy of any of the Companies and, further, an Order amending the Initial Order or Pension Funding Stay Order as is necessary to reflect the foregoing;

7. an Order prohibiting any of the Companies and the Monitor from assigning any of the Companies into bankruptcy, and prohibiting any creditor from commencing or continuing a petition to place any of the Companies into bankruptcy, until the payment or segregation of funds requested above are made;

8. if necessary, an Order lifting the stay of proceedings to allow any of the foregoing orders to be made; and

9. such further and other relief as this Honourable Court may deem just.

was heard June 13 to 15, 2005, at Toronto, the making of this order having been reserved to this day.

ON READING the affidavit of Lynda Ellis, sworn April 13, 2005 and the exhibits thereto, the affidavit of Kem Majid, sworn April 13, 2005 and the exhibits thereto, the Affidavit of Marcel Rivest sworn April 13, 2005 and the exhibits thereto,the Third Report of the Monitor dated October 9, 2003, the Supplement to the Fifth Report of the Monitor dated November 27, 2003, the Supplement to the Ninth Report of the Monitor dated May 10, 2004, the Fifteenth Report of the Monitor dated August 9, 2004, the Twenty-First Report of the Monitor dated December 14, 2004, the Twenty-Third Report of the Monitor dated March 18, 2005, the affidavit of Louis Latendresse, sworn March 18, 2005 and the exhibits thereto, the Twenty-Fifth Report of the Monitor dated May 2, 2005, the Twenty-Sixth Report of the Monitor dated May 31, 2005, the Motion Record of The Bank of Nova Scotia, the Motion Record of National Bank of Canada, the Compendium and Supplemental Compendium filed by National Bank of Canada and on hearing the submissions of counsel for Ernst & Young Inc. in its capacity as Monitor, the Superintendent of Financial Services, the Ontario agent for the Quebec Pension Committee of Ivaco Inc., QIT-Fer Et Titane Inc., National Bank of Canada, The Bank of Nova Scotia, the Informal Committee of Noteholders, and Pension Benefit Guaranty Corporation,

1. THIS COURT ORDERS that this motion is hereby dismissed.

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LE / DANS LE REGISTRE NO.:

AUG 2 5 2005

PER/PAR:

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(COMMERCIAL LIST)

Proceeding commenced at Toronto

ORDER

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