Court File No. 03-CL-5145

ONTARIO
SUPERIOR COURT OF JUSTICE
Commercial List

THE HONOURABLE	)	THURSDAY, THE 11th DAY
	)	
MR. JUSTICE FARLEY	)	OF DECEMBER, 2003

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 Applicants was heard this day, at 393 University Avenue, Toronto, Ontario.

ON READING the Fifth Report of the Monitor, the Supplement to the Fifth Report of the Monitor and the Affidavits of Randall C. Benson dated November 14, and November 20, 2003, filed, and on hearing the submissions of counsel to the Applicants, the Monitor and others, and on being advised that the Service List was served with the Notice of Motion herein:

1. THIS COURT ORDERS that the time for service of the Notice of Motion and Motion Record herein be and it is hereby abridged and that the motion is properly returnable today and further that service thereof upon any interested party other than the persons served with the Notice of Motion and Motion Record is hereby dispensed with.

2. THIS COURT ORDERS that the Applicants and Partnerships, with the assistance of UBS and in consultation with the Monitor be and are hereby authorized to carry out the dual-track restructuring process as described in Schedule "B" hereto (the "Process") and are hereby authorized to fix February 6, 2004 (the "Offer Date") as the date by which interested third parties are to submit Proposals (as defined in the Process).

3. THIS COURT ORDERS that nothing in this Order shall require the Applicants or Partnerships to accept any Proposal.

Registrar

ENTERED AT / INSCRIT À TORONTO
ON/BOOK NO:
LE/DANS LE REGISTRE NO:
DEC 16 2003

PER/PAR:

SCHEDULE "A"

Applicants Filing for CCAA

1. Ivaco Inc.
2. Ivaco Rolling Mills Inc.
3. Ifastgroupe Inc.
4. IFC (Fasteners) Inc.
5. Ifastgroupe Realty Inc.
6. Docap (1985) Corporation
7. Florida Sub One Holdings, Inc.
8. 3632610 Canada Inc.

SCHEDULE "B"

Ivaco Inc. ("Ivaco"), Ivaco Rolling Mills Limited Partnership ("Ivaco Rolling Mills"), and Ifastgroupe and Company, Limited Partnership ("Ifastgroupe") (collectively, Ivaco, Ivaco Rolling Mills and Ifastgroupe are sometimes referred to as the "Applicants") are each in the process of pursuing a dual-track, parallel path approach to their respective restructurings.

1. Stand-Alone Restructuring Analysis and Process

One track involves a process to determine the most appropriate way to restructure Ivaco Rolling Mills, Ifastgroupe and Ivaco for the benefit of their respective stakeholders assuming that there are inadequate or no prospects for a sale of all or some of the Applicants' principal assets including Ivaco Rolling Mills, Ifastgroupe, and the Sivaco divisions of Ivaco Inc. ("Sivaco"). Under this assumption, the Applicants will evaluate restructuring alternatives assuming each of or some of Ivaco Rolling Mills, Ifastgroupe, and Sivaco continue to operate as a going concern. This track will review restructuring these entities individually as well as possible alternatives in which some or all of these entities may be restructured on a combined basis. Any scenario involving the restructuring of any one or more of Ivaco Rolling Mills, Ifastgroupe and Ivaco is herein described as a "Stand-Alone Restructuring".

The Stand-Alone Restructuring Analysis and Process will allow for a thorough review of potential restructuring alternatives. Based on this review, each Applicant will produce a recommendation regarding its restructuring, giving fair and equal consideration to both separate Stand-Alone Restructurings and the advisability of restructuring around the stand-alone combination of the businesses of some or all of those entities and/or their assets. Such a thorough review will be conducted during an initial review period which will culminate with a report to the Court to be filed by the Applicants no later than January 30, 2004 (the "Initial Review Period")

The review of potential restructuring alternatives and the recommendation regarding any Stand-Alone or combined restructuring will be based on the Applicants' long-term business plans (which will incorporate the results of certain initiatives identified by the Applicants). The long-term business plans shall be completed by December 15, 2003.

Each of the Applicants shall, with the assistance of UBS Securities LLC ("UBS") and in consultation with the Monitor, conduct the review and base a recommendation on certain criteria including, but not limited to:

- The estimated range of value, of the assets and business of the Applicant in a restructuring;
- The need for and ability to secure financing needed to consummate any restructuring ("Exit Financing");
- Borrowing capacity;
- Time required to consummate any restructuring;
- Regulatory or other approvals necessary to consummate any restructuring;
- Material restructuring closing conditions; and
- Any other information that an Applicant or UBS may feel could be important to the Applicant or its stakeholders in the Applicant's decision to recommend a restructuring.

Subject to what is set out in part 3 below, during the Initial Review Period, the Applicants, as they deem appropriate (assisted by UBS) shall, on an ongoing basis, share information, results of analyses and other information to the Applicants' creditors and their agents and their other stakeholders. The Applicants intend to give such persons sufficient information on an ongoing and timely basis to permit them to conduct their own review of each of Ivaco Rolling Mills, Ifastgroupe and Ivaco so that they can be in a position to evaluate any restructuring alternatives or recommendation regarding any Stand-Alone Restructuring that the Applicants may present. In addition, suggestions from major stakeholders will be elicited through a regular dialogue among such stakeholders, the Applicants and UBS.

Although the Applicants do not propose to initiate a formal claims process during the Initial Review Period, each of them, in consultation with the Monitor, will estimate the likely range of claims which are anticipated to be received in connection with any plan of arrangement which it may present. This information will be presented to the stakeholders at or prior to the meetings to be held in mid January, 2004 at which restructuring alternatives will be presented.

Further, during the Initial Review Period, the Applicants will make themselves available on a reasonable basis to formally meet with major stakeholders on an individual basis and will be prepared to, subject to what is set out in part 3 below, present to such stakeholders information related to the Stand-Alone Restructuring Analysis and Process described herein and to respond to reasonable questions and information requests on a timely basis. The suggested schedule/time table is as follows:

- December 16 and December 17 – Individual stakeholder meetings in Montreal. Each of the Applicants will present their long-term business plans (Long-term business-plan materials will be distributed to stakeholders in advance of the meetings to facilitate a more constructive dialogue); and
- Week of January 12, 2004 – Follow up stakeholder meetings in Montreal. Each of the Applicants will present restructuring alternatives and a recommendation regarding the process to be followed in connection therewith.

Further, during the Initial Review Period, the Applicants, with the assistance of UBS and in consultation with the Monitor, shall evaluate the potential liquidation of any of their respective assets and the potential impact such an event would have on the relevant Applicant, including potential recoveries to its creditors and the impact on its stakeholders in general.

At the end of the Initial Review Period, each Applicant shall file with the Court a report setting out the results of its analysis with regard to one or more Stand-Alone Restructurings and make recommendations and proposals with respect to future action in connection therewith. The Applicants shall file such a report on or before January 30, 2004 together with any supporting affidavits and other materials necessary for the Court to consider any motion by the Applicants with respect to an extension of the stay of proceedings. On or before February 3, 2004, the Monitor shall file with the Court a report commenting on the content of the report filed by the Applicants containing such information and recommendations as the Monitor deems appropriate.

The Applicants will take no steps or enter into any arrangements that might have the effect of irreversibly and adversely inhibiting the ability of any of Ivaco, IRM or Ifastgroupe to operate as stand-alone businesses in the future or of increasing the probability that a successful argument in favour of substantive consolidation could be made unless there is reasonable prior consultation with the creditors of those entities and an opportunity for such creditors to object thereto.

2. Sale Process

At the same time, as the Stand-Alone Restructuring and Process is taking place, the Applicants will explore strategic alternatives, including a possible sale of all or some of the Applicants' principal assets and/or businesses including Ivaco Rolling Mills, Ifastgroupe, and Sivaco, including in each case their respective subsidiaries (each a "Targeted Asset").

Accordingly, the Applicants have engaged and authorized UBS to seek proposals from potential acquirers or financiers (a "Potential Investor") for the sale of Targeted Assets. A sale of a Targeted Asset shall include, but not be limited to, (a) the sale, transfer or other disposition of all or a significant portion of the capital stock or assets of Ivaco Rolling Mills, Ifastgroupe, and/or Sivaco or (b) any merger, consolidation, reorganization or other business combination pursuant to which any one of or more of Ivaco Rolling Mills, Ifastgroupe and/or Sivaco and any Potential Investor and/or all or a significant portion of their respective businesses, product lines or divisions are combined.

The first step of the process has commenced and involves developing of a Confidential Information Memorandum for each of the Targeted Assets (each a "CIM"). Each CIM will outline the sale process to a Potential Investor, describe the applicable Targeted Asset, its long-term business plan (which will incorporate the results of certain initiatives identified by the Applicants) as well as other relevant information that a Potential Investor might find useful in a sale of Targeted Assets. The CIMs shall be completed by no later than January 9, 2004.

Concurrent with the development of the CIMs, the process will include the development of a list of Potential Investors for each of the Targeted Assets based on the market knowledge of UBS and the Applicants, suggestions from stakeholders and unsolicited expressions of interest received to date. Upon or immediately prior to the completion of the CIMs, UBS will formally approach Potential Investors. Potential Investors who wish to evaluate a potential acquisition of one or more of the Targeted Assets and who sign a confidentiality agreement will receive the applicable CIMs and will have the ability to conduct initial due diligence.

Following the initial round of the sale process described above, Potential Investors will be invited to submit preliminary indications of interest (each a "Proposal") for one or more of the Targeted Assets by February 6, 2004. Potential Investors will be asked to submit Proposals in writing and specify the following:

- A valuation (in Canadian dollars) attributed to the relevant Targeted Asset on an enterprise value basis, based on information reviewed by the party up to that time;
- A detailed description of the financial structure contemplated by the Proposal;
- Sources of financing;
- Evidence of Potential Investors' ability to complete the proposed transaction
- Additional information and due diligence requests;
- Any corporate, shareholder, government, regulatory or other approvals necessary before execution of a final agreement;
- A description of any material closing conditions; and

- Any other information that the Potential Investors believe could be important to the Applicant or its stakeholders in the Applicant's decision to select a party with whom to complete a transaction.

It is currently anticipated that each Applicant, assisted by UBS and in consultation with the Monitor, will oversee the preliminary evaluation of all Proposals for each Targeted Asset and the implementation of the procedures described herein. In connection with its consideration of Proposals for each Targeted Asset, each Applicant will consider such matters as deemed appropriate, including, without limitation, (1) the amount of consideration, (2) the timing of consummation of the proposed transaction, (3) the risk of non-consummation of Proposals, (4) the structure of Proposals, (5) degree of certainty with respect to proposed financing arrangements and the sources for such financing, and (6) competition law and other relevant legal considerations. Prior to any hearing to consider the extension of the current Stay Order, the Applicants and the Monitor shall report to Court and the Stakeholders on the results of the sale process and shall provide, among other things, factual information relating to the nature and terms of all offers received, including the Targeted Assets for which offers had been received.

If an Applicant determines that any Proposal is in the best interests of such Applicant and its creditors and other stakeholders, the Potential Investor who made such Proposal will be invited to participate in the second round of the sale process which will include access to management, plant tours and access to a data room which will be populated with detailed asset specific data. In making such determination, the Applicants will engage in a process of consultation with major stakeholders, subject to constraints which may arise as a result of conflicts of interest or confidentiality obligations. Further, the Applicants shall devote all resources necessary to negotiate a purchase agreement and consummate the proposed transaction as promptly as possible.

The fact that any step or process contemplated herein may extend beyond February 13, 2004 shall be without prejudice to the position of any party in connection with any motion to extend the stay of proceeding or this process beyond such date.

3. Provision of Information

As is referred to above, the Applicants intend to share with their creditors and certain other stakeholders certain information regarding results of analyses and other information that is generated from the dual-track restructuring process outlined above. The intention is that the stakeholders and/or their representatives shall be given sufficient information on an ongoing basis in a transparent and even-handed process to permit them to evaluate the current situation and prospects of the relevant Applicant, to understand and critically review the recommendations of the Applicants and/or UBS (including any plan or plans of arrangements proposed by the Applicants or others) and if desired, to be able to formulate a plan or plans of arrangement which those creditors may wish to propose. Similarly the stakeholders and/or their representatives are to be provided with information sufficient to allow them to independently assess Proposals arising under the sales process. At the same time, in order to preserve both the integrity and utility of the dual-track process, the Applicants need to ensure that the information that is to be provided to stakeholders, will not negatively impact the sale process referred to above or the integrity or value of their respective businesses. Therefore, the Applicants must maintain discretion as to what information will be provided and the conditions upon which the information will be provided. The dissemination of information may be limited in circumstances where stakeholders have conflicts of interest arising from existing or future business relations or because they are competitors of the Applicants. In this regard, the information that will be provided will be restricted to information normally provided in a sales process with the customary confidentiality conditions. Further, assuming that stakeholders agree that they will not be bidders in a sales process, it may become appropriate to provide further information to such stakeholders subject to customary confidentiality conditions.

4. Governance

The Stand-Alone Restructuring Analysis and Process and the sale process shall be carried out on behalf of each of the Applicants under the direction of the Chief Restructuring Officer ("CRO") in consultation with the Restructuring Committee of the Board of Directors (the "Restructuring Committee"). All recommendations, determinations and decisions on behalf of each of the Applicants in the course of the Stand-Alone Restructuring Analysis and Process and the sale process shall be made by the CRO in consultation with the Restructuring Committee.

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Commercial List

Proceeding Commenced at Toronto

ORDER

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