

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 Bank of Nova Scotia ("Scotiabank") for an order,
inter alia,

- (a) lifting the stay of proceedings against Ivaco Rolling Mills Limited Partnership ("IRM") imposed pursuant to the Amended and Restated Initial Order (the "Initial Order") in these proceedings for the purpose of permitting Scotiabank to serve, file and proceed with the petition for a receiving order against IRM (the "Petition");
- (b) transferring the proceedings respecting the Petition from Ottawa to the Commercial List in Toronto;
- (c) amending the Petition so as to substitute Ernst & Young Inc. ("E&Y") as the proposed trustee in bankruptcy;

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- (d) providing directions concerning the substituted service of the Petition and the hearing of the Petition;
- (e) empowering and directing the Monitor, on behalf of IRM and Ivaco Rolling Mills Inc. ("IRM Inc."), the general partner of IRM, to consent to the making of a receiving order;
- (f) making declarations in connection with various pension claims;
- (g) extending the stay termination date in respect of IRM and IRM Inc. and the appointment of E&Y as Monitor of IRM and IRM Inc. from June 15, 2005 until such time as a receiving order under the *Bankruptcy and Insolvency Act* ("BIA") has been made against IRM; and
- (h) for other incidental relief

was heard June 13-15, 2005 at Toronto, judgment having been reserved to this day.

ON READING the evidence set out in Schedule "B" hereto and on hearing the submissions of counsel for Scotiabank, National Bank of Canada, QIT-Fer Et Titane Inc., the Informal Committee of Noteholders, the Superintendent of Financial Services, the Ontario Agent for Counsel to the Pension Committee and Ernst & Young Inc. in its capacity as monitor (the "Monitor") and on being advised that the service list was served with the Notice of Motion herein;

SERVICE

1. **THIS COURT ORDERS** that the time for service of the notice of motion and the motion record is hereby abridged to the date of actual service, that this motion is properly returnable today and that service of the notice of motion and the motion record upon any interested person other than the persons served with the notice of motion is hereby dispensed with.

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BANKRUPTCY/LIFTING OF CCAA STAY PROCEEDINGS

2. **THIS COURT DECLARES** that the stay of proceedings against IRM imposed pursuant to the Initial Order is hereby lifted for the purpose of permitting Scotiabank to serve, file and proceed with the Petition which was issued with respect to IRM under Ottawa Court File No. 33-149319 dated October 3, 2004 (the "Petition");

3. **THIS COURT ORDERS** that the proceedings referred to in paragraph 2 hereof be transferred to the Ontario Superior Court of Justice (Commercial List) in Toronto.

4. **THIS COURT ORDERS** that paragraph 5 of the Petition be and the same is hereby amended to as to substitute E&Y as the proposed trustee in bankruptcy;

5. **THIS COURT ORDERS** that substituted service of the Petition, the affidavit referred to in Section 43(3) of the BIA and a notice (the "Notice") indicating the time and place of hearing of the Petition (collectively the "Petition Materials") upon E&Y in its capacity as Monitor of IRM and IRM Inc. shall be good and sufficient service of the Petition Materials upon the debtor in accordance with Section 71 of the General Rules under the BIA.

CCAA STAY OF PROCEEDINGS

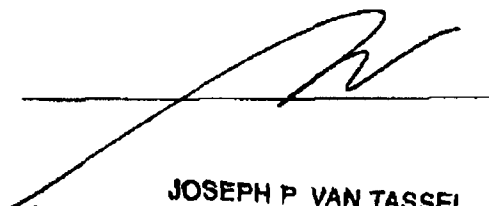
6. **THIS COURT ORDERS** that the stay termination date in respect of IRM is hereby extended until such time as the bankruptcy of IRM has been effected, at which time it shall automatically and without further order of this court expire.

OTHER

7. **THIS COURT ORDERS** that the relief sought in paragraphs g, h and i of the notice of motion may be dealt with in the context of the bankruptcy proceedings of IRM, but otherwise no order is made in respect of such paragraphs.

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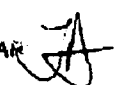
8. **THIS COURT ORDERS** that notwithstanding anything in this Order, no action or step is to be taken with respect to the orders made herein dealing with the bankruptcy of IRM for at least 60 days from July 18, 2005.



JOSEPH P VAN TASSEL
REGISTRAR

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

SEP 13 2005

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"

1. The Affidavit of Louis Latendresse sworn March 18, 2005 and the exhibits thereto;
2. The Compendium of National Bank of Canada Volumes I & II – Ivaco Inc. Security Documents and Docap (1985) Corporation Security Documents;
3. The Supplemental Compendium of National Bank of Canada;
4. The Affidavit of Lynda Ellis sworn April 13, 2005 and the exhibits thereto;
5. The Affidavit of Kem Majid sworn April 13, 2005 and the exhibits thereto;
6. The Third Report of the Monitor dated October 9, 2003;
7. The Supplement to the Fifth Report of the Monitor dated November 27, 2003;
8. The Supplement to the Ninth Report of the Monitor dated May 10, 2004;
9. The Fifteenth Report of the Monitor dated August 9, 2004;
10. The Twenty-First Report of the Monitor dated December 14, 2004;
11. The Twenty-Third Report of the Monitor dated March 18, 2005;
12. The Affidavit of Marcel Rivest sworn April 13, 2005 and the exhibits thereto;
13. The Twenty-Fifth Report of the Monitor dated May 2, 2005;
14. The Twenty-Sixth Report of the Monitor dated May 31, 2005; and
15. The Motion Record of Bank of Nova Scotia.

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"

Court File No: 03-CL-5145

ONTARIO
SUPERIOR COURT OF JUSTICE
Commercial List

Proceeding commenced at Toronto

ORDER

MD

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