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EASTERN DISTRICT OF MICHIGAN
BY: [illegible]
Deputy Clerk
DATE: SEP 29 2003

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MICHIGAN

In re:	:	11 U.S.C. § 304
IFC (Fasteners), Inc. ~~Ivaco Inc.~~ et al.,	:	Case No. 03-65608 (Jointly Administered)
Debtors in Foreign Proceeding.	:	Honorable Steven W. Rhodes

ORDER GRANTING PRELIMINARY INJUNCTION AND RELATED RELIEF PURSUANT TO SECTION 304 OF THE BANKRUPTCY CODE

Upon the Petitions Pursuant to 11 U.S.C. § 304 to Commence a Case Ancillary to a Foreign Proceeding and the Motion Pursuant to Section 304 of the Bankruptcy Code and Rule 7065 of the Bankruptcy Rules for a Temporary Restraining Order and a Preliminary and Permanent Injunction (the "Motion") of Ernst & Young, Inc. (the "Petitioner"), the foreign representative of Ivaco Inc., IFC (Fasteners) Inc. and Ivaco Rolling Mills Limited Partnership ("IRM"),[1] for entry of an order enjoining, among other things, the commencement or continuation of any action or proceeding, or the taking of any act against the property of the Companies held in the United States or property involved in the Companies' filing under the Companies' Creditors Arrangement Act, R.S.C. 1985, c. C-36, in the Ontario Superior Court of Justice in Toronto, Canada (the "Foreign Proceeding");

1 The petitioners in these section 304 proceedings are Ivaco, IFC, and IRM. The applicants under the Foreign Proceeding are Ivaco, Ivaco Rolling Mills Inc., Ifastgroupe Inc., IFC, Ifastgroupe Realty Inc., Docap (1985) Corporation, Florida Sub One Holdings, Inc. ("FSOH"), and 3632610 Canada Inc. Although IRM and Ifastgroupe and Company, Limited Partnership are not applicants under the Foreign Proceeding, they are included in, and will receive all of the protections of, the Order (defined below). As used herein, the "Companies" shall mean Ivaco, IFC, IRM, and all of the aforementioned companies.

And upon the Declaration of Brent Beckenkamp of Ernst & Young Inc. in support of the Petition and the Motion;

And upon the Declaration of Peter F.C. Howard of Stikeman Elliott LLP in support of the Petition and the Motion;

And upon the testimony of Brian M. Denega of Ernst & Young Inc. in support of the Petition and the Motion;

And notice of the Motion having been given to all necessary parties;

And having considered the Order dated September 16, 2003 entered by the Superior Court of Justice in the Foreign Proceeding (the "CCAA Order");

And the Court having entered an order dated September 17, 2003, granting a temporary restraining order granting the relief requested in the Motion on a temporary basis;

And a hearing of the Motion having been held on September 29, 2003, to consider the entry of a preliminary injunction;

And the Court having made findings of fact and conclusions of law as more fully set forth on the record at the hearing and incorporated herein by reference;

And all objections to the entry of a preliminary injunction and all motions to vacate the temporary restraining order having been withdrawn;

And the Court having jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334;

And good and sufficient cause appearing therefore, the Court finds as follows:

1. The Companies are subject to a foreign proceeding in Canada as defined in section 101(23) of the Bankruptcy Code.

2. Petitioner is the foreign representative of the Companies in connection with the Foreign Proceeding.

3. Without the requested relief, the Companies' estates will be irreparably harmed.

4. Injunctive relief should be granted to allow the Companies to achieve a successful reorganization, ensure the orderly administration of the estates in the Foreign Proceeding, and to prevent certain creditors from obtaining a preference to the detriment of other creditors.

5. Any hardship caused to individual creditors by the requested relief is substantially outweighed by the benefits to all creditors of the Companies.

6. Granting the injunctive relief requested will best assure the economical and expeditious administration of the Companies' estates in the Foreign Proceeding, consistent with the factors set forth in section 304 of the Bankruptcy Code.

7. The Companies have determined that it is critical to obtain post-petition financing to fund their ongoing operations, implement and complete their restructuring efforts and preserve the going concern values of their businesses for the benefit of their estates and creditors. The Companies have been unable to obtain alternative sources of cash or credit, either in the form of unsecured or secured credit on terms and conditions more favorable to their estates than those set forth in the DIP Term Sheets and the Definitive Documents (each as defined in the CCAA Order).

8. General Electric Finance Inc. ("GE Canada") and any additional lender from time to time party to such financings are willing to provide separate credit facilities to IRM and to Ifastgroup and Company, Limited Partnership ("Ifastgroupe"). Ifastgroupe and IRM will, in turn,

provide financing to Ivaco during the Foreign Proceeding (the "DIP Financing").[2] Pursuant to the CCAA Order, the Canadian Court approved the terms of the DIP Financing, including the Companies' execution and delivery of the DIP Term Sheets and the Definitive Documents, and the consummation of the transactions contemplated thereby. In the CCAA Order, the Canadian Court further requested that the appropriate court(s) in the United States confirm, recognize and effectuate the terms and provisions of the CCAA Order.

9. The Agent and Lenders have acted in good faith in agreeing to extend the DIP Financing to the Companies in accordance with the CCAA Order. Any credit extended and loans made to the Companies by any or all of the Agent and Lenders pursuant to the CCAA Order, this Order, the DIP Term Sheets and/or the Definitive Documents shall be deemed to have been extended in good faith, as that term is used in Section 364(e) of the Bankruptcy Code.

IT IS THEREFORE:

ORDERED, that the CCAA Order entered on September 16, 2003, by the Ontario Superior Court of Justice shall be and hereby is confirmed, recognized and effective and shall have the same force and effect as if such CCAA Order were entered by this Court and all other orders of the Ontario Superior Court of Justice in Canada with respect to the Companies' interests and affairs shall be granted comity and enforced, and without limiting the foregoing, all of the liens, security interests and charges granted to the Agent (for itself and the Lenders) and to the Lenders on all of the Companies' respective real and personal property (the "DIP Collateral") pursuant to the provisions of the CCAA Order, the DIP Term Sheets and the Definitive

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2 GE Canada and any additional lenders party to the DIP Financing, including Ifastgroupe and IRM (in their capacity as Lenders) are collectively referred to as the "Lenders." GE Canada, as agent for the Lenders lending to IRM and Ifastgroupe, is referred to herein as the Agent.

Documents are hereby confirmed and recognized, and shall have the priority specified in the CCAA Order.

ORDERED, that all persons and entities (other than the Companies and the Petitioner, and to the extent permitted by the CCAA Order and the Definitive Documents, the Agent and Lenders) are hereby enjoined and restrained

i. from commencing or continuing any Proceeding[3] in connection with any claim against the Companies;

ii. from taking any action against any property of the Companies or property involved in the Foreign Proceeding, including the commencement or continuation of any Proceeding or act (a) to foreclose upon, seize or otherwise obtain possession of or exercise control over such property, (b) to create, perfect or enforce any lien, setoff, judgment, attachment, garnishment, restraint, assessment or order, or collect, assess or recover any claim against such property or (c) to interfere with the Companies' exercise of control over their property;

iii. from enforcing any judgment, assessment, order or award obtained against the Companies in any Proceeding;

iv. from commencing or continuing any Proceeding against the Companies' officers or directors or the Companies, and from seeking discovery of any nature against such parties, where such action, Proceeding, or discovery would interfere in any way with the Foreign Proceeding;

v. other than with the consent of Petitioner, from transferring, relinquishing or disposing of any property of the Companies or property involved in the Foreign Proceeding, or the proceeds of such property, except to Petitioner or to such persons or entities as Petitioner directs.

ORDERED, that all persons and entities are directed to turnover to Petitioner, or to such persons or entities as the Petitioner directs, for administration in the Foreign Proceeding, such property of the Companies in the United States as is subsequently identified by the Petitioner as property of the Companies' estates, or the proceeds of such property.

3 For purposes hereof, "Proceeding" shall include any arbitration or any judicial, quasi-judicial, administrative or regulatory action or process.

ORDERED, that the Petitioner is hereby established as the exclusive representative of the Companies in the United States for the purposes of performing its duties and exercising its powers with respect to the Companies' interests and affairs in the United States.

ORDERED, that every creditor that has a claim of any nature or source against the Companies and that is a party to any action or Proceeding in which any of the Companies is or was named as a party, or as a result of which a liability of the Companies may be established, is required to place the Companies' United States counsel Pepper Hamilton LLP, 100 Renaissance Center, 36th Floor, Detroit, MI 48243 (Attn: Lisa Gretchko, Esq.) and Fried, Frank, Harris, Shriver & Jacobson, One New York Plaza, New York, NY 10004 (Attn: Janice Mac Avoy, Esq. and Gary Kaplan, Esq.) on the service list for any such action or Proceeding and to take such other steps as may be necessary to ensure that such counsel receives copies of any and all correspondence or other documents circulated to parties named in the service list, including, without limitation, documents served by the parties to such action or Proceeding or issued by the court, arbitrator, administrator, regulator or similar official having jurisdiction over such action or Proceeding.

ORDERED, that all security interests on or liens in the DIP Collateral granted to Agent, for the benefit of itself and Lenders, by this Order, the CCAA Order, the DIP Term Sheets and/or the Definitive Documents shall be, and they hereby are, deemed duly perfected and recorded under all applicable federal or state or other laws as of the date hereof, and no notice, filing, mortgage recordation, possession, further order, landlord or warehousemen lien waivers or other act, shall be required to effect such perfection; provided, however, that notwithstanding the injunctive provisions of this Order, (i) Agent may, at its sole option, file or record or cause any of the Companies to execute, file or record, such UCC financing statements, notices of liens and security interests, mortgages and other similar documents or obtain landlord or warehousemen lien waivers or other third party consents as Agent may require, and (ii) Agent may require any of the Companies to deliver to Agent any chattel paper, instruments or securities evidencing or constituting any DIP Collateral, and the Companies are directed to cooperate and comply therewith. If Agent on behalf of itself and Lenders shall elect for any reason to cause to be obtained any such landlord or warehousemen lien waivers or other third party consents or cause to be filed or recorded any such notices, financing statements, mortgages or other documents with respect to such security interests and liens, or if Agent shall elect to take possession of any DIP Collateral, all such landlord or warehousemen lien waivers or other third party consents, financing statements or similar documents or taking possession shall be deemed to have been filed or recorded or taken in this ancillary proceeding as of the commencement of these proceedings but with the priorities as set forth herein. Agent may (in its discretion) but shall not be required to file a certified copy of this Order in any filing or recording office in any county or other jurisdiction in which any of the Companies has real or personal property and such filing or recording shall be accepted and shall constitute further evidence of perfection of the interests of Agent, for the benefit of itself and Lenders, in the DIP Collateral.

ORDERED, that the Agent and Lenders shall be entitled to exercise, enjoy and enforce any and all rights, benefits, privileges, powers and remedies (including, without limitation, all default-related rights and remedies) available under any or all of the CCCAA Order, this Order, the DIP Term Sheets, the Definitive Documents without further notice, or motion or application to, or hearing before, or order from the Court, and nothing in this Order (including, without limitation, the injunctive provisions contained herein), the Bankruptcy Code (including without limitation Section 105 of the Bankruptcy Code) or applicable law shall be utilized to prohibit, restrict or otherwise interfere with, and none of the Companies shall seek to prohibit, restrict or otherwise interfere with, Agent's or any Lender's exercise, enjoyment and enforcement of any of such rights, benefits, privileges, powers and remedies regardless of any change in circumstances (whether or not foreseeable).

ORDERED, that if these proceedings are dismissed or converted into a bankruptcy case under chapter 7 or 11 of the Bankruptcy Code or if any bankruptcy case under chapter 7 or 11 of the Bankruptcy Code of which any Company is the subject (any such subsequent or superceding bankruptcy case, a "Subsequent Case") is commenced, and notwithstanding any such dismissal, conversion or commencement, all of the terms and conditions of this Order, including, without limitation, the liens, security interests, priorities, benefits, protections, rights and remedies granted to Agent and Lenders under this Order, the CCAA Order, the DIP Term Sheets and the Definitive Documents shall be and remain in full force and effect as if these proceedings had not been dismissed or converted or any Subsequent Case had not been commenced.

ORDERED, that having been found to be making loans and other financial accommodations to the Companies in good faith, Agent and Lenders shall be entitled to the full protection of Section 364(e) of the Bankruptcy Code with respect to all of the indebtedness, liabilities and obligations of each of the Companies to any or all of the Agent and Lenders under the CCAA Order, the DIP Term Sheets and the Definitive Documents (collectively, the "DIP Indebtedness") and the security interests, liens and priorities created or authorized by this Order in the event that this Order or any authorization contained herein is stayed, vacated, reversed or modified on appeal. Each of the terms and conditions set forth in this Order constitutes a part of the authorization under Section 364, and is therefore, subject to the protections contained in Section 364(e) of the Bankruptcy Code. Any stay, modification, reversal or vacatur of this Order shall not affect the validity of any DIP Indebtedness outstanding immediately prior to the effective time of such stay, modification or vacatur, or the validity or enforceability of any security interest, lien, priority, right, privilege, protection or benefit authorized hereby with respect to any such DIP Indebtedness.

ORDERED, that notwithstanding anything to the contrary contained herein, nothing herein or in any other relief obtained by the Companies in this proceeding shall (i) limit the rights of the Pension Benefit Guaranty Corporation (the "PBGC") to institute administrative or judicial proceedings to terminate the Companies' pension plans in accordance with Title IV of the Employee Retirement Income Security Act of 1974 as amended 29 U.S.C. s 1301 et seq. ("ERISA"); (ii) require turnover of, or limit the PBGC's rights with respect to, the sums held in the Cash Collateral Account as defined in that certain Amended and Restated Consent Agreement dated as of December 17, 1999, and that certain Cash Collateral Agreement dated August 23, 1999, as amended on December 17, 1999, among Ivaco, Atlantic Steel Industries, Inc., Florida Sub One, Inc., Ivacan Industries Inc., and the PBGC (the "Cash Collateral Account"); or (iii) grant or seek to grant, any liens to the DIP Lenders in such Cash Collateral Account; provided, however, that in no event shall the PBGC seek to enforce or perfect any lien on any assets of any of the Companies other than the Cash Collateral Account.

ORDERED, that nothing contained herein shall affect the rights and claims of the United States, which has asserted that its sovereign immunity has not been waived in this Section 304 ancillary case. The temporary restraining order entered in this matter is dissolved as to the United States as if it had never been entered.

ORDERED, the security provision of Rule 65(c) of the Federal Rules of Civil Procedure made applicable to this case by Bankruptcy Rule 7065 is hereby waived.

ORDERED, that all parties shall show cause before the Honorable Rhodes United States Bankruptcy Judge, at the United States Bankruptcy Court, 2111 West Fort Street, Detroit, Michigan 48226, Room 1825 on the 27th day of October, 2003, at [2:00], or as soon thereafter as counsel can be heard (the "Permanent Injunction Hearing"), why a permanent injunction (the "Permanent Injunction") granting the 304 Relief shall not be entered.

ORDERED, that objections, if any, to the Petitioner's request for the Permanent Injunction shall be filed with the Court and served on Pepper Hamilton LLP, 100 Renaissance Center, 36th Floor, Detroit, MI 48243 (Attn: Lisa Gretchko, Esq.), and Fried, Frank, Harris, Shriver & Jacobson, One New York Plaza, New York, NY 10004 (Attn: Janice Mac Avoy, Esq. and Gary Kaplan, Esq.), so as to be received no later than three (3) business days prior to the Permanent Injunction Hearing.

ORDERED, that this Order Granting Preliminary Injunction shall be served by U.S. mail, overnight courier, or hand delivery on or before October 3, 2003 upon all creditors of the Companies located in the United States of which they are aware. This Order supercedes Local Bankruptcy Rule 9014-1 and service pursuant to this paragraph shall be good and sufficient service and adequate notice.

Dated: Detroit, Michigan
September SEP 29 2003

UNITED STATES BANKRUPTCY JUDGE

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UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MICHIGAN

In re:		**11 U.S.C. § 304**
	:	
IFC (Fasteners) Inc. et al.,	:	**Case No. 03-65608-R (Jointly Administered)**
Debtors in Foreign Proceeding.	:	**Honorable Steven Rhodes**

STIPULATION AND ORDER WITHDRAWING EMERGENCY MOTION TO VACATE TEMPORARY RESTRAINING ORDER AND OBJECTION TO INJUNCTIVE RELIEF

WHEREAS, on September 16, 2003, Ivaco Inc. ("Ivaco"), IFC (Fasteners) Inc. ("IFC"), Ivaco Rolling Mills Limited Partnership ("IRM," and collectively with Ivaco and IFC, the "Foreign Debtors") and several other subsidiaries of Ivaco filed for protection under the Companies' Creditors Arrangement Act, R.S.C. 1985, c. C-36 (the "CCAA"), in the Ontario Superior Court of Justice (the "Canadian Court") in Toronto, Canada (the "CCAA Case"), whereby the Canadian Court entered an order (the "Canadian Order") implementing a stay, which, among other things, prohibits creditors from taking actions against, among others, the Foreign Debtors or their assets, or from pursuing claims against the Foreign Debtors outside of the CCAA proceeding;

WHEREAS, on September 17, 2003 (the "Filing Date"), Ernst & Young Inc. (the "Petitioner"), the foreign representative of the Foreign Debtors, and as monitor in the CCAA Case, filed petitions for Ivaco, IFC, and IRM pursuant to section 304 of title 11 of the United States Code and Rule 7065 of the Federal Rules of Bankruptcy Procedure (the "304 Proceedings"). By order of this Court dated as of the Filing Date, the Foreign Debtors' 304 Proceedings are being jointly administered;

3. Pursuant to 11 U.S.C. § 361, GMS is hereby granted a lien on all goods that it receives from IRM as replacement security for the amounts owed by IRM to GMS that relate to the period prior to the commencement of IRM's CCAA Case (which GMS believes to be approximately $47,000) (the "Prepetition Amounts"). During these section 304 proceedings, GMS will continue to obtain lien rights and IRM will recognize and consent to such lien rights on future inventory for future charges in accordance with the terms of GMS's warehouse receipts and the UCC.

4. GMS hereby withdraws the Motion to Vacate and the documents filed in support thereof with prejudice and will not object to the relief being sought in the 304 Proceeding. The Foreign Debtors hereby release any claims they may have against GMS related to any failure to comply with the TRO through the date of this Stipulation.

5. This Stipulation contains the entire agreement of the parties hereto, and supersedes all prior and contemporaneous discussions, negotiations, understandings, and agreements, whether oral or written, expressed or implied, between and among the parties hereto regarding the terms of this Stipulation.

6. This Stipulation may be executed in any number of counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

7. The Bankruptcy Court shall retain jurisdiction to hear any matters or disputes arising from or relating to this Stipulation.

IN WITNESS HEREOF, the parties hereto duly executed and delivered this Stipulation as of the date first written above.

Dated: Detroit, Michigan
September ___, 2003

PEPPER HAMILTON LLP

By: Lisa Sommers Gretchko
LISA SOMMERS GRETCHKO (P29881)
100 Renaissance Center, 36th Floor
Detroit, MI 48243
(313) 393-7307 (telephone)
(313) 259-7926 (facsimile)

Attorneys for the Petitioner and the Companies

-and-

Janice Mac Avoy
Gary Kaplan
Fried, Frank, Harris, Shriver & Jacobson
(A Partnership Including
Professional Corporations)
One New York Plaza
New York, NY 10004
(212) 859-8000 (telephone)
(212) 859-4000 (facsimile)

Attorneys for the Companies

HONIGMAN MILLER SCHWARTZ AND COHN LLP
Attorneys for Global Materials Services LLC

By: Andrew Gerdes by USG by consent
Judy B. Calton (P38733)
Andrew J. Gerdes (P47593)
2290 First National Building
Detroit, Michigan 48226
Telephone: (313) 465-7344
Facsimile: (313) 465-7345
E-mail: jcalton@honigman.com
E-mail: agerdes@honigman.com

-and-

ARMSTRONG ALLEN, PLLC
Henry C. Shelton, III
Attorneys for Global Materials Services LLC
80 Monroe Avenue, Suite 700
Memphis, Tennessee 38103-2467
Telephone: (901) 524-4941
Facsimile: (901) 522-0250
Email: hshelton@armstrongallen.com

SO ORDERED

this __ day of September, 2003

UNITED STATES BANKRUPTCY JUDGE

A TRUE COPY
CLERK, U.S. BANKRUPTCY COURT
EASTERN DISTRICT OF MICHIGAN
BY: Steinke
Deputy Clerk
DATE: SEP 29 2003

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IN WITNESS HEREOF, the parties hereto duly executed and delivered this Stipulation as of the date first written above.

Dated. Detroit, Michigan
September ___, 2003

PEPPER HAMILTON LLP

By:_______________________________
LISA SOMMERS GRETCHKO (P29881)
100 Renaissance Center, 36th Floor
Detroit, MI 48243
(313) 393-7307 (telephone)
(313) 259-7926 (facsimile)

Attorneys for the Petitioner and the Companies

-and-

Janice Mac Avoy
Gary Kaplan
Fried, Frank, Harris, Shriver & Jacobson
(A Partnership Including
Professional Corporations)
One New York Plaza
New York, NY 10004
(212) 859-8000 (telephone)
(212) 859-4000 (facsimile)

Attorneys for the Companies

HONIGMAN MILLER SCHWARTZ AND COHN LLP
Attorneys for Global Materials Services LLC

By: Andrew Gerdes
Judy B. Calton (P38733)
Andrew J. Gerdes (P47593)
2290 First National Building
Detroit, Michigan 48226
Telephone: (313) 465-7344
Facsimile: (313) 465-7345
E-mail: jcalton@honigman.com
E-mail: agerdes@honigman.com

-and-

ARMSTRONG ALLEN, PLLC
Henry C. Shelton, III
Attorneys for Global Materials Services LLC
80 Monroe Avenue, Suite 700
Memphis, Tennessee 38103-2467
Telephone: (901) 524-4941
Facsimile: (901) 522-0250
Email: hshelton@armstrongallen.com

SO ORDERED

this __ day of September, 2003

____
UNITED STATES BANKRUPTCY JUDGE

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TOTAL P.05