

THE HONOURABLE
MR. JUSTICE NEWBOULD

Court File No. CV-09-8120-00CL

TUESDAY, the 8th
DAY of February, 2011

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

BETWEEN:

ROYAL BANK OF CANADA

Applicant



-and-

F-K-P TOOL MANUFACTURING LIMITED and 1263577 ONTARIO LTD.

Respondent

DISCHARGE ORDER

THIS MOTION, made by PRICEWATERHOUSECOOPERS INC. in its capacity as the Court-appointed Interim Receiver (herein the "Interim Receiver") of the undertaking, property and assets of F-K-P TOOL MANUFACTURING LIMITED ("FKP") and 1263577 ONTARIO LTD. ("1263577"), collectively the "Companies", for an order:

- (a) approving the Interim Receiver's activities for the period October 1, 2010 to December 30, 2010 as set forth in the Fifth Report to the Court dated January 21, 2011 (herein the "Fifth Report"). All terms herein bear the ascribed meanings in the Fifth Report;

- (b) approving the Interim Receiver's Statement of Receipts and Disbursements for the receivership proceedings filed with the Fifth Report;
- (c) approving payment of the Inter-Company Debt payable by 1263577 to FKP;
- (d) authorizing the Interim Receiver to file an assignment in bankruptcy on behalf of FKP;
- (e) authorizing the Interim Receiver to publish the Notice in the Oakville Beaver and administer the Call For Claims;
- (f) approving the Interim Receiver's fees and disbursements and those of its legal counsel for the Period, as detailed in the Affidavits of Tracey Weaver and Heather Picken (the "Fee Affidavits"), inclusive of an accrual for the fees and disbursements of the Interim Receiver and those of its legal counsel in connection with the completion of the receivership proceedings up to the date of the Receiver's discharge;
- (g) approving distribution by the Interim Receiver of the 1263577 Proceeds to 1263577 after payment of the Inter-Company Debt, the Proven Claims and 1263577's share of the Outstanding Disbursements;
- (h) approving distribution by the Interim Receiver of the FKP Proceeds to the Trustee in Bankruptcy of FKP;
- (i) authorizing and directing the Interim Receiver to destroy the FKP Records in its possession that the Trustee is not required to maintain pursuant to the provisions of the *Bankruptcy and Insolvency Act* or in the alternative, authorizing and directing the Interim

Receiver to deliver the FKP Records to the Directors of FKP (at the Directors' expense) if the Directors request such delivery within thirty days of the date of the order;

(j) authorizing and directing the Interim Receiver to destroy the 1263577 Records in its possession or in the alternative, authorizing and directing the Interim Receiver to deliver the 1263577 Records to the Directors of 1263577 (at the Directors' expenses) if the Directors request such delivery within thirty days of the date of the order, if granted; and.

(k) discharging the Interim Receiver from its duties, responsibilities and obligations and as Interim Receiver of the undertaking, property and assets of the Companies and releasing the Receiver from (i) any and all further obligations as the Interim Receiver of the Companies; and (ii) any and all liability in respect of any act done by the Interim Receiver in respect of the Property and its conduct as the Interim Receiver and as further set out herein, pursuant to its appointment in accordance with the Appointment Order or otherwise, subject to the Interim Receiver paying the Inter-Company Debt, any Proven Claims and the Outstanding Disbursements and distributing the 1263577 Proceeds to 1263577 and the FKP Proceeds to the Trustee, effective upon the Interim Receiver filing a Discharge Certificate to that effect with this Honourable Court.

ON READING the Fifth Report, the Fee Affidavits and on hearing the submissions of counsel for the Interim Receiver, and from the Receiver, no one else appearing although served as evidenced by the Affidavit of Joanne Miller sworn, filed;

1. THIS COURT ORDERS that the activities of the Interim Receiver, as set out in the Fifth Report, are hereby approved.

2. THIS COURT ORDERS that the fees and disbursements of the Interim Receiver and its counsel, as set out in the Fifth Report and the Fee Affidavits, inclusive of the recommended accrual for the fees and disbursements of the Interim Receiver and those of its legal counsel in connection with the completion of the receivership proceedings up to the date of the Interim Receiver's discharge, are hereby approved.

3. THIS COURT ORDERS that the Interim Receiver's Statement of Receipts and Disbursements for the receivership proceedings filed with the Fifth Report be and is hereby approved;

4. THIS COURT ORDERS that the payment of the Inter-Company Debt payable by 1263577 to FKP recommended by the Interim Receiver be and is hereby approved;

5. THIS COURT ORDERS that the Interim Receiver is hereby authorized to file an assignment in bankruptcy on behalf of FKP;

6. THIS COURT ORDERS that the Interim Receiver is hereby authorized to publish the Notice in the Oakville Beaver and administer the Call For Claims which process is hereby approved.

7. THIS COURT ORDERS that the distribution by the Interim Receiver of the 1263577 Proceeds to 1263577 after payment of the Inter-Company Debt, the Proven Claims and 1263577's share of the Outstanding Disbursements is hereby approved.

8. THIS COURT ORDERS that the distribution by the Interim Receiver of the FKP Proceeds to the Trustee in Bankruptcy of FKP be and is hereby approved;

9. THIS COURT ORDERS that the Interim Receiver is hereby authorized and directed to destroy the FKP Records in its possession that the Trustee is not required to maintain pursuant to the provisions of the *Bankruptcy and Insolvency Act*, or in the alternative, in its sole discretion, is authorized and directed to deliver the FKP Records to the Directors of FKP (at the Directors' expense) if the Directors request such delivery within thirty days of the date of this Order;

10. THIS COURT ORDERS that the Interim Receiver is hereby authorized and directed to destroy the 1263577 Records in its possession, or in the alternative, in its sole discretion, is authorized and directed to deliver the 1263577 Records to the Directors of 1263577 (at the Directors' expenses) if the Directors request such delivery within thirty days of the date of this Order.

11. THIS COURT ORDERS that upon completion of the activities approved by paragraphs 4, 6, 7, 8, 9 and 10 herein, and upon the Interim Receiver filing a certificate certifying that it has completed the same (the "Discharge Certificate"), the Interim Receiver shall be discharged as Interim Receiver of the undertaking, property and assets of the Debtor, provided however that notwithstanding its discharge herein (a) the Receiver shall remain Receiver for the performance of such incidental duties as may be required to complete the administration of the receivership herein, and (b) the Receiver shall continue to have the benefit of the provisions of all Orders made in this proceeding, including all approvals, protections and stays of proceedings in favour of PricewaterhouseCoopers Inc. in its capacity as Interim Receiver.

12. THIS COURT ORDERS AND DECLARES that PriceWaterhousecoopers Inc. is hereby released and discharged from its duties, responsibilities and obligations and all liability that PricewaterhouseCoopers Inc. now has or may hereafter have by reason of, or in any way arising out of, the acts or omissions of PricewaterhouseCoopers Inc. while acting in its capacity as Interim Receiver herein, save and except for any gross negligence or wilful misconduct on the Interim Receiver's part. Without limiting the generality of the foregoing, PricewaterhouseCoopers Inc. is hereby forever released and discharged from any and all liability relating to matters that were raised, or which could have been raised, in the within receivership proceedings, save and except for any gross negligence or wilful misconduct on the Interim Receiver's part.



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

FEB - 8 2011

PER / PAR:



ROYAL BANK OF CANADA
Plaintiff

-and-

F-K-P TOOL MANUFACTURING LIMITED et al.
Defendants

Court File No. CV-09-8120-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

PROCEEDING COMMENCED AT
TORONTO

DISCHARGE ORDER

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