

IN THE MATTER OF THE COMPANIES' CREDITORS
ARRANGEMENT ACT, i.s.c. 1985, C. c-36, AS AMENDED

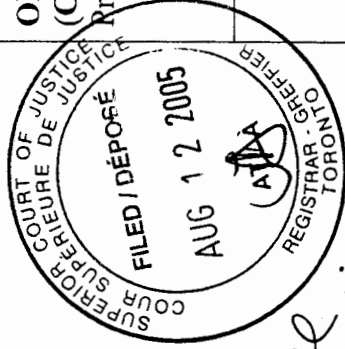
AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF THE MANDERLEY CORPORATION,
1310500 ONTARIO INC. LEO BEAL LTD. AND MANDERLEY
NATURAL TURF SYSTEMS INC.

Aug 12/05 Court file no. 05-CL-5801

(Short title of proceeding)

Aug 12/05

*Order to go as
amended & as
initiated by myself.
It is intended to by all
parties same & except Julia Hope
who does consent & does not oppose
for reasons expressed by her counsel.*



ONTARIO SUPERIOR COURT OF JUSTICE
(Commercial List)

Proceeding commenced at Toronto

MOTION RECORD

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ONTARIO

**SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY AND INSOLVENCY)**

Find and Replace
"Receiver" with
"Interim Receiver"

COMMERCIAL LIST

THE HONOURABLE) DAY, THE DAY
JUSTICE) OF AUGUST, 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 OF COMPROMISE OR
ARRANGEMENT OF THE MANDERLEY CORPORATION,
1310500 ONTARIO INC., LEO BEAL LTD. AND
MANDERLEY NATURAL TURF SYSTEMS INC.**

(the Applicants)

ORDER

The Manderley Corporation,
1310500 Ontario Inc.,
Leo Beal Ltd. and
Manderley Natural
Turf
Systems Inc.

ing
THIS MOTION, made jointly by Farm Credit Canada ("FCC") and Royal Bank of Canada ("RBC") for an Order pursuant to section 47(1) of the Bankruptcy and Insolvency Act, R.S.C. 1985, c. B-3, as amended (the "BIA") and section 101 of the Courts of Justice Act, R.S.O. 1990 c. C-43, as amended (the "CJA") substituting Grant Thornton Limited as monitor and interim receiver and appoint Grant Thornton as receiver ^{and} manager ~~(in such capacities, the "Receiver")~~ without security, of all of the assets, undertakings and properties of the Applicant's (collectively the "Debtor") was heard this day at 393 University Avenue, Toronto, Ontario.

ON READING the affidavits of Linda Fletcher and Joseph Joubert sworn August 11th, 2005 [as they sworn] and the Exhibits thereto and on hearing the submissions of counsel for RBC, FCC, the Debtor and Doyle Salewski Inc. ("DSI"), the current monitor and interim

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RBC, FCC, the Debtor and

receiver of the Debtor, and on reading the consent of Grant Thornton Limited to act as the Receiver,

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record is hereby abridged so that this motion is properly returnable today, and service upon those parties described in the Affidavit of Service is hereby validated and further service of the Notice of Motion and Motion Record is hereby dispensed with.

APPOINTMENT

~~2. **THIS COURT ORDERS** that DSI be and is hereby discharged as monitor and interim receiver in these proceedings, subject to the passing of its accounts and provided that DSI and its counsel shall continue to enjoy the benefit of the indemnities, charges and other protections afforded to it by the Initial Order herein, as amended from time to time, in respect of any action taken by it up to and including the time of the making of this Order.~~

~~3. **THIS COURT ORDERS** that pursuant to section 47(1) of the BIA and section 101 of the CIA, Grant Thornton Limited is hereby appointed as Monitor of the Applicants herein and as Receiver, without security, all of the Debtor's current and future property, assets, and undertaking of every nature and kind whatsoever, and wherever situate, including all proceeds thereof (the "Property").~~

RECEIVER'S POWERS

4. **THIS COURT ORDERS** that the Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:

(a) to take possession and control of the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;

powers of the Receiver as defined in the Initial Order or expanded so that the Interim Receiver is

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- (b) to receive, preserve, protect and maintain control of the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
- (c) to manage, operate and carry on the business of the Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business or cease to perform any contracts of the Debtor;
- (d) to engage consultants, appraisers, agents, experts, ~~auditors~~, accountants, managers, counsel and such other persons from time to time and on whatever basis or terms, including on a temporary basis, to assist with the exercise of the powers and duties conferred by this Order;
- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtor or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor;
- (g) to settle, extend or compromise any indebtedness owing to the Debtor;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;
- (i) to undertake environmental or workers' health and safety assessments of the Property and operations of the Debtor;
- (j) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the

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Debtor, the Property or the Receiver, and to settle or compromise any such proceedings which authority shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;

(k) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate, and including negotiating offers already received in respect of the Property from 6418937 Canada Inc., and Patea International Inc., and giving such undertakings ~~in relation to the negotiation of such offers, including undertakings as to the exclusivity of the negotiations, as the Receiver deems appropriate;~~

(l) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,

(i) without the approval of this Court in respect of any transaction not exceeding \$25,000, provided that the aggregate consideration for all such transactions does not exceed \$200,000; and

(ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause,

and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act* and under section 31 of the Ontario *Mortgages Act*, or other comparable provisions applicable in other jurisdictions, as the case may be, shall not be required, and in each case bulk sales legislation shall not apply.

(m) to apply for any sale approval and vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;

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- (n) to report to, meet with and discuss with persons as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (o) to register a copy of this Order and any other Orders in respect of the Property against title to any or all of the Property;
- (p) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtor;
- (q) to execute and file an assignment in bankruptcy on behalf of the Debtor together with any and all ancillary documents, or to consent to the making of a bankruptcy order and to enter into arrangements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor and the power to lend money to or indemnify any such trustee, such trustee borrowings or indemnity not to exceed \$25,000 unless otherwise increased by this Court;
- (r) to vote any shares and exercise any rights which the Debtor may have as shareholder and to otherwise deal with all securities, warrants or other interests held by the Debtor, for its benefit; and
- (s) to take any steps reasonably incidental to the exercise of these powers,

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons, (as defined below), including the Debtor, and without interference from any other Person.

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DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

5. **THIS COURT ORDERS** that (i) the Debtor, (ii) all of their current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on their instructions or behalf including, without limitation, any accountants or legal counsel, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "Persons" and each being a "Person") shall forthwith advise the Receiver of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver's request, other than documents or information which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

6. **THIS COURT ORDERS** that all Persons shall deliver to the Receiver all of the Debtor's books, documents, securities, contracts, orders, corporate and accounting records and all computer records, computer programs, computer tapes, computer disks, data storage media and programs containing any such information, and any other papers, records and information of any kind of the Debtor relating thereto in their possession or control (the foregoing, collectively, the "Records"), and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver access to and use of accounting, computer, software and physical facilities relating thereto.

7. **THIS COURT ORDERS** that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to obtain access to, recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without

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the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including, without limiting the generality of the foregoing, providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

NO PROCEEDINGS AGAINST THE RECEIVER

8. **THIS COURT ORDERS** that no proceeding, enforcement process, or extra-judicial proceeding in any court or other tribunal (each, a "Proceeding"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

9. **THIS COURT ORDERS** that no Proceeding against or in respect of the Debtor or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtor or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

10. **THIS COURT ORDERS** that all rights and remedies against the Debtor or affecting the Property are hereby stayed and suspended pending written consent of the Receiver or leave of this Court, provided however that nothing in this paragraph shall (i) empower the Receiver or the Debtor to carry on any business which the Debtor is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtor from compliance with statutory or regulatory provisions relating to health, safety or the environment, or other mandatory statutory or regulatory provisions of applicable law, or (iii) prevent the filing of any registration to preserve a security interest or a claim for lien.

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NO INTERFERENCE WITH THE RECEIVER

11. **THIS COURT ORDERS** that no Person shall discontinue, fail to honour renewal rights, alter, interfere with, repudiate, terminate or cease to perform any right, contract, arrangement, agreement, licence or permit in favour of or held by the Debtor, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

12. **THIS COURT ORDERS** that all Persons having oral or written agreements with the Debtor or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtor are hereby restrained until further Order of this Court from discontinuing, failing to honour renewal rights on reasonable terms, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the Debtor's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtor or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

13. **THIS COURT ORDERS** that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver ("Receipts") from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "Post Receivership Accounts") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held

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by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

14. **THIS COURT ORDERS** that all employees of the Debtor shall remain the employees of the Debtor until such time as the Receiver, on the Debtor's behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including wages, severance pay, termination pay, vacation pay, and pension or benefit amounts, other than such amounts as the Receiver may specifically agree in writing to pay, or such amounts as may be determined in a Proceeding before a court or tribunal of competent jurisdiction, provided, however, ~~that~~ leave shall not be given to commence a proceeding seeking to attribute successor employee liabilities to the Interim Receiver principally on account of action taken by the Interim Receiver during the first thirty (30) days of its mandate.

15. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the Canada Personal Information Protection and Electronic Documents Act, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "Sale"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtor, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

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LIMITATION ON ENVIRONMENTAL LIABILITIES

16. **THIS COURT ORDERS** that nothing herein contained shall require or obligate the Receiver to occupy or to take control, care, charge, occupation, possession or management of any of the Property which may be environmentally contaminated, or a pollutant or a contaminant, or cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other legislation, statute, regulation or rule of law or equity respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the Canadian Environmental Protection Act, the Ontario Environmental Protection Act, the Ontario Water Resources Act, or the Ontario Occupational Health and Safety Act and regulations thereunder (the "Environmental Legislation"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation.

RECEIVER'S ACCOUNTS

17. **THIS COURT ORDERS** that any expenditure or liability which shall properly be made or incurred by the Receiver, including the fees of the Receiver and the fees and disbursements of its legal counsel, incurred at the normal rates and charges of the Receiver and its counsel, shall be allowed to it in passing its accounts and shall be secured by the Administrative Charge as constituted by the Initial Order herein ~~(the~~ ✓
"Receiver's Charge").
18. **THIS COURT ORDERS** the Receiver and its legal counsel shall pass its accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are referred to a judge of the Commercial List of the Ontario Superior Court of Justice.
19. **THIS COURT ORDERS** that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the normal rates and charges of the Receiver or its counsel, and such amounts shall constitute

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advances against its remuneration and disbursements when and as approved by this Court.

LIMITATION ON THE RECEIVER'S LIABILITY

20. **THIS COURT ORDERS** that the liability that the Interim Receiver may incur as a result of its appointment or as a result of the performance of its duties hereunder other than any liability arising as a result of its gross negligence or wilful misconduct (the "Interim Receiver's Liabilities"), shall be limited in the aggregate to the Net Realizable Value of the Property. The Net Realizable Value of the Property shall be the proceeds realized in cash from the disposition of the Property or part thereof after the remuneration and the disbursements of the Interim Receiver and any costs or obligations, including monies borrowed hereunder, incurred by the Interim Receiver or by any person in connection with the completion of any sale of all or part of the Property, have been paid.
21. **THIS COURT ORDERS** that the Interim Receiver's Liabilities shall be secured by the Administrative Charge as constituted by the Initial Order herein.

GENERAL

22. **THIS COURT ORDERS** that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.
23. **THIS COURT ORDERS** that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtor.
24. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

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25. THIS COURT ORDERS that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order.

~~26. THIS COURT ORDERS that RBC and FCC shall have their costs of this motion, up to and including entry and service of this Order, provided for by the terms of their security or, if not so provided by their security, then on a substantial indemnity basis.~~

27. THIS COURT ORDERS that any interested party may apply to this Court to vary or amend this Order on seven (7) days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

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28. TCO that in the event that a sale of the property is not approved by this court on August 19, 2005, ~~Grant Thornton Limited be and to hereby~~ DSI is hereby discharged as monitor and interim receiver in these proceedings ^{and counsel for the Debtor} subject to the ~~provision of~~ and provided that DSI and its counsel shall continue to enjoy the benefit of the indemnities, charges and other protections afforded to ~~it~~ ^{them} by the Initial Order hereby ^{including without} as amended from time to time, in respect of any action taken by ~~DSI~~ ^{them} to and including the time of ~~the~~ ^{its} termination of its appointment, ~~including without limitation the Administrative Charge~~ either before or after August 19, 2005, ^{including without} without limitation, the Administrative Charge and paragraphs 26, 27, 32, 33, 34, 35, 48, 50, 51, 52, 54 and 62 of the Initial Order.

in the event that a sale of the property is not approved by the court on August 19th, 2005

29. ~~See attached~~ ^{Schedule "A"} ~~paras 6, 7 and 8, as amended~~

30. This Court ORDERS that Grant Thornton Limited is hereby ~~appointed as Monitor of the Applicants herein as the~~ ^{and as} Receiver, without security, ~~all of the~~ ^{of}

Submitted

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Schedule "A".

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1. **THIS COURT ORDERS** that the Administrative Charge, as defined in the Initial Order, is hereby continued and shall retain its priority in respect of the period beginning March 23rd, 2005 and ending August 12, 2005 (the "CCAA Period") in respect of any matter covered by the charge pertaining to the CCAA Period, and in respect of the continuing legal fees of counsel to the Applicant and counsel to DSI and the expenses of the DSI for any matters arising during the CCAA Period to the extent those legal fees and expenses pertain to matters covered by the Administrative Charge (as defined in the Initial Order), or to the continuing provisions of the Initial Order as set out in this Order, and in relation to such legal fees and expenses, the provisions regarding current payment of such amounts in the Initial Order in the CCAA shall continue. For greater certainty the reasonable fees and expenses of DSI, and counsel to DSI, incurred on and after August 12, 2005, in connection with the rights and/or obligations of DSI with respect to it's appointment as Monitor and Interim Receiver of the Applicants under the Initial Order, shall hereby be paid by the Receiver as invoiced and shall be covered by the Administrative Charge, subject to the Receiver's rights to require a taxation thereof. The amounts owing to DSI, and counsel to DSI, and the Receiver, and counsel to the Receiver, shall rank *pari passu* in priority with respect to any Property of the Applicants secured under the provisions of the Administrative Charge.

2. **THIS COURT ORDERS** that notwithstanding any paragraph of this Order, DSI and counsel to the Applicants shall continue to benefit from all the protections afforded to it by this Court, including without limitation, paragraphs 26, 27, 32, 33, 34, 35, 48, 50, 51, 52, 54 and 62 of the Initial Order.

~~to be paid~~
by law ✓

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THIS COURT ORDERS that the Receiver shall cause to be paid as required any amount payable under the provisions of paragraphs 16(b), (c), (d) and (e) of the Initial Order which had accrued and were unpaid by the Applicants as at August 12, 2005, or which may subsequently accrue or become payable, but which pertain to ~~the CCAA Period.~~ ^{these proceedings}

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~~4. **THIS COURT ORDERS** that the appointment of DSI under the Initial Order is hereby terminated and that DSI may, if it deems it necessary, report to this Court on it's activities~~

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subsequent to the date of this Order, as well with respect to the payment of any transitional liabilities by the Receiver after the date of this Order.

5. ~~THIS COURT ORDERS that the Monitor and its counsel shall be entitled to the benefits and protections provided for in the Initial Order including the Administrative Charge (as defined in the Initial Order) in connection with satisfying its obligations under paragraph [◇-- post August 12] of this Order, and the payment of the fees and disbursements of DSI, and that of its counsel, with respect to the making of any report to the Court after the date of this Order, and with respect to assisting the Receiver with transitional issues, and such fees and disbursements shall be secured by the Administrative Charge.~~

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6. **THIS COURT ORDERS** that the Receiver shall pay in the ordinary course out of the cash flow of the Applicants under the control of the Receiver, in the same manner as previously done by the Applicants, all amounts owing by ~~The Applicants~~^{to} counsel to the Applicants, to DSI, and its counsel, for obligations incurred ^{in these proceedings} during the CCAA period, including the fees and expenses of DSI, and its counsel, and also any additional amounts as may hereafter be incurred by DSI, and its counsel, in assisting the Receiver in carrying out the terms of this Order, ~~provided that all such fees and expenses shall be subject to taxation, if so required, by the Receiver, and the Receiver shall allow all outstanding cheques approved by DSI, and issued prior to or on the date of this Order, to clear.~~
^{subject to further order of this court.}

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7. **THIS COURT ORDERS** that the Supplemental Report to the Fourth Report presented to the Court on this day be sealed and not form part of the public record until further order of this Court.
August 19, 2005 ✓

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8. **THIS COURT ORDERS AND DECLARES** that the actions of the DSI as Monitor and the Interim Receiver as set out in the Fourth Report and the Supplemental Report to the Fourth Report are hereby ratified and approved.

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CCAA LENDER'S RIGHTS

As amended from time to time.

1. **THIS COURT ORDERS** that nothing in this Order shall affect the first priority position of the CCAA Lender's Charge as set out in paragraph 48 of the Initial Order dated March 23, 2005 in these proceedings.

2. **THIS COURT ORDERS** that the terms of the DIP Term Sheet as defined in the Initial Order shall remain in full force and effect and that nothing in this Order shall affect the CCAA Lender's rights under the Initial Order and the DIP Term Sheet including :

- a) the right to receive payments of the amount outstanding under the debtor-in-possession facility in accordance with the terms of the DIP Term Sheet; and
- b) the right to receive financial and other information (the "Financial Information") on a timely basis in accordance with the terms of the DIP Term Sheet. For greater certainty, the Receiver shall provide the CCAA Lender with the Financial Information pursuant to all reasonable requests.

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Debtor's ~~current~~ Property.

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34. This Court Orders that ~~the~~ all offers to purchase and supporting documentation shall be delivered to the Interim Receiver by 3 p.m. on Monday, August 15, 2005.

35. This court orders that the Interim Receiver, RBC, FCC and any other parties that this Court shall require to be present, participate in a telephone conference call at 4 p.m. on Monday, August 15, 2005 to review any offers to purchase Receivables.

36. This Court orders that the Interim Receiver shall make a recommendation regarding the preferred offer by 5 p.m. on Monday, August 15, 2005, and shall notify both with all parties on the service list.

37. See attached Schedule "B". ✓

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John Alford