

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

THE HONOURABLE) THURSDAY, THE 26th DAY
JUSTICE WILTON-SIEGEL) OF MARCH, 2009

B E T W E E N:

BANK OF MONTREAL

Applicant

- and -

**CPI PLASTICS GROUP LIMITED, CPI PLASTICS GROUP (CANADA) LTD.,
CPI PLASTICS GROUP, INC., CRILA INVESTMENTS INC.
and CRILA PLASTICS INDUSTRIES, INC.**

Respondents

APPROVAL AND VESTING ORDER

THIS MOTION, made by Deloitte & Touche Inc. in its capacity as interim receiver and receiver and manager (jointly, the "**Receiver**") without security, of all of the assets, undertakings, and properties of CPI Plastics Group Limited, CPI Plastics Group (Canada) Ltd., CPI Plastics Group, Inc., Crila Investments Inc. and Crila Plastics Industries, Inc. (collectively, the "**Debtors**") for an order approving the sale transaction (the "**JM2 Transaction**") contemplated by an agreement of purchase and sale (the "**JM2 APA**") entered into between the Receiver and JM2 Film LLC ("**JM2 Film**") made as of March 16, 2009 and appended to the fourth report of the Receiver dated March 20, 2009 (the "**Report**"), and vesting in JM2 Film the Receiver's and Debtors' right, title and interest in and to the assets described in the JM2 APA (the "**JM2 Assets**"), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Report and on hearing the submissions of counsel for the Receiver, and counsel for Bank of Montreal, no one appearing for any other person on the service list, although properly served as appears from the affidavit of service of Kathrine Smirle sworn March 23, 2009 filed:

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 hereby dispenses with further service thereof.
2. THIS COURT ORDERS AND DECLARES that the JM2 Transaction is hereby approved. The execution of the JM2 APA by the Receiver is hereby authorized and approved, nunc pro tunc, and the Receiver is hereby authorized and directed to perform all its obligations under the JM2 APA and to take such additional steps and execute such additional documents as the Receiver may deem necessary or desirable in the exercise of its sound business judgment for the completion of the JM2 Transaction and for the conveyance of the JM2 Assets to JM2 Film.
3. THIS COURT ORDERS AND DECLARES that upon the delivery of a Receiver's certificate to JM2 substantially in the form attached as Schedule A hereto (the "**Receiver's Certificate**"), all of the Debtors' right, title and interest in and to the JM2 Assets described in the JM2 APA shall vest absolutely in JM2 Film, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Justice Campbell dated January 8, 2009; and (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system (collectively, the "**Encumbrances**") and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the JM2 Assets are hereby expunged and discharged as against the JM2 Assets.
4. THIS COURT ORDERS that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the JM2 Assets shall stand in the place and stead of the JM2 Assets, and that from and after the delivery of the Receiver's Certificate all Claims and

Encumbrances shall attach to the net proceeds from the sale of the JM2 Assets with the same priority as they had with respect to the JM2 Assets immediately prior to the sale, as if the JM2 Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

5. THIS COURT ORDERS AND DIRECTS the Receiver to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof.

6. THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver is authorized and permitted to disclose and transfer to JM2 Film all human resources and payroll information in the Debtors' records pertaining to the Debtors' past and current employees. JM2 Film shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the Debtors.

7. THIS COURT ORDERS that, notwithstanding:

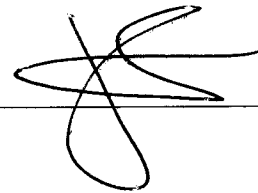
- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Debtors and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Debtors;

the vesting of the JM2 Assets in JM2 Film pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtors and shall not be void or voidable by creditors of the Debtors, nor shall it constitute nor be deemed to be a settlement, fraudulent preference, assignment, fraudulent conveyance or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

8. THIS COURT ORDERS AND DECLARES that the JM2 Transaction is exempt from the application of the *Bulk Sales Act* (Ontario).

9. THIS COURT ORDERS that the unredacted copy of the JM2 APA, filed separately, is hereby sealed, subject to further Order of this Court.

10. 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.



Joanne Nicoara
Registrar, Superior Court of Justice

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

MAR 26 2009

PER / PAR: JSN

Schedule A – Form of Receiver’s Certificate

Court File No.: 09-CL-7934

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

B E T W E E N:

BANK OF MONTREAL

Applicant

- and -

**CPI PLASTICS GROUP LIMITED, CPI PLASTICS GROUP (CANADA) LTD.,
CPI PLASTICS GROUP, INC., CRILA INVESTMENTS INC.
and CRILA PLASTICS INDUSTRIES, INC.**

Respondents

RECEIVER’S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Justice Campbell of the Ontario Superior Court of Justice (the "**Court**") dated January 8, 2009, Deloitte & Touche Inc. was appointed as the interim receiver and receiver and manager (jointly, the "**Receiver**") without security, of all of the assets, undertakings and properties of CPI Plastics Group Limited, CPI Plastics Group (Canada) Ltd., CPI Plastics Group, Inc., Crila Investments Inc. and Crila Plastics Industries, Inc. (collectively, the "**Debtors**").

B. Pursuant to an Order of the Court dated March 26, 2009, the Court approved the agreement of purchase and sale made as of March 16, 2009 (the "**JM2 APA**") entered into between the Receiver and JM2 Film LLC ("**JM2 Film**") and provided for the vesting in JM2 Film of the Debtors’ right, title and interest in and to the JM2 Assets, which vesting is to be effective with respect to the JM2 Assets upon the delivery by the Receiver to JM2 Film of a

certificate confirming: (i) the payment by JM2 Film of the Purchase Price for the JM2 Assets; (ii) that the conditions to Closing as set out in section 4 of the JM2 APA have been satisfied or waived by the Receiver and JM2 Film; and (iii) the JM2 Transaction has been completed to the satisfaction of the Receiver.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the JM2 APA.

THE RECEIVER CERTIFIES the following:

1. JM2 Film has paid and the Receiver has received the Purchase Price for the JM2 Assets payable on the Closing Date pursuant to the JM2 APA;
2. The conditions to Closing as set out in section 4 on closing of the JM2 APA have been satisfied or waived by the Receiver and JM2 Film; and
3. The JM2 Transaction has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver at _____ [TIME] on _____ [DATE].

Deloitte & Touche Inc., in its capacity as interim receiver and receiver and manager of the undertaking, property and assets of CPI Plastics Group Limited, CPI Plastics Group (Canada) Ltd., CPI Plastics Group, Inc., Crila Investments Inc. and Crila Plastics Industries, Inc., and not in its personal capacity

Per: _____
Name:
Title:

BANK OF MONTREAL
Applicant

CPI PLASTICS GROUP LIMITED, et al
Respondents

and

Court File No: 09-CL-7934

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding commenced at Toronto

APPROVAL AND VESTING ORDER

Ogilvy Renault LLP
Suite 3800, P.O. Box 84
Royal Bank Plaza, South Tower
200 Bay Street,
Toronto, Ontario M5J 2Z4

Virginie Gauthier LSUC#: 41097D
Tony Reyes LSUC#: 28218V

Tel: (416) 216-4853
Fax: (416) 216-3930

Lawyers for Deloitte & Touche Inc., in its
capacity as interim receiver and receiver and
manager of Respondents