

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

THE HONOURABLE) **THURSDAY THE 5TH**
)
JUSTICE SIEGEL) **DAY OF APRIL, 2007**

**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 GREENING DONALD CO. LTD. AND 1548735 ONTARIO
LIMITED**

BETWEEN:

AUTOLIV ASP, INC.

Applicant

- and -

**GREENING DONALD CO. LTD.
AND 1548735 ONTARIO LIMITED**

Respondents



SALE APPROVAL AND VESTING ORDER

THIS MOTION, made by Greening Donald Co. Ltd. (the "**Company**") for:

- (a) an Order abridging the time for, and validating the service of, the Notice of Motion and the materials filed in support of this motion;
- (b) an Order approving, authorizing and directing the Company to enter into and proceed with the transactions contemplated by an agreement substantially in the form of the asset purchase agreement dated March 30, 2007, between the Company, as vendor, and GD Automotive Corp., as purchaser (the "**Purchaser**") (the "**Purchase Agreement**"), including without limitation, the entering into of

the Assignment and Assumption of Pension Plan Agreement (the “Pension Assumption Agreement”) attached as Exhibit “A” to the Purchase Agreement, a copy of which is attached as Appendix “E” to the Third Report of Deloitte & Touche Inc. dated March 30, 2007 (the “**Monitor’s Third Report**”), with such amendments, deletions and additions as the parties thereto and Autoliv ASP, Inc. may agree to, and in particular, approving, authorizing and directing the sale by the Company to the Purchaser of all of the Company’s right, title, benefit and interest in and to the “**Acquired Assets**” (as defined in the Purchase Agreement) and the assumption by the Purchaser of the “**Assumed Liabilities**” (as defined in the Purchase Agreement);

- (c) an Order vesting in the Purchaser, upon the filing of the Monitor’s Certificate (defined below) with the Court, all of the Company’s right, title and interest in and to the Acquired Assets free and clear of claims save and except for Assumed Liabilities;
- (d) an Order declaring that the *Bulk Sales Act*, R.S.O. 1990, c. B-14, as amended (the “**BSA**”), and any other legislation affecting sales in bulk in all jurisdictions, do not apply to the sale of the Acquired Assets to the Purchaser pursuant to the Purchase Agreement;
- (e) an Order that the unredacted version of the Purchase Agreement shall be treated as confidential, sealed and not form part of the public record until the completion of the transactions contemplated by the Purchase Agreement (to be evidenced by the filing of the Monitor’s Certificate (defined below) with the Court) or further order of this Court;
- (f) an Order accepting and approving the Monitor’s Third Report and approving the activities of Deloitte & Touche Inc. (the “**Monitor**”), as detailed in the Monitor’s Third Report; and
- (g) such further and other relief as this Honourable Court may deem just,

was heard this day, at 330 University Avenue, Toronto, Ontario.

ON READING the Monitor's Third Report, and the appendices thereto, on hearing submissions of the Company, the Monitor, Autoliv ASP, Inc., Royal Bank of Canada, and The United Steelworkers of America, the Purchaser, and on being advised that the Purchaser consents to an Order substantially in the form contained in the Motion Record, no one else appearing for the persons listed in Schedule "A" hereto, although properly served as appears from the affidavit of service of Carole J. Hunter, sworn April 2, 2007, filed.

1. **THIS COURT ORDERS** that the time for service and filing of the Notice of Motion and the Motion Record herein be and it is hereby abridged so that the motion may be heard today and that further service is hereby dispensed with.
2. **THIS COURT ORDERS** that the Purchase Agreement and the Pension Assumption Agreement be and they are hereby approved. Any capitalized term used and not otherwise defined in this Order shall have the meaning ascribed thereto either in the Purchase Agreement or in the Initial Order in these proceedings.
3. **THIS COURT ORDERS** that the Company is hereby authorized and directed to enter into each of the Purchase Agreement and the Pension Assumption Agreement and to complete the transactions contemplated therein (the "**Transaction**") and is further authorized, empowered and directed to implement and complete the Transaction with such amendments, deletions and additions as the parties thereto and Autoliv ASP, Inc. may agree to, and to perform the obligations contained in the Purchase Agreement.
4. **THIS COURT ORDERS** that, in completing the Transaction, the Company, subject to the terms and conditions of the Purchase Agreement and the Pension Assumption Agreement, is hereby authorized to execute and deliver such additional, related and ancillary documents, agreements and assurances governing or giving effect to the Transaction as the parties to the Purchase Agreement may agree are reasonable or necessary to conclude the Transaction and to take such steps as are necessary or incidental for the completion thereof.
5. **THIS COURT ORDERS AND DECLARES** that the terms of the Purchase Agreement, including the purchase price set out therein, and the terms of the Pension Assumption Agreement are fair and commercially reasonable and were arrived at in a commercially reasonable manner.

6. **THIS COURT ORDERS** that, notwithstanding:

- (a) the pendency of these proceedings and the declarations of insolvency made in these proceedings;
- (b) the pendency of any applications for a bankruptcy Order hereafter issued pursuant to the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the “**BIA**”) in respect of the Company and any bankruptcy Order issued pursuant to such applications; and
- (c) the provisions of any federal or provincial law,

the Transaction, together with all documents and agreements contemplated by the Purchase Agreement, shall be binding upon any interim receiver, receiver or trustee appointed in respect of the Company, shall not be void or voidable at the instance of creditors or claimants and does not constitute nor shall it be deemed to be a settlement, fraudulent preference, assignment, fraudulent conveyance or other challengeable or reviewable transaction under the BIA or any other applicable federal or provincial legislation, and the Transaction, or any action taken in connection therewith, does not constitute conduct meriting an oppression remedy.

7. **THIS COURT ORDERS** that, upon the Purchase Price being paid by the Purchaser in accordance with the Purchase Agreement, and all conditions to closing with respect to the Transaction having been satisfied or waived, the Monitor shall immediately file a certificate substantially in the form attached hereto as Schedule “B” (the “**Monitor’s Certificate**”) with this Honourable Court, and provide a copy of the filed executed certificate to the Purchaser.

8. **THIS COURT ORDERS** that, effective immediately upon the filing of the Monitor’s Certificate with this Honourable Court, all of the Company’s right, title, benefit and interest in and to the Acquired Assets (which for greater certainty shall include, without limitation, the “KTM RGK-7” looms and accessories detailed on Schedule “C” hereto) shall, without further instrument of transfer or assignment, vest in the Purchaser, absolutely and forever, free and clear of and from any and all estate, right, title, interest, claims, hypothecs, mortgages, charges, pledges, liens (whether contractual, statutory or otherwise), security interests, assignments, actions, levies, taxes, judgments, writs of execution, writs of seizure and sale, trusts or deemed

trusts (whether contractual, statutory or otherwise), options, agreements, disputes, debts, encumbrances or other rights, limitations, claims or restrictions of any nature whatsoever, including, without limitation, any rights or interests of any creditors of the Company, in any jurisdiction whether or not they have attached or been perfected, registered or filed, whether secured or unsecured or otherwise, whether liquidated, unliquidated or contingent (collectively, the “**Claims**”) whether such Claims came into existence prior to, subsequent to, or as a result of any previous order of this Court, contractually, by operation of law or otherwise, by or of all persons or entities of any kind whatsoever, including, without limitation, all individuals, firms, corporations, partnerships, joint ventures, trusts, unincorporated organizations, governmental and administrative bodies, agencies, authorities or tribunals and all other natural persons or corporations, whether acting in their capacity as principals or as agents, trustees, executors, administrators or other legal representatives (collectively, the “**Claimants**”), including, for greater certainty, without limiting the generality of the foregoing: (i) the Claims held by or in favour of the entities served (either directly or through their solicitors) with the Notice of Motion with respect to this Order; and (ii) the beneficiary of any Claims created or provided for pursuant to any previous Order of this Court in these proceedings, including, but not limited to the Directors’ and Officers’ Indemnification and Charge, the Administration Charge and the DIP Lender’s Charge provided for in the Initial Order. For greater certainty, notwithstanding anything in this Order, the Company’s right, title, benefit and interest in any of the Excluded Assets (as is defined in the Purchase Agreement) or other assets not falling within the definition of Acquired Assets shall not be vested in the Purchaser.

9. **THIS COURT ORDERS AND DECLARES** that the Purchaser shall, by virtue of the completion of the purchase of the Acquired Assets pursuant to the Purchase Agreement, have no liability of any kind whatsoever to any Claimants in respect of any Claims they may have against the Company or the Acquired Assets except for any applicable Assumed Liabilities.

10. **THIS COURT ORDERS** that each of the Company, the Monitor and the Purchaser is hereby authorized to seek such further or other Orders from this Court as any of them may deem necessary or appropriate to complete the Transaction.

11. **THIS COURT ORDERS AND DECLARES** that the BSA and any other legislation affecting sales in bulk in all jurisdictions, do not apply to the Transaction and the Transaction may be completed without compliance with: (a) the provisions of Part V of the *Personal Property Security Act*, R.S.O. 1990, c. P-10, as amended; and (b) Section 244 of the BIA.

12. **THIS COURT ORDERS** that the proceeds of sale paid under the Purchase Agreement (the “**Sale Proceeds**”) shall stand in the place and stead of the Acquired Assets. The Sale Proceeds are bound by and subject to the Claims being advanced against them as could have been advanced against the Acquired Assets prior to the vesting of the Acquired Assets in the Purchaser and shall be subject to the same priorities as could have been claimed against the Acquired Assets if the sale of the Acquired Assets had not occurred. The Sale Proceeds shall be held by the Monitor until further order of this Court.

13. **THIS COURT ORDERS** that no holder of any Claim that has been vested out pursuant to this Order shall take any steps or proceedings, or make any filings or claims in connection therewith, against the Acquired Assets or against the Purchaser in connection with any such Claim.

14. **THIS COURT ORDERS AND DECLARES** that, pursuant to subsection 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c.5, in the course of the Transaction, the Company and the Monitor shall be permitted to disclose personal information in respect of identifiable individuals in their respective possession or control to stakeholders or other parties and to their advisors (collectively, the “**Third Parties**”), to the extent desirable or required to negotiate and complete the Transaction, provided that the persons to whom such personal information is disclosed enter into confidentiality agreements with the Company or the Monitor binding them to maintain and protect the privacy of such information and to limit the use of such information to the extent necessary to complete the Transaction then under negotiation. Upon the completion of the use of personal information for the limited purpose set out herein, the personal information shall, subject to the following sentence, be returned to the Company or destroyed. In the event that a Third Party acquires personal information as part of the Transaction, such Third Party shall be entitled to continue to use and disclose the personal information in a manner which is consistent with the personal information

handling practices of the Company prior to the completion of the Transaction which, for greater certainty, shall include the ability of the Third Party to use and disclose the personal information for all reasonable employment related purposes including, without limitation, the ability to manage and wind-up pension plans and to manage the employee-employer relationship.

15. **THIS COURT ORDERS** that this Order and any other Order in this proceeding shall have full force and effect in all provinces and territories in Canada, outside Canada and against all persons against whom they may be enforceable.

16. **THIS COURT REQUESTS** the aid, recognition and assistance of other courts in Canada in accordance with Section 17 of the CCAA, and requests that the Federal Court of Canada and the courts and judicial, regulatory and administrative bodies of or constituted by the provinces and territories of Canada, the Parliament of Canada, the United States, the states and other subdivisions of the United States, and other nations and states including, without limitation, Mexico (“Other Nations”) act in aid, recognition and assistance of, and be complementary to, this Court in carrying out the terms of this Order. Each of the Company, the Purchaser and the Monitor shall be at liberty, and is hereby authorized and empowered, to make such further applications, motions or proceedings to or before such other courts and judicial, regulatory and administrative bodies, and take such other steps, in Canada or the United States of America or Other Nations, as may be necessary or advisable to give effect to this Order and to effect the Transaction.

17. **THIS COURT ORDERS** that, for the purposes of seeking the aid and recognition of any court or any judicial, regulatory or administrative body outside of Canada, the Monitor shall act and be deemed to be the foreign representative of the Company.

18. **THIS COURT ORDERS** that the unredacted versions of the Purchase Agreement shall be treated as confidential, sealed and not form part of the public record until such time as the Monitor files the Monitor’s Certificate with this Honourable Court in accordance with paragraph 7 of this Order, or until this Honourable Court order otherwise.

19. **THIS COURT ORDERS** that no claims may be asserted against the Company or the Monitor in respect of any payments required under or pursuant to the Defined Benefit Pension

Plan (as defined in the Purchase Agreement) maintained by the Company, the *Pension Benefits Act* (Ontario) (the "PBA"), the regulations under the PBA or otherwise, including, without limitation any unpaid or unremitted contributions accrued, accruing due, owing to or in respect of the Defined Benefit Pension Plan, any payments required under section 75 of the PBA, or in respect of any funding shortfalls existing in the Defined Benefit Pension Plan or otherwise upon the wind-up thereof, or in respect of amounts that may be paid out of the Pension Benefits Guarantee Fund to or in respect of the Defined Benefit Pension Plan.

20. **THIS COURT ORDERS** that the Monitor's Third Report be and the same is hereby accepted and approved.

21. **THIS COURT ORDERS** that the conduct and actions of the Monitor to date, as detailed in the Monitor's Third Report, be and the same are hereby approved.

G. Hon - M.J.

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

APR 8 5 2007

PER/PAR:

GOODMANS\5419462.4

SCHEDULE "A"

PARTIES SERVED WITH THE NOTICE OF MOTION

- TO: AUTOLIV ASP, INC.**
c/o Goodmans LLP
250 Yonge St., Suite 2400
Toronto, ON M5B 2M6
- AND TO: ROYAL BANK OF CANADA**
c/o Minden Gross Grafstein & Greenstein LLP
145 King Street West
Suite 2200
Toronto, ON M5H 4G2
- AND TO: THE UNITED STEELWORKERS OF AMERICA**
c/o Sack Goldblatt Mitchell LLP
Box 180, 1100-20 Dundas St. W.
Toronto, ON M5G 2G8
- AND TO: DELOITTE & TOUCHE INC., IN ITS CAPACITY AS MONITOR**
c/o Ogilvy Renault LLP
Suite 3800, Royal Bank Plaza
South Tower, 200 Bay St., P.O. Box 84
Toronto, ON M5J 2Z4
- AND TO: THE OFFSHORE GROUP**
c/o Miller Thomson LLP
Scotia Plaza, Suite 5800
40 King St. W.
Toronto, ON M5H 3S1
- AND TO: BEKEART INDUSTRIES**
c/o Blake, Cassels & Graydon LLP
Suite 2800, Commerce Court West
199 Bay St.
Toronto, ON M5L 1A9
- AND TO: CANADA REVENUE AGENCY**
c/o Department of Justice
Ontario Regional Office
The Exchange Tower, Box 36
130 King Street West
Suite 3400
Toronto, ON M5X 1K6

AND **ONTARIO MINISTRY OF FINANCE**
TO: Legal Services Branch
 33 King Street West
 6th Floor
 Oshawa, ON L1H 8H5

AND **MINISTER OF FINANCE**
TO: Retail Sales Tax
 33 King Street West
 Oshawa, ON L1H 8E9

AND **CANADA CUSTOMS AND REVENUE AGENCY**
TO: Goods and Services Tax
 1 Front Street West
 Toronto, ON M5J 2X6

AND **WORKPLACE SAFETY AND INSURANCE BOARD**
TO: 200 Front Street
 Toronto, ON M5V 3J1

AND **MINISTRY OF LABOUR**
TO: 400 University Avenue
 11th Floor
 Toronto, ON M7A 1T7

AND **MINISTER OF REVENUE**
TO: Employer Health Tax
 Box 640, 33 King Street West
 Oshawa, ON L1H 8P5

AND **GE CAPITAL VEHICLE AND EQUIPMENT LEASING INC.**
TO: 5255 Solar Drive
 Mississauga, ON L4W 5H6

AND **ADDISON LEASING**
TO: 2121 Argentia Road Suite 202,
 Mississauga, ON L5N 2X4

AND **SECOND CITY CAPITAL PARTNERS 1, LIMITED PARTNERSHIP**
TO: Suite 2000-1177 West Hastings Street
 Vancouver, B.C. V6E 2K3

AND **SECOND CITY CAPITAL PARTNERS 1, LIMITED PARTNERSHIP**
TO: c/o Davies Ward Phillips & Vineberg LLP
 44th Floor, 1 First Canadian Place
 Toronto, ON M5X 1B1

AND **FINANCIAL SERVICES COMMISSION OF ONTARIO**
TO: 5160 Yonge Street
 Toronto, ON M2N 6L9

SCHEDULE "B"

MONITOR'S CERTIFICATE

Court File No. 06-CL-6738

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

**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 GREENING DONALD CO. LTD. AND 1548735 ONTARIO
LIMITED**

B E T W E E N:

AUTOLIV ASP, INC.

Company

- and -

**GREENING DONALD CO. LTD.
AND 1548735 ONTARIO LIMITED**

Respondents

MONITOR'S CERTIFICATE

RECITALS

Pursuant to the Order of this Honourable Court dated November 17, 2006 (the "**Initial Order**"), Greening Donald Co. Ltd. (the "**Company**") obtained protection from its creditors under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended, and Deloitte & Touche Inc. was appointed as monitor of the Company (the "**Monitor**").

Pursuant to an Approval and Vesting Order granted by this Honourable Court on April ●, 2007 (the "**Approval and Vesting Order**"), the Court approved the asset purchase agreement between the Company and GD Automotive Corp. (the "**Purchaser**") dated March ●, 2007 (the "**Agreement**").

Pursuant to the Approval and Vesting Order, the Court provided for the vesting of the Acquired Assets (as defined in the Agreement) in the Purchaser, which vesting is to be effective upon the filing with this Honourable Court of a certificate confirming: (i) the payment by the Purchaser of the Purchase Price (as defined in the Agreement) in accordance with the Agreement; and (ii) that all of the conditions to closing of the purchase of the Acquired Assets have been satisfied or waived.

Unless otherwise indicated herein, terms with initial capitals have the meaning set out in the Approval and Vesting Order.

THE MONITOR HEREBY CERTIFIES the following:

1. The Purchaser has paid the Purchase Price payable in accordance with the Agreement;
and
2. All of the conditions to closing under the Agreement have been satisfied or waived in accordance with the Agreement.

DATED at Toronto, Ontario this ____ day of _____, 2007.

DELOITTE & TOUCHE INC., in its capacity as Monitor of the Company, and not in its personal or corporate capacity

Per: _____
Name:
Title:

**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
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Court File No: 06-CL-6738

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

Proceeding commenced at Toronto

MONITOR'S CERTIFICATE

FASKEN MARTINEAU DuMOULIN LLP

Barristers and Solicitors
Toronto Dominion Bank Tower, P.O. Box 20
Toronto-Dominion Centre
Toronto, Ontario M5K 1N6

Carole J. Hunter (LSUC# 43087I)

Stuart Brotman (LSUC# 43430D)

Tel. (416) 366-8381

Fax (416) 364-7813

Solicitors to the Respondents, Greening
Donald Co. Ltd and 1548735 Ontario Limited

SCHEDULE "C"
DESCRIPTION OF KTM RGK-7 LOOMS

LOOM NO.	MAKE/MODEL	SERIAL NO.	MFG. DATE
1.	KTM RGK-7	06531F	9/94
2.	KTM RGK-7	06534F	9/94
3.	KTM RGK-7	06527F	9/94
4.	KTM RGK-7	06532F	9/94
5.	KTM RGK-7	06529F	9/94
6.	KTM RGK-7	06528F	9/94
7.	KTM RGK-7	06515F	9/94
8.	KTM RGK-7	06514F	9/94
9.	KTM RGK-7	06530F	9/94
10.	KTM RGK-7	Unavailable	Est. 9/94
Yamanda Respool Machine	YJB-130	2	6/98

Creels	Long with swivel casters 6'tall x 26'	Short with swivel casters 6' tall x 13	Long without swivel casters 7' tall x 16' long	Short without casters 7'tall x 8' long
Description	Long	Long	7' tall x 16' long	Long
Quantity	16	12	12	8
Number of spools per creel	480	240	500	120

Spare parts	Quantity
Slider Pins	6
Slider	4
Slider bushing	37
Take up Clutch Pads	60
Ring Gear Boss	4
Leno Brackets	10
Leno Plates	4
Fill Wire Tension Springs	12
Rapier Grippers	30
Rapier Springs (Long)	40
Rapier Springs (Short)	80
Gripper	12
Scissor Pins	8
Scissor Part 1	12
Scissor Part 2	12
Scissor Tension Springs	12
Grip Lever Bushing	40
Cutter Cam	3
Yoke	3
Yoke Pin	4
Scissor Lever	20
Eccentric Pin	16
Rapier Heads	5
Rebuilt Servo Motors	6
Roller Chain	11
Scrap Take Up Assembly	1
Heddles	5000
Sequencer	5
Invertor	3
Computer Mother Board	1
Variety of bearings, nuts, bolts, screws and bushings as available at time of Delivery, at Seller's discretion.	

Most reeds have some wear and are left over from past orders. 9 looms have a 24 mesh front and back reed.			
Reeds Description	mesh	size	Quantity
Back Reed	20	53" long	14
Front Reed	20	49.5" long	1
Back Reed	24	53" long	7
Back Reed	24	52" long	5
Front Reed	24	42.5" long	2
Front Reed	24	45" long	1
Front Reed	24	49" long	2
Back Reed	30	53" long	4
Back Reed	30	52" long	3
Back Reed	30	48" long	2
Front Reed	30	47" long	2
Front Reed	30	49" long	1
Back Reed	18	53" long	8
Back Reed	18	52" long	2
Front Reed	18	47" long	3
Front Reed	18	46" long	2
Front Reed	18	48" long	2
Front Reed	18	46" long	1
Back Reed	28	53" long	7
Front Reed	28	41" long	1
Back Reed	40	53" long	2
Front Reed	40	47" long	1
Front Reed	40	38" long	1

**IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C.
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Court File No: 06-CL-6738

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

Proceeding commenced at Toronto

APPROVAL AND VESTING ORDER

FASKEN MARTINEAU DUMOULIN LLP

Barristers and Solicitors
Toronto Dominion Bank Tower, P.O. Box 20
Toronto-Dominion Centre
Toronto, Ontario M5K 1N6

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Solicitors to the Respondents, Greening
Donald Co. Ltd and 1548735 Ontario Limited