

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

THE HONOURABLE MR. )  
JUSTICE CAMPBELL )  
FRIDAY, THE 20<sup>th</sup> DAY  
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., Crila Investments Inc. (collectively, the "**Companies**"), CPI Plastics Group, Inc. and Crila Plastics Industries, Inc. (collectively with the Companies, the "**CPI Group**") for an order approving the sale transaction (the "**Gracious Transaction**") contemplated by an agreement of purchase and sale (the "**Gracious APA**") entered into between the Receiver and Gracious Living Innovations Inc. ("**Gracious Living**") made as of March 17, 2009 and appended to the third report of the Receiver dated March 17, 2009 (the "**Report**"), and vesting in Gracious Living the Receiver's and Companies' right, title and interest in and to the assets described in the Gracious APA (the "**Gracious 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, counsel for Bank of Montreal and counsel for Gracious Living, no one appearing for any other person on the service list, although properly served as appears from the affidavit of Kathrine Smirle sworn March 18, 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 Gracious Transaction is hereby approved and that the Gracious APA is in the best interests of the Companies and their stakeholders. The execution of the Gracious APA by the Receiver is hereby authorized and approved, nunc pro tunc, and the Receiver is hereby authorized and directed to perform its obligations under the Gracious APA and to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Gracious Transaction and for the conveyance of the Gracious Assets to Gracious Living.

3. THIS COURT ORDERS AND DECLARES that upon the delivery of a Receiver's certificate to Gracious Living substantially in the form attached as Schedule A hereto (the "**Receiver's Certificate**"), all of the Receiver's and Companies' right, title and interest in and to the Gracious Assets shall vest absolutely in Gracious Living, 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; (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, including, but not limited to, those claims listed on Schedule B hereto (collectively, the "**Encumbrances**") and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Gracious Assets are hereby expunged and discharged as against the Gracious Assets, and authorizes

Gracious Living to take all steps as required to discharge the Encumbrances as against the Gracious 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 Gracious Assets shall stand in the place and stead of the Gracious 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 Gracious Assets with the same priority as they had with respect to the Gracious Assets immediately prior to the sale, as if the Gracious 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 DECLARES that Gracious Living shall, by virtue of the completion of the purchase of the Gracious Assets pursuant to the Gracious APA, have no liability of any kind whatsoever to any claimants in respect of any claims against the Receiver or Claims against the CPI Group, save for its obligations under the Gracious APA and the Assumed Liabilities (as defined in the Gracious APA).

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

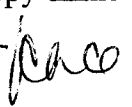
7. THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver is authorized and permitted to disclose and transfer to Gracious Living all human resources and payroll information in the Companies' records pertaining to the Companies' past and current employees. Gracious Living 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 Companies.

8. 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 Companies and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Companies;

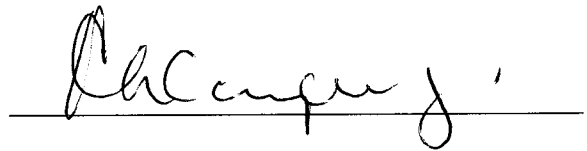
the vesting of the Gracious Assets in Gracious Living pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Companies and shall not be void or voidable by creditors of the Companies, nor shall it constitute nor be deemed to be a settlement, fraudulent 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.

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

~~10. THIS COURT ORDERS that the unredacted copy of the Gracious APA, filed separately, is hereby sealed, subject to further Order of this Court.~~ 

10. THIS COURT ORDERS that the Receiver's activities as set out in the Report be and are hereby approved.

11. 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.



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

MAR 20 2009

PER / PAR:



**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., Crila Investments Inc. (collectively, the "**Companies**"), CPI Plastics Group, Inc. and Crila Plastics Industries, Inc. (collectively with the Companies, the "**CPI Group**").

B. Pursuant to an Order of the Court dated March 20, 2009, the Court approved the agreement of purchase and sale made as of March 17, 2009 (the "**Gracious APA**") entered into between the Receiver and Gracious Living Innovations Inc. ("**Gracious Living**") and provided for the vesting in Gracious Living of the Receiver’s and Companies’ right, title and interest in and to the Gracious Assets, which vesting is to be effective with respect to the Gracious Assets

upon the delivery by the Receiver to Gracious Living of a certificate confirming: (i) the payment by Gracious Living of the Purchase Price for the Gracious Assets; (ii) that the conditions to Closing as set out in section 4 of the Gracious APA have been satisfied or waived by the Receiver and Gracious Living; and (iii) the Gracious 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 Gracious APA.

THE RECEIVER CERTIFIES the following:

1. Gracious has paid and the Receiver has received the Purchase Price for the Gracious Assets payable on the Closing Date pursuant to the Gracious APA;
2. The conditions to Closing as set out in section 4 of the Gracious APA have been satisfied or waived by the Receiver and Gracious Living; and
3. The Gracious 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:

## Schedule B – Registrations

### PPSA REGISTRATION

Secured Party(ies)	Debtor(s)	Reference File No.	Comments
SXI Limited	CPI Plastics Group Limited	650993607	***This is a registration under the RSLA
Peter F. Clark	CPI Plastics Group Limited	638148834	
Bank of Montreal, as Agent	CPI Plastics Group Limited	635101659	
BMO Capital Corporation	CPI Plastics Group Limited	635101839	
Penske Truck Leasing Canada Inc  Locations de Camions Penske Canada Inc	CPI Plastics Group Limited	633201165	***This registration has been flagged as a caution filing.
Ricoh Canada Inc.	CPI Plastics Group Limited	627551595	
General Electric Canada Equipment Finance G.P.	CPI Plastics Group Limited	625190733	
Dell Financial Services Canada Limited	CPI Plastics Group Limited	623900052	
CBSC Capital Inc.	CPI Plastics Group Ltd	614600964	
Wajax Finance Ltd.	CPI Plastics Group Limited	607059684	
Wajax Finance Ltd.	CPI Plastics Group Limited	606717144	
Wajax Finance Ltd.	CPI Plastics Group Limited	606634164	
Wajax Finance Ltd.	CPI Plastics Group Limited	604861182	
Wajax Finance Ltd.	CPI Plastics Group Limited	604875744	
Wajax Finance Ltd.	CPI Plastics Group Limited	603917325	
Wajax Finance Ltd.	CPI Plastics Group	603372285	

Secured Party(ies)	Debtor(s)	Reference File No.	Comments
	Limited		
Wajax Finance Ltd.	CPI Plastics Group Limited	601781931	
Wajax Finance Ltd.	CPI Plastics Group Limited	600603777	
The Manufacturers Life Insurance Company	Robert A Donaldson DOB: 10OCT1937 CPI Plastics Group Limited	877861593	
Bank of Montreal, as Agent	Crila Investments Inc.	635101749	
BMO Capital Corporation	Crila Investments Inc.	635101929	
Bank of Montreal, as Agent	CPI Plastics Group (Canada) Ltd.	635101704	
BMO Capital Corporation	<b>CPI Plastics Group (Canada) Ltd.</b>	<b>635101902</b>	
Xerox Canada Ltd	Extrufix Inc.	604834776	

### BANK ACT REGISTRATION

REGISTRATION NAME	DATE	EXPIRATION DATE	NUMBER	BANK
CPI Plastics Group Limited	2007/05/08 01:04PM PDT	2012/12/31	01211586	Bank of Montreal First Canadian Place, P.O. Box 3, Toronto, ON M5X 1A3

**BANK OF MONTREAL**  
Applicant

**CPI PLASTICS GROUP LIMITED, et al**  
Respondents

Court File No: 09-CL-7934

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

Proceeding commenced at Toronto

**APPROVAL AND VESTING ORDER**

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