

Court File No. CV-10-8556-00CL

*ONTARIO*  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST

THE HONOURABLE ) TUESDAY, THE 14<sup>TH</sup> DAY  
MADAM JUSTICE PEPALL ) OF DECEMBER, 2010

BETWEEN:

BANK OF MONTREAL

Applicant

- and -

FINANCIAL TRANSPORT INC., FREIGHTLINER OF KINGSTON INC.,  
6181732 CANADA INC., GLOBAL TRANSPORT INSURANCE BROKERS INC.,  
JAIN TRUCK LEASE LTD. and 2105810 ONTARIO INC.

Respondents

APPLICATION UNDER Section 243 of the *Bankruptcy and Insolvency Act*, R.S.C 1985, c. B-3,  
and Section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43.

**ORDER**

**THIS MOTION**, made by Deloitte & Touche Inc., in its capacity as court appointed Receiver (the “**Receiver**”) of the assets, undertakings and properties of Financial Transport Inc., (“**FTI**”) Freightliner of Kingston Inc. (“**FKI**”), 6181732 Canada Inc., Global Transport Insurance Brokers Inc. (“**GTIB**”), Jain Truck Lease Ltd. and 2105810 Ontario Inc. (collectively the “**Debtors**”) appointed pursuant to an Order dated February 4, 2010 (the “**Receivership Order**”), for an order, among other things, accepting and approving the Fourth Report of the Receiver dated December 1, 2010 (the “**Fourth Report**”), and the activities of the Receiver and its counsel described therein, declaring certain *Repair and Storage Lien Act* (“**RSLA**”) claims

against assets of the Debtors to be invalid and approving the disposition strategy with respect to the assets, undertakings and properties of the Debtors, was heard this day at 330 University Avenue, Toronto, Ontario.

**ON READING** the Fourth Report, including the Exhibits thereto and on hearing the submissions of counsel for the Receiver and counsel for the Debtors, and counsel for \_\_\_\_\_, no one else attending although properly served as appears from the affidavits of service filed,

1. **THIS COURT ORDERS** that that Fourth Report of the Receiver dated December 1, 2010, be and is hereby accepted and approved, along with the activities of the Receiver and its counsel described therein.

2. **THIS COURT ORDERS** that the Receiver's Interim Statement of Receipts & Disbursements for the period February 4 to November 30, 2010, which Statement is attached as Exhibit "Q" to the Fourth Report, be and is hereby accepted and approved.

3. **THIS COURT ORDERS** that the RSLA claims of Quantum Sales & Leasing ("Quantum") and of Crew Chief Conversions Ltd. ("Crew Chief") as described in paragraphs 18-25 of the Fourth Report, are hereby declared to be invalid and the proceeds of the vehicles claimed to be subject to such RSLA claims shall be free and clear of any and all claims of Quantum and/or Crew Chief.

4. **THIS COURT ORDERS** that the RSLA claims of Cheetah TT & T Incorporated ("Cheetah") as described in paragraphs 26 and 27 of the Fourth Report, are hereby declared to be invalid and the proceeds of the vehicles claimed to be subject to such RSLA claims shall be free and clear of any and all claims of Cheetah.

5. **THIS COURT ORDERS** that the Settlement Agreement made between the Receiver and Pacific Heavy Truck Group as described at paragraphs 28 - 34 of the Fourth Report, be and the same is hereby approved.

6. **THIS COURT ORDERS** that with respect to the dealings between and the Receiver and ~~Mander Truck Lines Inc.~~ ("Mander") and Hightech Diesel Repair Centre Inc. as described at paragraphs 35 - 44 of the Fourth Report:

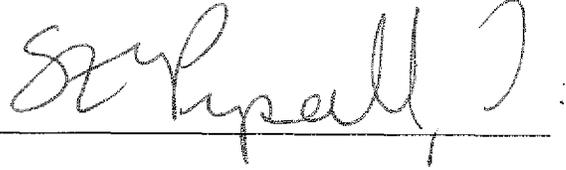
- (a) ✓ ~~Mander is directed to pay to the Receiver forthwith the sum of \$31,535.41~~ in respect of the payments due by Mander as described at paragraph 43 of the Fourth Report together with pre-judgment and post-judgment interest at the rates prescribed by Sections 128 and 129 of the *Courts of Justice Act* from December 1, 2010 until date of payment and that the Receiver shall be entitled to Judgment for such amounts as against Mander; ✓ STP
- (b) ✓ Hightech and ~~Mander~~ are hereby directed to forthwith, and at their own expense, deliver up to the Receiver possession of the Hightech Vehicle as described at paragraph 40 of the Fourth Report; and PP
- (c) ✓ Hightech and ~~Mander~~ shall within 7 days of this Order file with this Court any evidence which they may be choose to advance to explain their conduct in refusing to turn over the Hightech Vehicle to the Receiver, which evidence the Receiver shall, if advised, be entitled to cross-examine upon or respond to, following which the Receiver shall schedule a motion before this Court for a determination as to whether Hightech and ~~Mander~~, and or the principals of those entities, shall be found to be in contempt of the Receivership Order and for the determination of the consequences of any such contempt. STP

7. **THIS COURT ORDERS** that the settlement made by the Receiver with respect to the Jain Vehicles as described and defined in paragraphs 45 - 50 of the Fourth Report, be and is hereby approved.

8. **THIS COURT ORDERS** that the Receiver's proposed disposition of the eleven vehicles subject to the April 29<sup>th</sup> Order, as set out in paragraphs 51 - 53 of the Fourth Report, be and is hereby approved.

9. **THIS COURT ORDERS** that the amount collected by the Receiver in respect of the "released vehicles" as described at 67-71 of the Third Report and at paragraphs 54-58 of the Fourth Report constitute trade accounts receivable of FTI and accordingly form part of the proceeds of

the Receiver's administration of the Debtors, and that the activities of the Receiver with respect to these amounts including the collection thereof, be and are hereby accepted and approved.



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LE / DANS LE REGISTRE NO.:

DEC 14 2010

PER / PAR:



**BANK OF MONTREAL**

- and -

**FINANCIAL TRANSPORT INC., FREIGHTLINER OF KINGSTON INC.,  
6181732 CANADA INC., GLOBAL TRANSPORT INSURANCE BROKERS  
INC., JAIN TRUCK LEASE LTD. and 2105810 ONTARIO INC.**

Applicant

Respondents

Court File No: CV-10-8556-00CL

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

Proceeding commenced at Toronto

**ORDER**

**AIRD & BERLIS LLP**

Barristers and Solicitors

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Solicitors for the Court-Appointed Receiver,  
Deloitte & Touche Inc.

Applicant

Respondent

Court File No: CV-10-8556-00CL

Dec 14/10

Rec 14, 2010

The Reciever seeks a variety of relief all of which should be provided with one exception relating to Mander Truck Lines Inc ("Mander"). It was not served with the motion record. Its counsel, Mr K. Garenwal who is not on the record but authorized to appear on Mander's behalf today, was given an opportunity to review the motion record. Having done so, Mander is opposed to the amended order requested that deletes the references to Mander parenthetically found - paras 6(a)(b)(c) of the draft order. As I am approving the 4th report + the activities of the Reciever described therein, Mander is not precluded from later filing materials to revise the previous allegations relating to Mander that are found. The 4th report of W becomes necessary to do so.

The remaining relief sought in the draft order is for reasonable + 4th provided. As there had been problems with service on Pacific, I am finding that portion of the order as well. Original

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

(COMMERCIAL LIST)

Proceeding commenced at Toronto

**MOTION RECORD**

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Deloitte & Touche Inc.