

SUPERIOR COURT
(Commercial Division)

CANADA
PROVINCE OF QUÉBEC
DISTRICT OF MONTREAL
No. 500-11-049142-157
DATE: October 21, 2015

PRESIDING : Me Julie Bégin, registraire

IN THE MATTER OF THE INTENTION TO MAKE A PROPOSAL OF:

INDUSTRIES COVER INC.

Debtor/Petitioner

-and-

DELOITTE RESTRUCTURING INC.

Trustee

-and-

THE REGISTRAR OF THE LAND REGISTRY OFFICE
FOR THE REGISTRY DIVISION OF CHARLEVOIX II

Impleaded Party

ORDER

ON READING Industries Cover Inc. (the "**Petitioner**")'s *Requête pour autorisation de vendre certains actifs purgés de toute charge, sûreté ou restriction* pursuant to the *Bankruptcy and Insolvency Act* (the "**BIA**"), Exhibit R-1 and the affidavit of Mr. Jean-Christophe Hamel filed in support thereof (the "**Motion**"), and relying upon the submissions of counsel appearing before the Court for the presentation of the Motion;

GIVEN the provisions of the BIA;

WHEREFORE, THE COURT:

1. **GRANTS** the Motion.

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SALE APPROVAL

2. **ORDERS** and **DECLARES** that the sale of Petitioner's assets described in the *Convention d'achat d'actifs* (Exhibit R-1) (the "**Purchased Assets**") to 2735-8696 Québec Inc. (the "**Purchaser**") (the "**Sale**") is hereby approved, that the execution of the *Convention d'achat d'actifs* by Industries Cover Inc. (the "**Vendor**") is hereby authorized and approved, with such non-material alterations, changes, amendments, deletions or additions thereto as may be agreed to but only with the consent of Deloitte Restructuring Inc., in its capacity as trustee to the *Notice of Intention to Make a Proposal* filed by Petitioner (the "**Trustee**").

EXECUTION OF DOCUMENTATION

3. **AUTHORIZES** the Vendor, the Trustee and the Purchaser to perform all acts, sign all documents and take any necessary action to execute any document, deed, provision, transaction or undertaking stipulated in the *Convention d'achat d'actifs* (Exhibit R-1) and any other ancillary document which could be required or useful to give full and complete effect thereto.

AUTHORIZATION

4. **ORDERS** and **DECLARES** that this Order shall constitute the only authorization required by the Vendor to proceed with the Sale and that no shareholder or regulatory approval, if applicable, shall be required in connection therewith.

VESTING OF PURCHASED ASSETS

5. **ORDERS** and **DECLARES** that upon payment of the purchase price to the Trustee as provided for in the agreement Exhibit R-1, all rights, title and interest in and to the Purchased Assets shall vest absolutely and exclusively in and with the Purchaser, free and clear of and from any and all claims, liabilities (direct, indirect, absolute or contingent), obligations, interests, prior claims, security interests (whether contractual, statutory or otherwise), liens, charges, hypothecs, mortgages, pledges, deemed trusts, assignments, judgments, executions, writs of seizure or execution, notices of sale, options, adverse claims, levies, rights of first refusal or other pre-emptive rights in favour of third parties, restrictions on transfer of title, or other claims or encumbrances, whether or not they have attached or been perfected, registered, published or filed and whether secured, unsecured or otherwise (collectively, the "**Encumbrances**"), including without limiting the generality of the foregoing all charges, security interests or charges evidenced by registration, publication or filing pursuant to the *Civil Code of Québec*, or any other applicable legislation providing for a security interest in movable or immovable property; and, for greater certainty, **ORDERS** that all of the Encumbrances affecting or relating to the Purchased Assets be expunged and discharged as against the Purchased Assets, in each case effective as of the payment of the purchase price to the Trustee.

CANCELLATION OF SECURITY REGISTRATIONS

6. **ORDERS** the Registrar of the land registry for the registry division of Charlevoix II to strike the registration numbers 21 622 252, 21 722 003 and 21 724 268, upon presentation of the required form with a true copy of this Order.
7. **ORDERS** the Vendor to take all steps as may be necessary to effect the discharge of the Encumbrances.
8. **DECLARES** that the Purchaser shall be authorized to take all steps as may be necessary to effect the discharge of the Encumbrances.

PROCEEDS

9. **ORDERS** that the proceeds from the Sale shall be remitted to the Trustee in trust and shall be used in accordance with applicable legislation.

VALIDITY OF THE SALE

10. **ORDERS** that notwithstanding:
 - (i) The pendency of these proceedings;
 - (ii) Any petition for a receiving order now or hereafter issued pursuant to the BIA and any order issued pursuant to any such petition;
 - (iii) Any assignment in bankruptcy made in respect of the Vendor, or
 - (iv) The provisions of any federal or provincial legislation.

The vesting of the Purchased Assets contemplated in this Order, as well as the execution of the *Convention d'achat d'actifs* pursuant to this Order, are to be binding on any trustee in bankruptcy that may be appointed, and shall not be void or voidable nor deemed to be a preference, assignment, fraudulent conveyance, transfer at undervalue or other reviewable transaction under the BIA or any other applicable federal or provincial legislation, as against the Vendor, the Purchaser or the Trustee, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any federal or provincial legislation.

LIMITATION OF LIABILITY

11. **DECLARES** that, subject to other orders of the Court, nothing herein contained shall require the Trustee to occupy or to take control, or to otherwise manage all or any part of the Purchased Assets. The Trustee shall not, as a result of this Order, be deemed to be

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in possession of any of the Purchased Assets within the meaning of environmental legislation, the whole pursuant to the terms of the BIA.

12. **DECLARES** that no action lies against the Trustee by reason of this Order or the performance of any act authorized by this Order, except by leave of the Court.

GENERAL

13. **DECLARES** that this Order shall have full force and effect in all provinces and territories in Canada.
14. **ORDERS** the provisional execution of the present Order notwithstanding any appeal and without the requirement to provide any security or provision for costs whatsoever.

THE WHOLE WITHOUT COSTS.

A handwritten signature in cursive script, appearing to read "Julie G.", written over a horizontal line.

COPIE CONFORME

L. Laforee g.a.
Greffier adjoint, C.S.M.