

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE) FRIDAY, THE 27th
REGIONAL SENIOR JUSTICE)
MR. JUSTICE MORAWETZ) DAY OF DECEMBER, 2013

B E T W E E N:

COMERICA BANK

Applicant

- and -

**ARXX BUILDING PRODUCTS INC., ARXX CORPORATION, ARXX BUILDING
PRODUCTS U.S.A. INC., ECB HOLDINGS, LLC, APS HOLDINGS, LLC, UNISAS
HOLDINGS, LLC, AND ECO-BLOCK INTERNATIONAL, LLC**

Respondents

**APPLICATION UNDER SECTION 243 OF THE
BANKRUPTCY AND INSOLVENCY ACT, R.S.C. 1985, c. B-3, AS AMENDED, AND
SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, c. C.43, AS AMENDED
STALKING HORSE SALES PROCESS ORDER**

THIS MOTION, made by Duff & Phelps Canada Restructuring Inc., in its capacity as the Court-appointed receiver (the “**Receiver**”) of the undertaking, property and assets of ARXX Building Products Inc., ARXX Corporation, ARXX Building Products U.S.A. Inc., ECB Holdings, LLC, APS Holdings, LLC, UNISAS Holdings, LLC, and Eco-Block International, LLC (collectively, the “**Corporation**”), for an order approving a stalking horse asset purchase agreement and related sales process was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the first report of the Receiver dated December 19, 2013 (the “**First Report**”) and the exhibits thereto, filed, the Motion Record and Notice of Motion dated December 20, 2013, filed, the Appointment Order dated December 9, 2013 (the “**Appointment Order**”), and the Factum of the Receiver (the “**Factum**”), filed, and on hearing the submissions of counsel for each of the Receiver, Comerica Bank and Airlite Plastics Co., no one else appearing although duly served as appears from the affidavit of service of Elizabeth Nigro sworn on December 20, 2013:

SERVICE

1. **THIS COURT ORDERS AND DECLARES** that the time for service of the Receiver’s Notice of Motion, the Motion Record, the First Report and the Factum is hereby abridged and the manner thereof validated so that this Motion is properly returnable today and hereby dispenses with any further or other service thereof.

MARKETING AND STALKING HORSE PROCESS

2. **THIS COURT ORDERS AND DECLARES** that the Receiver is hereby authorized and directed to enter into an agreement to sell all or substantially all of the assets, property and undertaking of the Corporation (the “**Purchased Assets**”) to Airlite Plastics Co. (the “**Stalking Horse Bidder**”), substantially in the form of the agreement attached as Appendix B to the First Report (the “**Stalking Horse Bid**”), and such agreement, subject to the terms of this Order, is hereby approved and accepted for the purpose of conducting the Stalking Horse Process in accordance with the Bidding Procedures (as each of those terms is defined below), including, without limitation, the payment of the break fee and expense reimbursement (as more particularly set out in the Stalking Horse Bid) (the “**Break Fee and Expense Reimbursement**”); provided, for greater certainty, that nothing herein approves the sale of the Purchased Assets on the terms set out in the Stalking Horse Bid, and that the validity of any sale of the Purchased Assets will be determined on a subsequent motion to be held in accordance with the Bidding Procedures.

3. **THIS COURT ORDERS AND DECLARES** that the bidding procedures described in the First Report and attached hereto as Schedule “A” (the “**Bidding Procedures**”) and the sale

process and auction described therein (collectively, the “**Stalking Horse Process**”) be and are hereby approved and the Receiver is hereby authorized and directed to conduct the Stalking Horse Process, and to execute such documents and take such steps as may be necessary or incidental to the Bidding Procedures and the Stalking Horse Process.

4. **THIS COURT ORDERS AND DECLARES** that, in the event that the Receiver concludes a sale of all or any of the Purchased Assets to a Successful Bidder other than the Stalking Horse Bidder, the Receiver be and is hereby authorized and directed to pay the Break Fee and Expense Reimbursement to the Stalking Horse Bidder in accordance with the terms and conditions of the Stalking Horse Bid.

5. **THIS COURT ORDERS** that in connection with the Stalking Horse Process and pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act* (Canada), the Receiver may disclose personal information of identifiable individuals to prospective bidders for the Purchased Assets and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete a sale of such assets. Each prospective bidder to whom any such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the said assets and related business, and if it does not complete a purchase thereof, shall return all such information to the Receiver or, in the alternative, shall destroy all such information and certify such destruction to the Receiver. The purchaser of the Purchased Assets shall be entitled to continue to use the personal information provided to it, and related to the Purchased Assets, in a manner that is in all material respects identical to the prior use of such information by the Corporation, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

GENERAL

6. **THIS COURT ORDERS** that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder, including the conduct of the Stalking Horse Process.

7. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada, the United States or elsewhere 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.

A handwritten signature in black ink, appearing to read "D. J. [unclear]", is written over a horizontal line.

DEC 27 2018

Handwritten initials in black ink, possibly "MB", are written below the date stamp.

Schedule A

Bidding Procedures

Set forth below are the bidding procedures (the “**Bidding Procedures**”) to be employed with respect to the sale (the “**Sale**”) of the assets, property and undertakings (the “**Purchased Assets**”) of ARXX Building Products Inc., ARXX Corporation, ARXX Building Products U.S.A. Inc., ECB Holdings, LLC, APS Holdings, LLC, UNISAS Holdings, LLC, and Eco-Block International, LLC (the “**Corporation**”) by Duff & Phelps Canada Restructuring Inc., in its capacity as the Court-appointed receiver of the Corporation (the “**Receiver**”).

On December 27, 2013, the Court issued an order (the “**Bidding Procedures Order**”) approving and accepting for the purpose of conducting a “stalking horse” sales process (the “**Stalking Horse Process**”) in accordance with these Bidding Procedures that certain asset purchase agreement dated December 19, 2013 (the “**Stalking Horse Bid**”) between the Receiver and Airlite Plastics Co. (the “**Stalking Horse Bidder**”), including, without limitation, the payment of a break fee and expense Reimbursement (the “**Break Fee and Expense Reimbursement**”) by the Receiver to the Stalking Horse Bidder in accordance with the provisions of the Stalking Horse Bid, and approving these Bidding Procedures.¹ All amounts specified herein are in U.S. dollars.

Subject to Court availability, within three (3) business days following the Auction (defined below), the Receiver shall bring a motion (the “**Sale Approval Motion**”) seeking the granting of an order by the Court authorizing and approving the Sale of the Purchased Assets to the Qualified Bidder making the Successful Bid (each as defined below) (the “**Successful Bidder**”) (such order, as approved, the “**Approval and Vesting Order**”).

Assets to Be Sold

The Receiver is offering for sale all of the Corporation’s right, title and interest in and to all of the Purchased Assets and encourages bids for all or substantially all of the Purchased Assets, in whole but not in part.

The Bidding Process

The Receiver shall: (i) determine whether any person is a Qualified Bidder (as defined below); (ii) coordinate the efforts of Qualified Bidders in conducting their due diligence investigations; (iii) receive offers from Qualified Bidders; and (iv) negotiate any offers made to purchase the Purchased Assets (collectively, the “**Bidding Process**”). The Receiver shall have the right to adopt such other rules for the Bidding Process (including rules that may depart from those set forth herein) that in its reasonable business judgment will better promote the goals of the Bidding Process, *provided, however*, that the adoption of any rule that materially deviates from these Bidding Procedures shall require the consent of the Stalking Horse Bidder herein.

¹ The Stalking Horse Asset Purchase Agreement is attached as Appendix “B” to the Receiver’s First Report.

Participation Requirements

A “**Qualified Bidder**” is a potential bidder that the Receiver determines is likely (based on financial information submitted by the bidder, the availability of financing, experience and other considerations deemed relevant by the Receiver) to be able to consummate a sale if selected as the Successful Bidder. For greater certainty, the Stalking Horse Bidder is, and shall be deemed to be, a Qualified Bidder.

Due Diligence

Any person that wishes to participate in the Bidding Process must: (a) execute and deliver to the Receiver a confidentiality agreement in form and substance acceptable to the Receiver, which confidentiality agreement shall: (i) be in substantially the same form as the confidentiality agreement entered into between the Corporation and the Stalking Horse Bidder; and (ii) expressly permit the assignment of such confidentiality agreement by the Receiver to the Successful Bidder; and (b) be a Qualified Bidder. The Receiver shall not be obligated to furnish information of any kind whatsoever to any Person that the Receiver determines not to be a Qualified Bidder. The Receiver will afford any Qualified Bidder the time and opportunity to conduct reasonable due diligence, subject to the time frames contemplated by these Bidding Procedures. The Receiver will designate a representative to coordinate all reasonable requests for additional information and due diligence access from such Qualified Bidders.

Bid Deadline

A Qualified Bidder that desires to make a bid shall deliver written copies of its bid and the Required Bid Materials (defined below) to each of:

- (i) the Receiver, Duff & Phelps Canada Restructuring Inc., 333 Bay Street, 14th Floor, Toronto, Ontario, M5H 2R2, Attn. David Sieradzki; and
- (ii) counsel to the Receiver, Torys LLP, 79 Wellington St. W., 30th Floor, Box 270, TD South Tower, Toronto, ON M5K 1N2, Attn.: David Bish,

so that such bid is received by each of the foregoing by not later than 5:00 p.m. (prevailing Eastern time) on January 22, 2014 (the “**Bid Deadline**”). In the event that a bid is determined to be a Qualified Bid (as defined below), the Receiver shall deliver a written copy of any such Qualified Bid and the Required Bid Terms and Materials to the Stalking Horse Bidder’s counsel.

Bid Requirements

All bids (other than the Stalking Horse Bid) must include, unless such requirement is waived by the Receiver, the following (collectively, the “**Required Bid Terms and Materials**”):

- (i) A base cash purchase price equal to or greater than \$3,150,000 (the “**Minimum Bid Amount**”),² plus additional consideration that is equal to or greater than the

² This is the sum of the Stalking Horse Bid’s base cash purchase price, the Break Fee and Expense Reimbursement, and the Overbid Amount (as defined below).

value of the Assumed Liabilities and the Working Capital Amount (as each of those terms is defined in the Stalking Horse Bid);

- (ii) A provision stating that the bidder's offer is irrevocably open for acceptance until the first business day after the Purchased Assets have been sold pursuant to the closing of the sale approved by the Court;
- (iii) An executed copy of a proposed purchase agreement and a redline of the bidder's proposed purchase agreement reflecting variations from the Stalking Horse Bid (the "**Marked Agreement**"). All Qualified Bids must provide: (a) a commitment to close within one (1) business day after satisfaction of all conditions and a covenant to use all reasonable commercial efforts to satisfy all conditions; and (b) the identity of and contact information for the bidder and full disclosure of any affiliates and any debt or equity financing sources involved in such bid;
- (iv) A cash deposit in the amount of not less than \$300,000 in the form of a wire transfer, certified cheque or such other form acceptable to the Receiver (the "**Bid Deposit**"), which shall be placed by the Receiver in a non-interest bearing escrow account (the "**Escrow Account**"). Funds shall be disbursed from the Escrow Account only as follows: (i) if the Qualified Bidder is the Successful Bidder at the Auction, its Bid Deposit will be applied to the purchase price payable by it under its bid on the closing thereof; and (ii) if the Qualified Bidder is not the Successful Bidder at the Auction, then its Bid Deposit shall be returned to it forthwith following the expiration of its offer;
- (v) A representation of the bidder and written evidence that the bidder has a commitment for financing or other evidence of the proposed purchaser's ability to consummate the proposed transaction, including executed copies of any financing agreements, commitments, guarantees of the payment obligations of the proposed purchaser, and which the Receiver believes to be sufficient to satisfy the bidder's obligations under its proposed agreement submitted by it as provided above;
- (vi) The bid shall identify with particularity those contracts of the Corporation with respect to which the bidder seeks to receive an assignment, if any;
- (vii) The bid shall not request or entitle the bidder to any transaction or break fee, expense reimbursement, termination or similar type of fee or payment and shall include an acknowledgement and representation of the bidder that it has had an opportunity to conduct any and all due diligence regarding the Purchased Assets prior to making its offer, that it has relied solely upon its own independent review, investigation and/or inspection of any documents and/or the Purchased Assets in making its bid, and that it did not rely upon any written or oral statement, representations, warranties, or guarantees, express, implied, statutory or otherwise, regarding the Purchased Assets, the financial performance of the completeness of any information provided in connection therewith or the Auction, except as expressly stated in these Bidding Procedures or the Stalking Horse Bid;

- (viii) The bid shall not contain any due diligence, financing or regulatory contingencies of any kind, though the bid may be subject to the satisfaction of other specific conditions in all material respects at Closing;
- (ix) The bid shall fully disclose the identity of each entity that will be bidding for the Purchased Assets or otherwise participating in connection with such bid, and the complete terms of any such participation;
- (x) The bid shall state that the offering party consents to the jurisdiction of the Court;
- (xi) The bid shall include evidence of authorization and approval from the bidder's board of directors (or comparable governing body) with respect to the submission, execution, delivery and closing of the submitted purchase agreement of the bidder;
- (xii) The bid shall state that the offering party has not acted and will not act in collusion with any other person in connection with its bid; and
- (xiii) The bid shall identify with particularity any liabilities being assumed.

A bid received from a Qualified Bidder that includes all of the Required Bid Terms and Materials and is received by the Bid Deadline is a “**Qualified Bid**”. The Receiver reserves the right to determine the value of any Qualified Bid, and which Qualified Bid constitutes the best offer (the “**Lead Bid**”). Forthwith after the Bid Deadline, the Receiver, using its reasonable business judgment, shall determine which Qualified Bid shall be the Lead Bid for the purposes of the Auction. A copy of the Lead Bid will be provided to all Qualified Bidders prior to the Auction Date.

Notwithstanding the bid requirements detailed above, the Stalking Horse Bid shall be deemed a Qualified Bid.

Credit Bidding

No person shall be permitted to credit bid the indebtedness owed to them by the Corporation in connection with the making of a Qualified Bid or in the conduct of the Auction.

“As Is, Where Is, With All Faults”

The sale of the Purchased Assets shall be on an “as is, where is” and “with all faults” basis and without representations, warranties, or guarantees, express, implied or statutory, written or oral, of any kind, nature, or description by the Receiver or its agents, representatives, partners or employees, or any of the other parties participating in the sales process pursuant to these Bid Procedures, except as may otherwise be provided in a definitive purchase agreement with the Receiver. By submitting a bid, each Qualified Bidder shall be deemed to acknowledge and represent that it has had an opportunity to conduct any and all due diligence regarding the Purchased Assets prior to making its bid, that it has relied solely upon its own independent review, investigation and/or inspection of any documents and/or the Purchased Assets in making its bid, and that it did not rely upon any written or oral statements, representations, warranties, or

guarantees, express, implied, statutory or otherwise, regarding the Purchased Assets, the financial performance of the Purchased Assets or the physical condition or location of the Purchased Assets, or the completeness of any information provided in connection therewith or the Auction, except as expressly stated in these Bidding Procedures or as set forth in a definitive purchase agreement with the Receiver.

Free of Any and All Liens

Except as otherwise provided in the Stalking Horse Bid or another Successful Bidder's purchase agreement, and subject to any permitted encumbrances therein, all of the Corporation's right, title and interest in and to the Purchased Assets shall be sold free and clear of all liens and encumbrances pursuant to the Approval and Vesting Order.

The Auction and Auction Procedures

If one or more Qualified Bids (other than that submitted by the Stalking Horse Bidder) have been received by the Receiver on or before the Bid Deadline, the Receiver shall conduct an auction (the "**Auction**") to determine the highest and/or best bid with respect to the Purchased Assets, with the Lead Bid as the starting bid for the Auction. The Auction shall be conducted at the offices of Torys LLP (the "**Auction Site**") at 11 a.m. (prevailing Eastern time) on January 24, 2014 (the "**Auction Date**"), or such other place and time as the Receiver shall notify all Qualified Bidders who have submitted Qualified Bids and expressed their intent to participate in the Auction as set forth above.

If no Qualified Bid is submitted by the Bid Deadline or all Qualified Bids that have been submitted have been withdrawn prior to the Bid Deadline or the Auction Date, then the Receiver shall cancel the Auction (in which case, the Stalking Horse Bid shall be the Successful Bid, and the Stalking Horse Bidder shall be the Successful Bidder).

Attendance at Auction: Only authorized representatives of Qualified Bidders (including the Stalking Horse Bidder) and their legal and financial advisors, and such other persons as expressly invited by the Receiver, may attend at the Auction.

Conduct of Auction: Except as otherwise provided herein, based upon the terms of the Qualified Bids received, the number of Qualified Bidders participating in the Auction, and such other information as the Receiver determines is relevant, the Receiver may conduct the Auction in any manner that it determines will achieve the maximum value for the Purchased Assets, provided that all Qualified Bidders that have timely submitted a Qualified Bid shall be entitled to be present during each round of bidding, the identity of each such Qualified Bidder shall be disclosed to all other Qualified Bidders, and all material terms of each Qualified Bid and each subsequent bid made by each such Qualified Bidder shall be disclosed to all other Qualified Bidders. The Receiver may set opening bid amounts in each round of bidding as the Receiver determines to be appropriate.

Overbid Amount; Minimum Bid Increment: There shall be an overbid amount that a Qualified Bidder must bid to exceed the Stalking Horse Bid ("**Overbid Amount**"), and that amount shall be at least \$50,000 for all bids made by Qualified Bidders. At the Auction, the bidding shall begin with the Lead Bid as the opening bid and all subsequent bids shall not be less

than \$25,000 in excess of the preceding bid (the “**Minimum Bid Increment**”), unless modified by the Receiver in subsequent rounds of bidding; provided however that the Minimum Bid Increment shall at no time be less than \$10,000. In each round of bidding, the Receiver will take into account the fact that the Break Fee and Expense Reimbursement is not payable with respect to the Stalking Horse Bid but is payable with respect to any other Qualified Bidder’s offer. During each round of bidding, all bids made must comply with the conditions for a Qualified Bid (save that the Bid Deadline shall not apply).

Receiver To Determine Highest and/or Best Bid: The Receiver shall determine, in its reasonable business judgment, which Qualified Bid is the Lead Bid and, at the Auction, which bid after each round of bidding is the then-prevailing highest and/or best bid. In making such determination, the Receiver may consider, without limitation: (i) the amount and nature of the consideration; (ii) the proposed assumption of liabilities, if any; (iii) the ability of the Qualified Bidder in question to close the proposed transaction; (iv) the number of employees to be employed by the Qualified Bidder pursuant to the proposed transaction; (v) the proposed closing date and the likelihood, extent and impact of any potential delays in closing; (vi) any purchase price adjustment; (vii) the net economic effect of any changes made to the Stalking Horse Bid; and (viii) such other considerations as the Receiver deems relevant in its reasonable business judgment. At the end of each round of bidding at the Auction, the Receiver shall announce the material terms of the then highest and/or best bid, and the basis for calculating the total consideration offered in such bid. The Receiver may, at any time, make one or more adjournments to the Auction. If at the end of any round of bidding a Qualified Bidder has elected not to submit a further bid meeting the criteria set out herein (including the Minimum Bid Increment), then such Qualified Bidder shall not be entitled to continue to participate in the next round of the Auction or in any subsequent round and shall leave the Auction.

Successful Bid: Upon conclusion of the bidding, the Auction shall be closed and the Receiver shall immediately review the final bids made in the final round of bidding (if more than one such bid was made) in order to determine the highest and/or best bid (the “**Successful Bid**”).

Highest versus Best Bids

In determining the Lead Bid, the highest and/or best bid during each round of the Auction, and the Successful Bid, the Receiver is not required to select the bid that is the highest bid and may, exercising its reasonable business judgment, select another bid on the basis that it is the best bid even though not the highest bid in value. Without limiting the foregoing, the Receiver may give such weight to cash versus non-cash consideration set out in any bid (including, without limitation, assumed liabilities and the continuation of employment of the Corporation’s employees) as it determines, exercising its reasonable business judgment, is appropriate and reasonable.

Break Fee and Expense Reimbursement

To provide an incentive and to compensate the Stalking Horse Bidder for performing the substantial due diligence and incurring the expenses necessary in entering into the Stalking Horse Bid with the knowledge and risk that arises from participating in the sale and subsequent bidding process, the Receiver has agreed to pay the Stalking Horse Bidder, under the conditions

outlined herein and in the Stalking Horse Bid, the Break Fee in the amount of \$150,000 and an Expense Reimbursement on account of its reasonable and documented fees and expenses, up to a maximum of \$150,000. The Receiver will take into account the Break Fee and Expense Reimbursement in each round of bidding with respect to the Stalking Horse Bidder.

The Break Fee and Expense Reimbursement were material inducements for, and a condition of, the Stalking Horse Bidder's entry into the Stalking Horse Bid. The Break Fee and Expense Reimbursement, if payable in accordance with the Stalking Horse Bid, shall be paid in accordance with the Stalking Horse Bid and the Bidding Procedures Order.

Sale Approval Motion Hearing

The Sale Approval Motion shall, subject to court availability, be made returnable on or before January 29, 2014, at 10:00 a.m. (prevailing Eastern Time) in the Court. A hearing to recognize the Approval and Vesting Order in the United States pursuant to Chapter 15 of the U.S. Bankruptcy Code, shall, if so required by the Successful Bidder, and subject to court availability, be made returnable on or before January 31, 2014, at 10:00 a.m. (prevailing Eastern Time) in the United States Bankruptcy Court for the District of Delaware. The Receiver, in the exercise of its business judgement, reserves its right to the extent consistent with the Stalking Horse Bid to change the date of the hearing of Sale Approval Motion and/or the U.S. recognition hearing in order to achieve the maximum value for the Assets.

At the hearing of the Sale Approval Motion, the Receiver shall, among other things, seek approval from the Court to consummate the Successful Bid.

Acceptance of Qualified Bids

The sale of the Purchased Assets to any Successful Bidder by the Receiver is expressly conditional upon the approval of the Successful Bid by the Court at the hearing of the Sale Approval Motion. The Receiver's presentation of the Successful Bid to the Court for approval does not obligate the Receiver to close the transaction contemplated by such Successful Bid unless and until the Court approves the Successful Bid. The Receiver will be deemed to have accepted a bid only when the bid has been approved by the Court at the hearing on the Sale Approval Motion.

Miscellaneous

The Auction and these Bidding Procedures are solely for the benefit of the Receiver and nothing contained in the Bidding Procedures Order or these Bidding Procedures shall create any rights in any other person (including, without limitation, any bidder or Qualified Bidder, and any rights as third party beneficiaries or otherwise) other than the rights expressly granted to a Successful Bidder under the Bidding Procedures Order. The bid protections incorporated in these Bidding Procedures are solely for the benefit of the Stalking Horse Bidder.

Except as provided in the Bidding Procedures Order and Bidding Procedures, the Court shall retain jurisdiction to hear and determine all matters arising from or relating to the implementation of the Bidding Procedures Order, the Stalking Horse Process and the Bidding Procedure..

COMERICA BANK

and

ARXX BUILDING PRODUCTS INC., ARXX CORPORATION,
ARXX BUILDING PRODUCTS U.S.A. INC., ECB HOLDINGS,
LLC, APS HOLDINGS, LLC, UNISAS HOLDINGS, LLC, ECO-
BLOCK INTERNATIONAL, LLC

Court File No. CV-13-10353-00CL

APPLICANT

RESPONDENTS

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

Proceedings commenced in Toronto

**STALKING HORSE SALES PROCESS
ORDER**

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Restructuring, Inc., in its capacity as
the receiver for ARXX Building
Products Inc., ARXX Corporation,
ARXX Building Products U.S.A. Inc.,
ECB Holdings, LLC, APS Holdings,
LLC, UNISAS Holdings, LLC, and
Eco-Block International, LLC

Dec 27/13

Court File No. CV-13-10353-00CL

COMERICA BANK

and ARXX BUILDING PRODUCTS INC., ARXX CORPORATION,
ARXX BUILDING PRODUCTS U.S.A. INC., ECB HOLDINGS,
LLC, APS HOLDINGS, LLC, UNISAS HOLDINGS, LLC, AND
ECO-BLOCK INTERNATIONAL, LLC

APPLICANT

RESPONDENTS

D. Bish for Receiver.

J. Levine for Comrce.

K. Esau for Architects.

December 27, 2013

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced in Toronto

MOTION RECORD

The motion was not opposed.
The background to the Trustee's and
the proposed stalking horse process
is set out in detail in the Report
of Duff & Phelps.

This is a relatively simple and I am
satisfied that circumstances are such
that realization could be prejudiced
if the process is delayed. ~~Although~~ ^{Although}
frictions are shorter in this case,
the reality is that this ~~process~~ ^{process}
does not have a time sensitive.

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Restructuring, Inc., in its capacity as
the receiver for ARXX Building
Products Inc., ARXX Corporation,
ARXX Building Products U.S.A. Inc.,
ECB Holdings, LLC, APS Holdings,
LLC, UNISAS Holdings, LLC, and
Eco-Block International, LLC

The Stelby Horse Process, as proposed calls
for a break-fee and expense account.
The break-fee is at the top of the
scale but since that this is a
relatively small business, the break
fee in absolute terms is not, in my
view excessive.

The audit process is fully set out
and if ~~of~~ an auditor results,
I am satisfied that the process
is fair and reasonable in
the circumstances.

The Stelby Horse Process and
Biddy Procedures are approved
together with the ~~insertion~~
~~at~~ cancelling relief reported.
The grant + order signed
in form presented.

OTD [Signature]