



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

ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST

*JES*

~~WEDNESDAY~~

MONDAY, THE 29th

THE HONOURABLE REGIONAL )

SENIOR JUSTICE MORAWETZ )

DAY OF JANUARY, 2014

BETWEEN:

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

APPROVAL AND VESTING ORDER

THIS MOTION, made by Duff & Phelps Canada Restructuring Inc. (“D&P”) 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 “ARXX Group”) for an order approving the sale transaction (the “Transaction”) contemplated by an agreement of purchase and sale (the “Sale Agreement”) between the Receiver and Airlite Plastics Co. (the “Purchaser”) dated December 19, 2013, and appended to the Second Report of the Receiver dated January 22, 2014 (the “Second Report”), and vesting in the Purchaser the ARXX Group’s right, title and interest in and to the assets described in the Sale Agreement (the “Purchased 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, the Purchaser and Comerica Bank (the “**Bank**”), no one appearing for any other person on the service list, although properly served as appears from the affidavits of Elizabeth Nigro sworn January 23, 2014, and January 24, 2014, filed:

1. **THIS COURT ORDERS AND DECLARES** that the Transaction is hereby approved, and the execution of the Sale Agreement by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchaser.
  
2. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Receiver’s certificate to the Purchaser substantially in the form attached as Schedule A hereto (the “**Receiver’s Certificate**”), all of the ARXX Group’s right, title and interest in and to the Purchased Assets described in the Sale Agreement, shall vest absolutely in the Purchaser, 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 Morawetz dated December 9, 2013; (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; and (iii) those Claims listed on Schedule B hereto (all of which are collectively referred to as the “**Encumbrances**”) and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.
  
3. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased 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 Purchased Assets

with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased 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.

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

5. **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 the Purchaser all human resources and payroll information in the Company's records pertaining to the ARXX Group's past and current employees. The Purchaser 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 ARXX Group.

6. **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 ARXX Group and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the ARXX Group;

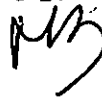
the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the ARXX Group and shall not be void or voidable by creditors of the ARXX Group, nor shall it constitute nor be deemed to be a settlement, fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, 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.

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

8. **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 À TORONTO  
ON / BOOK NO:  
LE / DANS LE REGISTRE NO.:

JAN 29 2014  


**Schedule A – Form of Receiver’s Certificate**

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

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

**BETWEEN:**

**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

**RECEIVER’S CERTIFICATE**

**RECITALS**

A. Pursuant to an Order of the Honourable Justice Morawetz of the Ontario Superior Court of Justice [Commercial List] (the “**Court**”) dated December 9, 2013, Duff & Phelps Canada Restructuring Inc. (“**D&P**”) was appointed as the 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 “**ARXX Group**”).

B. Pursuant to an Order of the Court dated January \_\_, 2014, the Court approved the agreement of purchase and sale made as of December 19, 2013 (the “**Sale Agreement**”), between the Receiver and Airlite Plastics Co. (the “**Purchaser**”) and provided for the vesting in the Purchaser of the ARXX Group’s right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming: (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in Article 5

of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the 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 Sale Agreement.

**THE RECEIVER CERTIFIES** the following:

1. The Purchaser has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement;
2. The conditions to Closing as set out in Article 5 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and
3. The Transaction has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver at \_\_\_\_\_ on \_\_\_\_\_.

**Duff & Phelps Canada Restructuring Inc., in its capacity as 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, and not in its personal capacity**

Per: \_\_\_\_\_  
Name:  
Title:

**Schedule B – Claims**

**ARXX PPSA Registrations**

1. Ontario

<b>DEBTOR(S)</b>	<b>SECURED PARTY</b>	<b>REGISTRATION DATE</b>	<b>REGISTRATION EXPIRY DATE</b>	<b>COLLATERAL CLASSIFICATION</b>
ARXX Building Products Inc.	Comerica Bank	09/20/2010	09/20/2018	INVENTORY, EQUIPMENT, ACCOUNTS, OTHER, MOTOR VEHICLE
ARXX Building Products Inc.	Xerox Canada Ltd.	09/14/2009	09/14/2015	EQUIPMENT, OTHER
ARXX Building Products Inc.	MMV Finance Canada Inc.	01/31/2008	01/31/2018	INVENTORY, EQUIPMENT, ACCOUNTS, OTHER, MOTOR VEHICLE
ARXX Corporation	Comerica Bank	09/20/2010	09/20/2018	INVENTORY, EQUIPMENT, ACCOUNTS, OTHER, MOTOR VEHICLE
ARXX Building Products U.S.A. Inc.	Comerica Bank	09/20/2010	09/20/2018	INVENTORY, EQUIPMENT, ACCOUNTS, OTHER, MOTOR VEHICLE
ECB Holdings, LLC	Comerica Bank	09/20/2010	09/20/2018	INVENTORY, EQUIPMENT, ACCOUNTS, OTHER, MOTOR VEHICLE
APS Holdings, LLC	Comerica Bank	09/20/2010	09/20/2018	INVENTORY, EQUIPMENT, ACCOUNTS, OTHER,

DEBTOR(S)	SECURED PARTY	REGISTRATION DATE	REGISTRATION EXPIRY DATE	COLLATERAL CLASSIFICATION
				MOTOR VEHICLE
UNISAS Holdings, LLC	Comerica Bank	09/20/2010	09/20/2018	INVENTORY, EQUIPMENT, ACCOUNTS, OTHER, MOTOR VEHICLE
Eco-Block International, LLC	Comerica Bank	09/20/2010	09/20/2018	INVENTORY, EQUIPMENT, ACCOUNTS, OTHER, MOTOR VEHICLE

2. Alberta

DEBTOR(S)	SECURED PARTY	REGISTRATION DATE	REGISTRATION EXPIRY DATE	COLLATERAL CLASSIFICATION
ARXX Building Products Inc.	Comerica Bank	09/20/2010	09/20/2018	ALL PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY OF THE DEBTOR
ARX Acquisition Corp.	Gienow Building Products Ltd.	10/30/2003	10/30/2029	ALL PRESENT AND AFTER-ACQUIRED PERSONAL PROPERTY OF THE DEBTOR  ALSO A LAND CHARGE (DOES NOT EXPIRE)



3. Quebec

DEBTOR(S)	SECURED PARTY	REGISTRATION DATE	REGISTRATION EXPIRY DATE	COLLATERAL CLASSIFICATION
ARXX Building Products Inc.	Comerica Bank	09/29/2010	09/20/2020	THE UNIVERSALITY OF ARXX BUILDING PRODUCTS INC.'S MOVABLE PROPERTY, PRESENT AND FUTURE, CORPOREAL AND INCORPOREAL, WHEREVER SITUATED
ECB Holdings, LLC	Comerica Bank	09/29/2010	09/29/2020	THE UNIVERSALITY OF ECB HOLDINGS, LLC'S MOVABLE PROPERTY, PRESENT AND FUTURE, CORPOREAL AND INCORPOREAL, WHEREVER SITUATED

**ARXX UCC Registrations**

1. Delaware

DEBTOR(S)	SECURED PARTY	REGISTRATION DATE AND NUMBER	REGISTRATION EXPIRY DATE	COLLATERAL CLASSIFICATION
<b>1. ARXX BUILDING PRODUCTS U.S.A. INC.</b>				
ARXX Building Products U.S.A. Inc.	NMHG Financial Services Inc.	01/09/2009 90079555	Not listed.	ALL OF THE EQUIPMENT NOW OR HEREAFTER

DEBTOR(S)	SECURED PARTY	REGISTRATION DATE AND NUMBER	REGISTRATION EXPIRY DATE	COLLATERAL CLASSIFICATION
				LEASED BY LESSOR TO LESSEE; AND ALL ACCESSIONS, ADDITIONS, REPLACEMENTS, AND SUBSTITUTIONS THERETO AND THEREFORE; AND ALL PROCEEDS INCLUDING INSURANCE PROCEEDS THEREOF.
ARXX Building Products U.S.A. Inc.	Comerica Bank	09/29/2010 03390626, AMENDED BY AMENDMENT LISTED AS FILE NUMBER 03788142 TO AMEND.	Not listed.	
<b>2. ECB HOLDINGS, LLC</b>				
ECB Holdings, LLC	Comerica Bank	09/29/2010 03390758, AMENDED BY AMENDMENT LISTED AS FILE NUMBER 03788233 TO AMEND.	Not listed.	
<b>3. APS HOLDINGS, LLC</b>				
APS Holdings, LLC	Comerica Bank	09/29/2009 03390915, AMENDED BY AMENDMENT LISTED AS FILE NUMBER	Not listed.	

DEBTOR(S)	SECURED PARTY	REGISTRATION DATE AND NUMBER	REGISTRATION EXPIRY DATE	COLLATERAL CLASSIFICATION
		03390915.		
<b>4. UNISAS HOLDINGS, LLC</b>				
Unisas Holdings, LLC	Comerica Bank	10/01/2010 03435348, AMENDED BY AMENDMENT LISTED AS FILE NUMBER 03788258.	Not listed.	
<b>5. ARXX CORPORATION</b>				
ARXX Corporation	Dell Financial Services, L.P.	05/30/2007 71673689, CONTINUED BY CONTINUATION LISTED AS FILE NUMBER 21254749, AND AMENDED BY AMENDMENT LISTED AS FILE NUMBER 21338187.	Not listed.	
ARXX Corporation	Dell Financial Services, L.P.	05/18/2007 71895993, CONTINUED BY CONTINUATION LISTED AS FILE NUMBER 21319302, AND AMENDED BY AMENDMENT LISTED AS FILE NUMBER 21338831.	Not listed.	
ARXX Corporation	Dell Financial Services, L.P.	06/14/2007 72258621, CONTINUED BY CONTINUATION LISTED AS FILE NUMBER 21714452, AND	Not listed.	

DEBTOR(S)	SECURED PARTY	REGISTRATION DATE AND NUMBER	REGISTRATION EXPIRY DATE	COLLATERAL CLASSIFICATION
		AMENDED BY AMENDMENT LISTED AS FILE NUMBER 21788589.		
ARXX Corporation	Dell Financial Services, L.P.	07/24/2007 72772498, CONTINUED BY CONTINUATION LISTED AS FILE NUMBER 22095430, AND AMENDED BY AMENDMENT LISTED AS FILE NUMBER 22159368.	Not listed.	
ARXX Corporation	Dell Financial Services, L.P.	01/02/2008 80007763, CONTINUED BY CONTINUATION LISTED AS FILE NUMBER 24275782, AMENDED BY AMENDMENT LISTED AS FILE NUMBER 24393915.	Not listed.	
ARXX Corporation	Comerica Bank	09/29/2010 03390550, AMENDED BY AMENDMENT LISTED AS FILE NUMBER 03788068.	Not listed.	
<b>6. ARXX CORPORATION ARXX BUILDING PRODUCTS INC. ECO-BLOCK INTERNATIONAL, LLC</b>				
None.				
<b>6A. PREDECESSORS OF ARXX BUILDING PRODUCTS INC.</b>				

DEBTOR(S)	SECURED PARTY	REGISTRATION DATE AND NUMBER	REGISTRATION EXPIRY DATE	COLLATERAL CLASSIFICATION
A A B Building System Inc. 946653 Ontario Limited A A B System of British Columbia Ltd. ARXX Acquisition Corp.				
None.				

2. Georgia

DEBTOR(S)	SECURED PARTY	REGISTRATION DATE AND NUMBER	REGISTRATION EXPIRY DATE	COLLATERAL CLASSIFICATION
<b>1. ECO-BLOCK INTERNATIONAL, LLC</b>				
Eco-Block International, LLC	Comerica Bank	09/29/2010 038-2010-005450	Not listed	

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

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

ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)

Proceedings commenced in Toronto

**APPROVAL AND VESTING ORDER**

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Lawyers for Duff & Phelps Canada  
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