

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re:

ARXX CORPORATION, *et al.*,¹

Debtors in a Foreign
Proceeding.

Chapter 15

Case No. 13-13313 (KJC)

(Jointly Administered)

Ref. Docket Nos. 22, 32, and 36

**ORDER, PURSUANT TO SECTIONS 105(a), 363, 1501, AND 1521 OF
THE BANKRUPTCY CODE AND BANKRUPTCY RULES 2002, 6004, AND 9014,
(I) RECOGNIZING AND ENFORCING THE STALKING HORSE ORDER AND
VESTING ORDER; (II) AUTHORIZING THE SALE OF ALL OR SUBSTANTIALLY
ALL OF THE ARXX DEBTORS' ASSETS FREE AND CLEAR OF ANY AND ALL
LIENS, CLAIMS, ENCUMBRANCES, AND OTHER INTERESTS; (III) AUTHORIZING
ASSIGNMENT OF CERTAIN EXECUTORY CONTRACTS AND UNEXPIRED
LEASES; AND (IV) GRANTING RELATED RELIEF**

Upon consideration of the motion (the "**Motion**")² of Duff & Phelps Canada Restructuring Inc., in its capacity as the court-appointed receiver and authorized foreign representative (the "**Receiver**") for the above-captioned debtors (collectively, the "**ARXX Debtors**") in the proceeding (the "**Canadian Proceeding**") commenced under Canada's *Bankruptcy and Insolvency Act* (Canada), R.S.C. 1985, c. B-3 (the "**BIA**"), as amended, and pending before the Ontario Superior Court of Justice, Commercial List (the "**Ontario Court**"), for the entry of an order, pursuant to sections 105(a), 363(b), (f), (m), and (n), 1501, and 1521 of title 11 of the United States Code, 11 U.S.C. §§ 101–1532 (the "**Bankruptcy Code**"), Rules 2002, 6004, and 9014 of the Federal Rules of Bankruptcy Procedure (the "**Bankruptcy Rules**")

¹ The last four digits of the United States Tax Identification Number, or similar foreign identification number, as applicable, follow in parentheses: ARXX Corporation (3572); ARXX Building Products Inc. (3569); ARXX Building Products U.S.A. Inc. (1061); ECB Holdings, LLC (3572); APS Holdings, LLC (3572); Unisas Holdings, LLC (3572); and Eco-Block International, LLC (3572). The ARXX Debtors' executive headquarters is located at 800 Division Street, Cobourg, ON, Canada K9A 5V2.

² Capitalized terms used, but not otherwise defined herein, have the meaning given to them in the Motion.

and Rule 6004-1 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “**Local Rules**”): (a) recognizing and enforcing the Stalking Horse Order and the Vesting Order, pursuant to which the Ontario Court authorized the sale and transfer (the “**Sale**”) by the Receiver of the ARXX Debtors’ right, title, and interest in and to the assets (collectively, the “**Purchased Assets**”) described in that certain *Asset Purchase Agreement* (the “**Purchase Agreement**”), between the Receiver and Airlite Plastics Co. (the “**Airlite**”), dated December 19, 2013 (a copy of which is attached to the Motion as Exhibit B), to Airlite, or such other purchaser that has submitted a superior bid, free and clear of all claims, liabilities, and encumbrances, except as set forth in the Purchase Agreement; (b) authorizing, pursuant to section 363 of the Bankruptcy Code, the Sale of the ARXX Debtors’ right, title, and interest in and to the Purchased Assets to Airlite, or such other purchaser that has submitted a superior bid, free and clear of all Interests (as defined herein), except as otherwise provided in the Purchase Agreement; and (c) granting certain related relief.; and this Court having entered the *Order Granting Recognition and Related Relief* (the “**Recognition Order**”); and upon the Vesting Order, which was entered by the Ontario Court on January 29, 2014 [Docket No. 36], the Receiver’s Report, and the *Second Report of Duff & Phelps Canada Restructuring Inc. as Receiver of ARXX Building Products Inc., ARXX Building Products U.S.A. Inc., ARXX Corporation, ECB Holdings, LLC, APS Holdings, LLC, Unisas Holdings, LLC and Eco-Block International, LLC*, dated January 22, 2014 [Docket No. 32] (the “**Second Receiver’s Report**”); and all parties in interest having been heard, or having had the opportunity to be heard, regarding the recognition and enforcement of the Stalking Horse Order³ and the Vesting Order and the approval of the Purchase Agreement and transactions contemplated thereby; and

³ The Stalking Horse Order is attached as Tab D to the Second Receiver’s Report [Docket No. 32].

the Canadian Court having entered the Stalking Horse Order and Vesting Order; and this Court having reviewed and considered the Motion, and the arguments of counsel made, and the evidence adduced, at a hearing before this Court (the "Sale Hearing"); and upon the record of the Sale Hearing and the Chapter 15 Cases, and after due deliberation thereon, and good cause appearing therefor, and in accordance with Bankruptcy Rule 7052, it is hereby

FOUND AND DETERMINED THAT:

A. The Canadian Court has duly entered the Stalking Horse Order and Vesting Order: (i) approving and authorizing the Receiver's execution of the Purchase Agreement, the Stalking Horse Process, and consummation of the sale of the Purchased Assets free and clear of all Interests; and (ii) requesting aid and recognition from this Court to give effect to the Stalking Horse Order and Vesting Order.

B. This Court has jurisdiction and authority to hear and determine the Motion pursuant to 28 U.S.C. §§ 1334 and 157(b), section 1501 of the Bankruptcy Code, and the *Amended Standing Order of Reference from the United States District Court for the District of Delaware* dated February 29, 2012. Venue of these chapter 15 cases and the Motion in this Court and this District is proper under 28 U.S.C. § 1410(3) because placing venue in this District will be consistent with the interests of justice and convenience for the ARXX Debtors, having regard to the relief sought by the Receiver..

C. Based on the affidavits of service filed with, and representations made to, this Court: (i) notice of the Motion, the Sale Hearing, and the Sale was proper, timely, adequate, and sufficient under the circumstances of these Chapter 15 Cases and these proceedings and complied with the various applicable requirements of the Bankruptcy Code and the Bankruptcy

Rules; and (ii) no other or further notice of the Motion, the Sale Hearing, the Sale, or the entry of this Order is necessary or shall be required.

D. The Receiver provided a reasonable opportunity to object and be heard with respect to the Sale, the Motion, and the relief requested therein to the necessary parties in interest, including the following: (i) all known creditors of the ARXX Debtors or holders of Interests; (ii) all parties to litigation pending in the United States in which the ARXX Debtors are a party as of the Petition Date; (iii) the Office of the United States Trustee for the District of Delaware; (iv) the United States Attorney's Office for the District of Delaware; (v) the Internal Revenue Service; (vi) the United States Department of Justice; (vii) counsel for Airlite; (viii) counsel to Comerica; (ix) all persons or entities known to have liens on the Purchased Assets; (x) all parties that expressed an interest in the ARXX Debtors as a result of the prepetition marketing process; and (xi) all other persons to whom notice is required pursuant to this Court's *Order Specifying Form and Manner of Service of Notice* [Docket No. 16].

E. This Order constitutes a final and appealable order within the meaning of 28 U.S.C. § 158(a).

F. The relief granted herein is necessary and appropriate, is in the interest of the public, promotes international comity, is consistent with the public policy of the United States, is warranted pursuant to sections 105(a), 363(b), (f), (m), and (n), 1501, and 1521 of the Bankruptcy Code, and will not cause any hardship to any parties in interest that is not outweighed by the benefits of the relief granted.

G. Based on information contained in the Receiver's Report and the Moore Affidavit, the ARXX Debtors conducted a prepetition marketing process to solicit interest to refinance and/or acquire the ARXX Debtors' business and assets. The Receiver has

recommended the Sale in accordance with the Purchase Agreement. It is appropriate that the Purchased Assets be transferred, assigned, and vested in the Purchaser.

H. The consideration provided by the Purchaser for the Purchased Assets is the highest or otherwise best offer.

I. The Purchase Price constitutes fair consideration and reasonably equivalent value for the Purchased Assets under the Bankruptcy Code, the Uniform Fraudulent Transfer Act, the Uniform Fraudulent Conveyance Act, and the laws of the United States, any state, territory, possession thereof, or the District of Columbia.

J. No bulk sales law or any similar law of any state or other jurisdiction shall apply in any way to the Sale.

K. Time is of the essence in consummating the Sale. To maximize the value of the Purchased Assets, it is essential that the Sale occur promptly. Accordingly, there is cause to waive the stay that would otherwise be applicable under Bankruptcy Rule 6004.

L. Based upon information contained in the Receiver's Report, the negotiations over the terms of the Purchase Agreement were conducted fairly, in good faith, and without collusion, and thus the Purchaser has acted in good faith within the meaning of section 363(m) of the Bankruptcy Code, and neither the Receiver nor the Purchaser engaged in any conduct that would cause or permit the Purchase Agreement or the consummation of the Sale to be avoided, or costs or damages to be imposed, under section 363(n) of the Bankruptcy Code.

M. Neither the Purchaser nor any of its affiliates or their respective representatives is an "insider" of any of the ARXX Debtors, as that term is defined in Bankruptcy Code section 101(31).

N. The Purchase Agreement was not entered into for the purpose of hindering, delaying, or defrauding present or future creditors of the ARXX Debtors under the Bankruptcy Code or under the laws of the United States, any state, territory, possession thereof, or the District of Columbia.

O. The Receiver may sell the Purchased Assets free and clear of all Interests, to the extent provided in the Purchase Agreement, the Stalking Horse Order, the Vesting Order, and this Order, because, with respect to each creditor asserting an Interest, one or more of the standards set forth in section 363(f)(1)-(5) of the Bankruptcy Code has been satisfied. Those holders of Interests who did not object or who withdrew their objections to the Sale or the Motion are deemed to have consented to the Motion and Sale pursuant to Bankruptcy Code section 363(f)(2).

P. The Purchaser would not have entered into the Purchase Agreement and would not consummate the transactions contemplated thereby, thus adversely affecting the ARXX Debtors, their creditors, and other parties in interest if either: (i) the sale of the Purchased Assets to the Purchaser was not free and clear of all Interests, except as otherwise provided in the Purchase Agreement; or (ii) the Purchaser would, or in the future could, be liable for any of such Interests or any claims against the ARXX Debtors based upon successor or vicarious liability or otherwise, except as provided in Purchase Agreement.

Q. A sale of the Purchased Assets other than one free and clear of all Interests, except as otherwise provided in the Purchase Agreement, would yield substantially less value than the Sale; thus, the Sale free and clear of all Interests, in addition to all of the relief provided herein, is in the best interests of the ARXX Debtors, their creditors, and other parties in interest.

R. All findings of fact and conclusions of law announced by this Court at the Sale Hearing are incorporated herein.

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED THAT:

1. The Motion is granted.
2. The Stalking Horse Order and Vesting Order, copies of which are annexed hereto as Exhibit 1 and Exhibit 2, respectively, are recognized in full and given full force and effect in the United States.
3. The Sale pursuant to the terms of the Purchase Agreement and the transfer and assignment of the Purchased Assets located within the United States is approved and authorized pursuant to sections 363 and 1521 of the Bankruptcy Code.
4. All objections to the entry of this Order that have not been withdrawn, waived, settled, or otherwise resolved pursuant to the terms hereof, are denied and overruled on the merits, with prejudice.
5. Pursuant to sections 105, 363, and 1521 of the Bankruptcy Code, and to the extent permitted by the Stalking Horse Order and the Vesting Order, each of the ARXX Debtors, the Purchaser, and the Receiver are authorized to take any and all actions necessary or appropriate to: (a) consummate the Sale of the Purchased Assets to the Purchaser in accordance with the Purchase Agreement, the Stalking Horse Order, the Vesting Order, and this Order; and (b) perform, consummate, implement, and close fully the Purchase Agreement, together with all additional instruments and documents that may be reasonably necessary or desirable to implement the Purchase Agreement and the Sale.

Transfer of the Purchased Assets

6. Pursuant to sections 105(a), 363(f), and 1521 of the Bankruptcy Code, and as provided for in the Vesting Order, upon the delivery of a Receiver's certificate to the

Purchaser substantially in the form attached as Schedule A to the Vesting Order (the “**Receiver’s Certificate**”), all of the ARXX Group’s right, title, and interest in and to the Purchased Assets described in the Purchase 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 Receiver Order; (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 to the Vesting Order (the “**Encumbrances**”, and all the foregoing in this paragraph 6, collectively, the “**Interests**”). 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.

7. Except as otherwise provided in the Purchase Agreement, any and all Purchased Assets and in the possession or control of any person or entity, including, without limitation, any vendor, supplier, or employee of the ARXX Debtors shall be transferred to the Purchaser free and clear of all Interests, and, upon reasonable request of the Purchaser, all such

persons or entities are directed to surrender possession of the Purchased Assets to the Purchaser at the Closing Date.

8. To the extent permissible under the Stalking Horse Order and the Vesting Order, the Purchaser, or its affiliates, members, and shareholders, shall not be deemed, as a result of any action taken in connection with the Sale or the Purchaser's post-closing use or operation of the Purchased Assets, to: (a) be a successor to the ARXX Debtors; (b) have, *de facto* or otherwise, merged or consolidated with or into the ARXX Debtors; or (c) be a continuation or substantial continuation of the ARXX Debtors or any enterprise of the ARXX Debtors.

9. The entry of this Order: (a) is and shall be effective as a determination that, upon the Closing Date, except as expressly provided in the Purchase Agreement, the Stalking Horse Order, the Vesting Order, and/or this Order, all Interests existing as to the Purchased Assets prior to the Closing Date, have been released, extinguished, expunged, and discharged as against the Purchased Assets; and (b) shall be binding upon and shall govern the acts of all entities, including, without limitation, all filing agents, filing officers, title agents, title companies, recorders of mortgages, recorders of deeds, recorders of fees, registrars of deeds, administrative agencies, governmental departments, secretaries of state, federal, state, and local officials, and all other persons and entities, who may be required by operation of law, the duties of their office, or contract, to accept, file, register or otherwise record or release any documents or instruments that reflect that the Purchaser is the assignee of the Purchased Assets free and clear of all Interests, except as expressly provided in the Purchase Agreement, the Stalking Horse Order, the Vesting Order, and/or this Order.

10. Each and every federal, state, and local governmental agency or department is authorized and directed to accept any and all documents and instruments necessary and appropriate to consummate the transaction contemplated by the Purchase Agreement.

11. Except with respect to enforcing the terms of the Purchase Agreement, the Stalking Horse Order, the Vesting Order, or this Order, absent a stay pending appeal, no person shall take any action to prevent or enjoin or otherwise interfere with consummation of the transaction contemplated in or by the Purchase Agreement.

12. Effective as of the Closing Date, the Stalking Horse Order, the Vesting Order and this Order shall constitute for any and all purposes a full and complete general assignment, conveyance, and transfer of the ARXX Debtors' interests in the Purchased Assets.

Additional Provisions

13. The Purchaser, as a purchaser in good faith within the meaning of section 363(m) of the Bankruptcy Code, shall be entitled to all of the protections of section 363(m) of the Bankruptcy Code. The reversal or modification on appeal of the authorization provided herein to consummate the Sale shall not affect the validity of the Sale unless, prior to the Closing Date, such authorization is duly stayed pending appeal.

14. The terms and provisions of the Purchase Agreement and this Order shall be binding on and inure to the benefit of the ARXX Debtors, the Purchaser, the ARXX Debtors' creditors, and all other parties in interest, and any successors of the ARXX Debtors, the Purchaser and the ARXX Debtors' creditors, including any trustee(s), examiner(s), or receiver(s) appointed in these cases or under any chapter of the Bankruptcy Code or any other law, and all such terms and provisions shall likewise be binding on such trustee(s), examiner(s), or receiver(s) and shall not be subject to rejection or avoidance by the ARXX Debtors, the ARXX Debtors, their creditors, or any trustee(s), examiner(s), or receiver(s).

15. Subject to the terms and conditions of the Stalking Horse Order, the Vesting Order, and the Purchase Agreement, provisions of the Purchase Agreement and any related agreements may be waived, modified, amended, or supplemented by agreement among the ARXX Debtors and the Purchaser in a writing signed by the ARXX Debtors and the Purchaser without further action or order of this Court.

16. The failure to include any particular provision of the Stalking Horse Order, the Vesting Order, the Purchase Agreement, or any related agreements in this Order shall not diminish or impair the effectiveness of that provision, it being the intent of this Court that the Stalking Horse Order, the Vesting Order, the Purchase Agreement, and any related agreements, with such amendments thereto as may be made by the parties in accordance with the Stalking Horse Order, the Vesting Order, and the Purchase Agreement be approved and authorized in their entirety.

17. Notwithstanding any provision in the Bankruptcy Rules to the contrary: (a) the terms of this Order shall be immediately effective and enforceable upon its entry; (b) the ARXX Debtors, the Purchaser, and the Receiver are not subject to any stay in the implementation, enforcement, or realization of the relief granted in this Order; and (c) the ARXX Debtors, the Purchaser, and the Receiver may, in their discretion and without further delay, take any action and perform any act authorized under the Stalking Horse Order, the Vesting Order, and/or this Order.

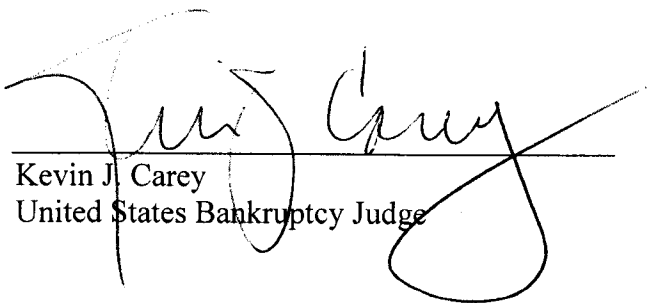
18. To the extent permitted by section 525 of the Bankruptcy Code, no governmental unit may revoke or suspend any permit or license relating to the operation of the Purchased Assets sold, transferred, or conveyed to the Purchaser on account of the filing or pendency of these Chapter 15 Cases or the consummation of the Sale.

19. Nothing in this Order shall be deemed to waive, release, extinguish, or estop the ARXX Debtors or the Receiver from asserting, or otherwise impair or diminish, any right (including, without limitation, any right of recoupment), claim, cause of action, defense, offset, or counterclaim in respect of any asset that is not a Purchased Asset.

20. The provisions of this Order are nonseverable and mutually dependent.

21. Other than as explicitly set forth herein, this Court shall retain jurisdiction with respect to any and all matters, claims, rights, or disputes arising from or related to the implementation or interpretation of this Order.

Dated: January 31, 2014
Wilmington, Delaware



Kevin J. Carey
United States Bankruptcy Judge

EXHIBIT 1

Stalking Horse Order

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

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

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

**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.

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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

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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.

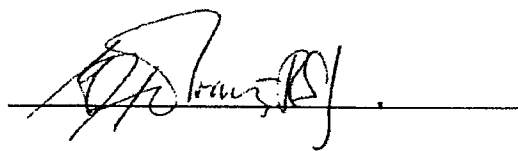
5. **THIS COURT ORDERS** that in connection with the Stalking Horse Process and pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act* (Canada), the Receiver may disclose personal information of identifiable individuals to prospective bidders for the Purchased 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.

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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 be "A. Brown", is written over a horizontal line.

DEC 27 2013

Handwritten initials "MB" in black ink.

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
RESPONDENTS

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

APPLICANT

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced in Toronto

STALKING HORSE SALES PROCESS
ORDER

Torys LLP
79 Wellington Street West, Suite 3000
Box 270, TD Centre
Toronto, Ontario M5K 1N2

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Tel: 416.865.7353

Lily Coodin (LSUC#: 62143S)
Tel: 416.865.7541

Fax: 416.865.7380

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

EXHIBIT 2

Vesting Order



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

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

85

~~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.

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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

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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:

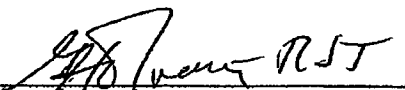
- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act (Canada)* in respect of the ARXX Group and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy 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.

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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 A 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**

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

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

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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

DEBTOR(S)	SECURED PARTY	REGISTRATION DATE	REGISTRATION EXPIRY DATE	COLLATERAL CLASSIFICATION
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,

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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
1. ARXX BUILDING PRODUCTS U.S.A. INC.				
ARXX Building Products U.S.A. Inc.	NMHG Financial Services Inc.	01/09/2009 90079555	Not listed.	ALL OF THE EQUIPMENT NOW OR HEREAFTER

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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.	
2. ECB HOLDINGS, LLC				
ECB Holdings, LLC	Comerica Bank	09/29/2010 03390758, AMENDED BY AMENDMENT LISTED AS FILE NUMBER 03788233 TO AMEND.	Not listed.	
3. APS HOLDINGS, LLC				
APS Holdings, LLC	Comerica Bank	09/29/2009 03390915, AMENDED BY AMENDMENT LISTED AS FILE NUMBER	Not listed.	

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DEBTOR(S)	SECURED PARTY	REGISTRATION DATE AND NUMBER	REGISTRATION EXPIRY DATE	COLLATERAL CLASSIFICATION
		03390915.		
4. UNISAS HOLDINGS, LLC				
Unisas Holdings, LLC	Comerica Bank	10/01/2010 03435348, AMENDED BY AMENDMENT LISTED AS FILE NUMBER 03788258.	Not listed.	
5. ARXX CORPORATION				
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.	
6. ARXX CORPORATION ARXX BUILDING PRODUCTS INC. ECO-BLOCK INTERNATIONAL, LLC				
None.				
6A. PREDECESSORS OF ARXX BUILDING PRODUCTS INC.				

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
1. ECO-BLOCK INTERNATIONAL, LLC				
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-13-10353-000CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced in Toronto

APPROVAL AND VESTING ORDER

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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