

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

THE HONOURABLE MR. ) FRIDAY, THE 21<sup>ST</sup> DAY  
 )  
JUSTICE MORAWETZ ) OF DECEMBER, 2012

BETWEEN:

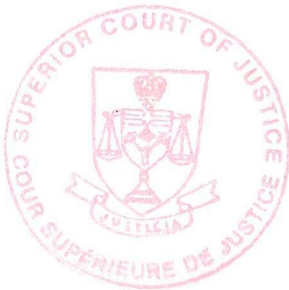
**ROYAL BANK OF CANADA**

Applicant

- and -

**BURLINGTON GROUP INC.**

Respondent



**APPROVAL AND VESTING ORDER**

**THIS MOTION**, made by Duff & Phelps Canada Restructuring Inc., in its capacity as the Court-appointed receiver (in such capacity, the **"Receiver"**), without security, of all of the assets, undertakings and properties of Burlington Group Inc. (the **"Debtor"**) for an order, *inter alia*, approving the sale transaction (the **"Transaction"**) contemplated by an agreement of purchase and sale between the Receiver, as vendor, and Kinetics Noise Control Holding Inc. (the **"Purchaser"**), as purchaser, dated November 2, 2012 (the **"Sale Agreement"**), a copy of which is attached as Confidential Appendix "2" to the First Report to Court of the Receiver dated December 14, 2012 (the **"Report"**), and vesting in the Purchaser, all of the Debtor's right, title and interest in and to the property described in the Sale Agreement (the **"Purchased Assets"**), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Report and appendices thereto, and on hearing the submissions of counsel for the Receiver, no one appearing for any other person on the service list, although properly served as appears from the affidavit of Eunice Baltkois sworn December 14, 2012, 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 Debtor'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 Mr. Justice Brown dated February 17, 2012; (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 "C"** hereto (all of which are collectively

referred to as the “**Encumbrances**”, which term shall not include the permitted encumbrances, easements and restrictive covenants listed on **Schedule “D”**) 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 upon the registration in the Land Registry Office for the appropriate Land Titles Division of an Application for Vesting Order in the form prescribed by the *Land Titles Act* and/or the *Land Registration Reform Act*, the Land Registrar is hereby directed to enter the Purchaser as the owner of the subject real property identified in **Schedule “B”** hereto (the “**Real Property**”) in fee simple, and is hereby directed to delete and expunge from title to the Real Property all of the Claims listed in **Schedule “C”** hereto.

4. **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.

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

6. **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



Debtor's records pertaining to the Debtor'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 Debtor.

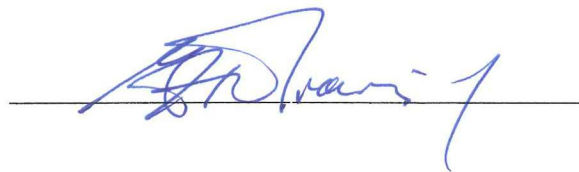
7. **THIS COURT ORDERS** that, notwithstanding:

- (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 Debtor and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Debtor,

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 Debtor and shall not be void or voidable by creditors of the Debtor, nor shall it constitute nor be deemed to be a 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.

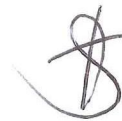
8. **THIS COURT ORDERS AND DECLARES** that the Transaction is exempt from the application of the *Bulk Sales Act* (Ontario).

9. **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.:

DEC 21 2012



**Schedule "A" – Form of Receiver's Certificate**

Court File No. CV-12-9604-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

BETWEEN:

**ROYAL BANK OF CANADA**

Applicant

- and -

**BURLINGTON GROUP INC.**

Respondent

**RECEIVER'S CERTIFICATE**

**RECITALS**

(A) Pursuant to an Order of the Honourable Mr. Justice Brown of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated February 17, 2012, Duff & Phelps Canada Restructuring Inc. ("**D&P**") was appointed as receiver (in such capacity, the "**Receiver**"), without security, of all of the assets, undertakings and properties of Burlington Group Inc. (the "**Debtor**").

(B) Pursuant to an Order of the Court dated December 21, 2012, the Court approved the agreement of purchase and sale between the Receiver, as vendor, and Kinetics Noise Control Holding Inc. (the "**Purchaser**"), as purchaser, dated November 2, 2012 (the "**Sale Agreement**"), and provided for the vesting in the Purchaser of all of the Debtor's right, title and interest in and to the Property (as defined in the Sale Agreement), which vesting is to be effective with respect to the Property 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 Property; (ii) that the conditions to closing as set out in 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 Property payable on the closing date pursuant to the Sale Agreement;
2. The conditions to closing as set out in the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser;
3. The transaction has been completed to the satisfaction of the Receiver; and
4. This Certificate was delivered by the Receiver at \_\_\_\_\_ [TIME] on \_\_\_\_\_ [DATE].

**DUFF & PHELPS CANADA  
RESTRUCTURING INC.**, solely in its capacity  
as the Court-appointed receiver of all of the assets,  
undertakings and properties of Burlington Group  
Inc., and not in its personal capacity

Per: \_\_\_\_\_

Name: David Sieradzki

Title: Managing Director

**SCHEDULE "B"**  
**LEGAL DESCRIPTION OF PROPERTY**

A. PIN No. 03794-0024 (LT)

Part of Lot 15, RCP 1378 Cambridge, designated as Part 1, Plan 67R-1585. Subject to right in Instrument No. WS593827, City of Cambridge



**SCHEDULE "C"**  
**INSTRUMENTS TO BE DELETED FROM TITLE TO PROPERTY**

1. Instrument No. WR332494 is a Charge registered October 1, 2007 in favour of FirstOntario Credit Union Limited in the principal amount of \$2,567,000.00.
2. Instrument No. WR332495 is a Notice of General Assignment of Rents registered October 1, 2007 in favour of FirstOntario Credit Union Limited.
3. Instrument No. WR332496 is a Notice of Lease registered October 1, 2007 between Burlington Group Inc. and Burlington Technologies Inc.
4. Instrument No. WR332497 is a Notice of Assignment of Lessor's Interest registered October 1, 2007 by Burlington Group Inc. in favour of FirstOntario Credit Union Limited.
5. Instrument No. WR433380 is a Charge registered December 9, 2008 in favour of Royal Bank of Canada in the principal amount of \$4,000,000.00.
6. Instrument No. WR443998 is a Charge registered February 10, 2009 in favour of Export Development Canada in the principal amount of \$1,356,388.00.
7. Instrument No. WR443999 is a Postponement between Burlington Technologies Inc. and Export Development Canada postponing Instrument No. WR332496 to Instrument No. WR443998.
8. Instrument No. WR470893 is a Notice of Lease registered June 26, 2009 between Burlington Group Inc. and Revstone Industries Burlington Inc.
9. Instrument No. WR471012 is a Notice of Assignment of Lessor's Interest registered June 26, 2009 by Burlington Group Inc. in favour of FirstOntario Credit Union Limited.
10. Instrument No. WR473622 is a Notice of General Assignment of Rents registered July 9, 2009 in favour of Export Development Canada.
11. Instrument No. WR475450 is a Notice of Agreement between Burlington Group Inc. and Export Development Canada.
12. Instrument No. WR610528 is an Application to Register Court Order registered April 28, 2011.

**SCHEDULE "D"**  
**PERMITTED ENCUMBRANCES, EASEMENTS AND RESTRICTIVE COVENANTS**

1. Instrument No. 67R1485 registered July 4, 1979.
2. Instrument No. 67R1585 registered March 20, 1980.
3. Instrument No. WS593827Z registered May 30, 1980 containing certain restrictive covenants.
4. Instrument No. 67R1713 registered April 27, 1981.
5. Instrument No. 1422280 is an Agreement registered June 23, 1999 between The Corporation of the City of Cambridge and Burlington Technologies Inc.

ROYAL BANK OF CANADA

- and -

BURLINGTON GROUP INC.

Applicant

Respondent

Court File No. CV-12-9604-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

**Proceedings commenced at Toronto**

**APPROVAL AND VESTING ORDER**

**AIRD & BERLIS LLP**

Barristers and Solicitors

Brookfield Place

181 Bay Street, Suite 1800

Box 754

Toronto, ON M5J 2T9

**Steven L. Graff (LSUC # 31871V)**

Tel: (416) 865-7726

Fax: (416) 863-1515

E-mail: [sgraff@airdberlis.com](mailto:sgraff@airdberlis.com)

**Ian Aversa (LSUC # 55449N)**

Tel: (416) 865-3082

Fax: (416) 863-1515

E-mail: [iaversa@airdberlis.com](mailto:iaversa@airdberlis.com)

*Lawyers for Duff & Phelps Canada Restructuring Inc.*