



File No. 99-CL-3514

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

THE HONOURABLE) **THURSDAY, THE 17th DAY**
)
MR. JUSTICE MORAWETZ) **OF JULY, 2008**

**IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*,
R.S.O. 1990, c. B-16, s. 182 AS AMENDED**

- and -

**IN THE MATTER OF AN APPLICATION BY THE T. EATON COMPANY
LIMITED RELATING TO A PROPOSED ARRANGEMENT INVOLVING THE
T. EATON COMPANY LIMITED AND ITS SECURITYHOLDERS AND 1381052
ONTARIO INC.**

Applicant

ORDER

THIS MOTION by RSM Richter Inc. (formerly Richter & Partners Inc.), in its capacity as liquidator (the "Liquidator") of Distributionco Inc. (formerly 1381052 Ontario Inc.) ("Distributionco") for an Order, *inter alia* approving a final distribution to the Class I Creditors and discharging the Liquidator effective on the date on which the Liquidator completes the administration and winding-up of Distributionco and certain other relief was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion, the Report of the Liquidator dated July 2, 2008 (the "Report"), filed and on hearing the submissions of counsel for the Liquidator, counsel for the Office of the Public Guardian and Trustee and Koskie Minsky

LLP in its capacity as representative counsel to the Eaton's retirees and former employees no one else appearing although duly served, as appears from the Affidavit of Sacha Bonekamp sworn July 3, 2008,

General Provisions

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record herein be and is hereby abridged, that the Motion is properly returnable today, that all parties entitled to notice of this Motion have been duly served with notice hereof and that the method of service of this material be and is hereby approved.

2. **THIS COURT ORDERS** that any capitalized term used but not defined in this Order shall have the meaning ascribed to it in the Report.

Amendment of the Order dated May 15, 2002

3. **THIS COURT ORDERS** that the Order of this Honourable Court dated May 15, 2002 be and is hereby amended to delete paragraphs 6 and 7 thereof.

Treatment of Unclaimed Dividends from the Eighth Interim Distribution

4. **THIS COURT ORDERS** that the Class I Creditors whose first uncashed dividend cheque was in respect of the Eighth Interim Distribution ("Missing Class I Creditors") shall be deemed to have forfeited their rights to the Eighth Interim Distribution and the Final Distribution (as defined herein) and the amounts which would have been payable to such Missing Class I Creditors in respect of the Eighth Interim

Distribution and Final Distribution shall form part of the pool of funds to be distributed to the remaining Class I Creditors (“Remaining Class I Creditors”) in the Final Distribution.

Approval of the Final Distribution

5. **THIS COURT ORDERS** that the Liquidator be and is hereby authorized and directed to issue the final distribution to the Remaining Class I Creditors in the approximate amount of 1.6 cents on the dollar on account of their Class I Distribution Claims (the “Final Distribution”).

6. **THIS COURT ORDERS** that in its cover letter to the Remaining Class I Creditors in respect of the Final Distribution, the Liquidator shall advise that “It is imperative that the enclosed Final Distribution cheque be cashed as soon as possible and, in any event, before February 27, 2009. In order that the Liquidator be able to conclude the dissolution of Distributionco in a timely manner, pursuant to the Order of the Ontario Superior Court of Justice dated July 17, 2008, the Liquidator has been authorized and directed to stop payment on any Final Distribution cheque which has not cleared the Liquidator’s account by March 2, 2009.”

Unclaimed Dividends from the Final Distribution

7. **THIS COURT ORDERS** that effective March 2, 2009, the Liquidator be and is hereby authorized to stop payment on any Final Distribution cheques (the “Unclaimed Final Distribution Cheques”) which have not, by that date, cleared the Liquidator’s bank account(s) upon which the Final Distribution cheques are drawn (the “Distribution Account”) and/or close the Distribution Account.

8. **THIS COURT ORDERS** that the Liquidator shall use all commercially reasonable and proportionate efforts to locate payees of Final Distribution cheques returned to the Liquidator and the payees of Unclaimed Final Distribution Cheques (the “Missing Payees”) until March 2, 2009.

9. **THIS COURT ORDERS** that on March 2, 2009, the Liquidator be and is hereby authorized to apply the funds remaining in the Distribution Account to the Liquidator’s remuneration as a bonus (the “Bonus”), whereupon the claims of all Missing Payees in respect of the Final Distribution and the Bonus are extinguished and forever barred.

Destruction of Books and Records

10. **THIS COURT ORDERS** that the Liquidator be and is hereby authorized to destroy the Eaton’s Books and Records in its possession and the Estate Books and Records on July 17, 2009, or such other date or dates as may be agreed to between the Liquidator and the Canada Revenue Agency or any other relevant taxing authority.

Approval of Activities

11. **THIS COURT ORDERS** that the activities of the Liquidator as described in the Report be and are hereby approved.

Approval of Fees and Disbursements

12. **THIS COURT ORDERS** that the fees and disbursements of the Liquidator as described in the Appendix “E” to the Report, the Affidavit of Gus Tertigas sworn July 2, 2008 and attached as Appendix “F” to the Report and the Affidavit of Eric

Rodier sworn July 2, 2008 and attached as Appendix "G" to the Report in the amounts of \$18,162,742.20 on account of professional fees, \$1,116,007.83 on account of disbursements and \$892,473.50 on account of Goods and Services Tax from August 20, 1999 to May 31, 2008 be and are hereby approved.

13. **THIS COURT ORDERS** that the fees and disbursements of the Liquidator's legal counsel, Fasken Martineau DuMoulin LLP ("Fasken"), as described in the affidavit of Edmond F. B. Lamek sworn June 27, 2008 and attached as Appendix "H" to the Report in the amounts of \$4,935,639.00 on account of professional fees, \$142,915.49 on account of disbursements and \$352,830.91 on account of Goods and Services Tax from August 20, 1999 to May 31, 2008 be and are hereby approved.

14. **THIS COURT ORDERS** that the fees and disbursements of the Liquidator's legal counsel, McMillan LLP, as described in the affidavit of Max Mendelsohn sworn June 27, 2008 and attached as Appendix "I" to the Report in the amounts of \$1,086,722.75 on account of professional fees, \$60,069.60 on account of disbursements and \$170,392.14 on account of Goods and Services Tax from August 20, 1999 to May 31, 2008 be and are hereby approved.

15. **THIS COURT ORDERS** that the fees and disbursements of Koskie Minsky LLP, in its capacity as representative counsel to the former employees and retirees of Eaton's, as described in the Affidavit of Alfred Esterbauer sworn July 2, 2008 and attached as Appendix "J" to the Report in the amounts of \$3,712,486.90 on account of professional fees, \$684,623.96 on account of disbursements and \$299,172.17 on

account of Goods and Services Tax from August 27, 1999 to May 31, 2008 be and are hereby approved.

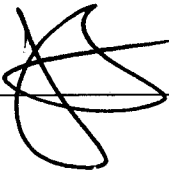
16. **THIS COURT ORDERS** that the Liquidator be and is authorized to establish a reserve of \$900,000 in aggregate (the "Reserve") out of the funds in the Liquidator's account to pay the fees and disbursements (and applicable taxes) of the Liquidator, Fasken, McMillan LLP and Koskie Minsky LLP until the date of the discharge of the Liquidator (the "Wind-up Fees").

17. **THIS COURT ORDERS** that any funds remaining in the Reserve after payment of the Wind-up Fees shall be payable to RSM Richter Inc. as a bonus, which bonus is hereby approved.

Discharge of the Liquidator

18. **THIS COURT ORDERS** that the Liquidator shall be discharged as Liquidator effective on the date on which the Liquidator completes the administration of the wind-up of Distributionco as described in paragraph 103 of the Report and files a discharge certificate with this Honourable Court substantially in the form attached hereto as Schedule "A" (the "Discharge Certificate"), provided however that notwithstanding its discharge herein (a) the Liquidator shall remain Liquidator for the performance of such incidental duties as may be required to complete the administration of the wind-up of Distributionco, and (b) the Liquidator shall continue to have the benefit of the provisions of all Orders made in this proceeding, including all approvals, protections and stays of proceedings in favour of RSM Richter Inc. in its capacity as Liquidator.

19. **THIS COURT ORDERS** that, upon the filing of the Discharge Certificate, the Liquidator, RSM Richter Inc., and its officers, directors, employees, advisors, counsel and agents be and are hereby released and discharged of and from any and all claims, demands, causes and manners of action, liabilities and obligations whatsoever of any nature and kind howsoever arising, both at law and in equity, in respect of or relating or incidental to its appointment as Liquidator and the carrying out of its duties and responsibilities as interim receiver pursuant and incidental to the Orders of this Honourable Court or otherwise.



ENTERED AT / INSCRIT À TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO.:

JUL 17 2008

Joanne Nicoara
Registrar, Superior Court of Justice
PER/PAR: 

SCHEDULE "A"

File No. 99-CL-3514

**ONTARIO
SUPERIOR COURT OF JUSTICE
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DISCHARGE CERTIFICATE

RSM RICHTER INC., in its capacity as liquidator (the "Liquidator") of Distributionco Inc. (formerly 1381052 Ontario Inc.), certifies the Liquidator has completed the wind-up of Distributionco as outlined in paragraph 103 of the Final Report of the Liquidator dated July 2, 2008.

Date:

RSM RICHTER INC., in its capacity
as Liquidator of Distributionco Inc.

IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*, R.S.O. 1990, c. B-16, s. 182, AS AMENDED

AND IN THE MATTER OF AN APPLICATION BY THE T. EATON COMPANY LIMITED RELATING TO A PROPOSED ARRANGEMENT INVOLVING THE T. EATON COMPANY LIMITED AND ITS SECURITYHOLDERS AND 1381052 ONTARIO INC.

Applicants

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(COMMERCIAL LIST)**

Proceeding commenced at TORONTO

ORDER

FASKEN MARTINEAU DUMOULIN LLP
Suite 4200, TD Bank Tower
Box 20, Toronto-Dominion Centre
Toronto, Ontario
M5K 1N6

Edmond F. B. Lamek [LSUC No. 33338U]
Carole J. Hunter [LSUC No. 43087I]
Tel: (416) 366 8381
Fax: (416) 364 7813

Solicitors for RSM Richter Inc., in its capacity
as Liquidator of Distribucionco Inc.