

20 août 2010  
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CANADA  
PROVINCE OF QUÉBEC  
DISTRICT OF MONTRÉAL

SUPERIOR COURT  
(Commercial Division)  
In Bankruptcy and Insolvency

No.: 500-11-039364-100

IN THE MATTER OF THE NOTICE OF  
INTENTION TO MAKE A PROPOSAL  
OF:

MULTINA INC.

Petitioner

-and-

RSM RICHTER INC., in its capacity as  
Trustee under the Notice of Intention filed  
by Multina Inc.

Receiver/Trustee


20 août 2010  
Vu la requête des débiteurs  
Vu le rapport de l'expert concernant  
l'état de l'entreprise  
Vu les dispositions de l'art 50.4(9) LFI  
PROROGÉ jusqu'au 4 octobre 2010  
les délais visant la proposition

**MOTION TO EXTEND THE DEADLINE FOR FILING A PROPOSAL  
(SECTION 50.4(9) OF THE BANKRUPTCY AND INSOLVENCY ACT)**

TO ONE OF THE HONOURABLE JUDGES OF THE SUPERIOR COURT, SITTING  
IN BANKRUPTCY AND INSOLVENCY MATTERS, IN AND FOR THE JUDICIAL  
DISTRICT OF MONTRÉAL, OR TO ONE OF THE REGISTRARS THEREOF, THE  
PETITIONER RESPECTFULLY STATES:

1. The Petitioner, Multina Inc. ("Multina" or "Petitioner"), is a privately-held specialized manufacturer primarily serving customers in the transportation industry with roots tracing back to 1963.
2. The Petitioner focuses on seating for railway cars, public transit and recreational vehicles.
3. The Petitioner also provides structural elements for buses as well as the frames in the transport, aerospace and medical sectors.
4. The services offered by the Petitioner range from simple assembly of pre-designed and pre-manufactured parts, to an integrated design, production and assembly.

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5. The Petitioner used to employ over 600 people (more than 500 in Québec) and had a total of five production plants in North America (including through its subsidiaries), namely:
  - (a) a 121,000 square feet facility located in the city of Drummondville which serves as the headquarters of its operations where the top management is based (the "**Drummondville Facility**");
  - (b) a 102,000 square feet facility located in the city of Saint-Nicéphore;
  - (c) a 91,000 square feet facility located in the city of Sainte-Clotilde (the "**Ste-Clotilde Facility**");
  - (d) a 75,000 square feet facility located in the city of Plattsburgh in upstate New York; and
  - (e) a 30,000 square feet facility located in the city of Tultitlan, a municipality that is part of the Greater Mexico City urban area.
6. On July 23, 2010, the Petitioner filed a Notice of Intention to Make a Proposal (the "**Notice**") pursuant to Section 50.4(1) of the *Bankruptcy and Insolvency Act* (the "**Act**"), the whole as appears from the Court record.
7. RSM Richter Inc. agreed to act as trustee (the "**Trustee**") under the proposal, the whole as appears from the Court record.
8. On July 23, 2010, two (2) secured creditors filed a *Motion Seeking the Appointment of a Receiver, the Authorization to Sell Property of the Debtor and a Vesting Order* which was granted according to its conclusions (the "**July 23<sup>rd</sup> Order**"), as more fully appears from the Court record.
9. In the July 23<sup>rd</sup> Order, the Court *inter alia*:
  - (a) appointed RSM Richter Inc., through its representative, Yves Vincent, to act as receiver to assets of the Petitioner, pursuant to Section 243 of the Act; and
  - (b) approved and authorized the sale of the Ste-Clotilde Facility as well as the movable assets located in said Facility.

the whole as more appears from the July 23 Order.
10. Furthermore, on August 4, 2010, the two (2) secured creditors filed a *Motion Seeking the Authorization to Sell Property of the Debtor and the Issuance of a Vesting Order* which was granted on August 5, 2010 (the "**August 5<sup>th</sup> Order**"), as more fully appears from the Court record.
11. In the August 5<sup>th</sup> Order, the Court *inter alia* approved and authorized the sale of the following assets:

- certain of the inventory located at the Drummondville Facility;
- most of the equipment and movable located at the Drummondville Facility;
- all of the incorporeal assets related to the Drummondville Facility; and
- a copy of the accounting records,

the whole as more appears from the Court record.

12. In an effort to avoid bankruptcy, Multina intends to file a proposal to its creditors, pursuant to the Act.
13. Multina continues to pursue avenues which would allow payment to its creditors.
14. On July 29, 2010, the Trustee deposited an initial cash flow statement with regard to the period of July 23 to August 28, 2010, the whole as appears from the Court record.
15. However, as of the present date, Multina has not yet been in a position to file its proposal and the statutory deadline for filing a proposal is August 22, 2010.
16. The fact that Multina has been unable to file a proposal, despite acting in good faith and with due diligence, is attributable to time and energy spent by Multina's management with completion of the above-described transactions.
17. Multina therefore seeks an extension of the deadline for filing a proposal established under the Act.
18. If this Honourable Court extends the deadline for filing a proposal by an additional period of forty-five (45) days, Multina will continue to negotiate with potential purchasers for the sale of its remaining assets and believes that it could formulate the terms of a viable proposal to its creditors within the said forty-five-day (45) delay being requested herein.
19. Multina does not believe that any creditor will be materially prejudiced if the extension being requested herein is granted.
20. In light of the foregoing, Multina respectfully requests that a forty-five-day (45) extension of the deadline for filing a proposal to its creditors be granted, notably in light of the following:
  - (a) Multina is acting in good faith and with due diligence;

- (b) Multina is continuing its negotiations to sell assets (which would likely save additional jobs) and believes that it could make a viable proposal;
  - (c) no creditors will be materially prejudiced.
21. The Trustee is in the process of completing a cash flow statement relating to the period between August 16 and October 9, 2010, which will be served and filed with the Court, together with its report, at the hearing of the present Motion, or prior to same if possible.
22. The Trustee has noted no significant decrease in projected cash flow and therefore supports the present Motion.

**WHEREFORE, PETITIONER PRAYS THAT, BY JUDGMENT TO BE RENDERED HEREIN, THIS HONOURABLE COURT:**

**DECLARE** that sufficient notice was given for the presentation of the present Motion;

**SHORTEN** and/or **WAIVE** the delays for service and presentation of the present Motion, if necessary;

**GRANT** the Petitioner a forty-five-day (45) extension period up to and including October 6, 2010 to file a proposal to its creditors;

**THE WHOLE** without costs, except in case of contestation.

MONTREAL, August 18, 2010

*Stikeman Elliott LLP*  
**STIKEMAN ELLIOTT LLP**  
Attorneys for the Petitioner

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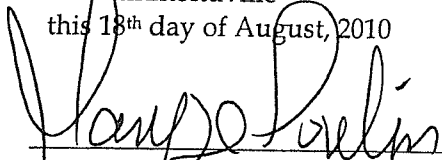
I, the undersigned, **G rard Nadeau**, businessman, having my place of business at 1275, rue Janelle, in the city of Drummondville, Province of Qu bec, J2C 3E4, solemnly declare that:

1. I am the President of the Petitioner Multina Inc.;
2. I have read the attached *Motion to extend the deadline for filing a proposal* and all the facts alleged therein are true.

AND I HAVE SIGNED

  
\_\_\_\_\_  
**G RARD NADEAU**

Solemnly declared before me,  
at Drummondville  
this 18<sup>th</sup> day of August, 2010

  
\_\_\_\_\_  
Commissioner of Oaths

**MARYSE POULIN**  
COMMISSAIRE   L'ASSERMENTATION  
# 138 368  
District judiciaire de Drummond

NOTICE OF PRESENTATION

TO: Mr. Yves Vincent  
**RSM RICHTER INC.**  
2 Place Alexis-Nihon  
Suite 1800  
Montréal (Québec) H3Z 3C2

Trustee

Me Denis Ferland  
Me Christian Lachance  
**DAVIES WARD PHILLIPS & VINEBERG**  
1501, McGill College Avenue  
26<sup>th</sup> Floor  
Montréal (Québec) H3A 3N9

Attorneys for Royal Bank of Canada


Me Michel La Roche  
**LA ROCHE ROULEAU & ASSOCIÉS**  
1155, René-Lévesque Boulevard West  
Suite 2660  
Montréal (Québec) H3B 4S5

Attorneys for Roynat Inc.

**TAKE NOTICE** that the foregoing *Motion to Extend the Deadline for Filing a Proposal* shall be presented before the Registrar of Superior Court for the District of Montréal, sitting in bankruptcy and insolvency matters, at the Montréal Courthouse, located at 1 Notre-Dame Street East, in the City of Montréal, Province of Québec, **in room 16.10, on Friday August 20, 2010 at 9:00 am** or so soon thereafter as counsel may be heard.

**DO GOVERN YOURSELVES ACCORDINGLY.**

MONTRÉAL, August 18, 2010

  
**STIKEMAN ELLIOTT LLP**  
Attorneys for the Petitioner