

**SUPERIOR COURT
(Commercial Division)**

CANADA
PROVINCE OF QUÉBEC
DISTRICT OF MONTREAL

No: 500-11-038366-106

DATE: JUNE 2, 2010

PRESIDING: Me Pierre Pellerin, registraire

IN THE MATTER OF THE RECEIVERSHIP OF:

EXELTECH AEROSPACE INC.

Debtor / Respondent

-and-

GE CANADA EQUIPMENT FINANCING G.P.

Petitioner

-and-

RSM RICHTER INC.

Trustee/Receiver

- [1] The Court, after having taking cognizance of the Amended Motion for the appointment of a receiver presented by the Petitioner GE CANADA EQUIPMENT FINANCING G.P.;
- [2] Considering the allegations of said Amended Motion, the affidavits and exhibits filed in support thereof;
- [3] Considering the representations made by the attorneys present;
- [4] Considering that the Amended Motion is well-founded both in facts and in law;

FOR THESE REASONS, THE COURT:

- [5] **GRANTS** the present Motion;
- [6] **SHORTENS AND WAIVES** the delays for service, filing and presentation of the present Motion;
- [7] **APPOINTS** RSM Richter Inc. (Mr. Yves Vincent) to act as Receiver to the property of the Debtor / Respondent, ExelTech Aerospace Inc. pursuant to Section 243 of the *Bankruptcy and Insolvency Act*;
- [8] **AUTHORIZES** the Receiver to take possession of the Debtor / Respondent, ExelTech Aerospace Inc.'s Charged Property (as defined below) and exercise UPON them complete control. Without restricting the generality of the foregoing, the Receiver shall be granted the power to:
- a) enter into and occupy any premises leased or owned by the Debtor / Respondent, ExelTech Aerospace Inc.;
 - b) exercise the powers necessary to change the locks giving access to the Property (as defined below) or to take all other measures of protection, at its discretion and which it deems appropriate;
 - c) take possession of all information and all original documents pertaining to the Debtor's administration or Charged Property and being in its possession or under its control and of all computer records, computer programs, computer disks, software, hardware or computers used to stock such information and authorizes the Receiver to control access to same;
 - d) take possession of the Debtor / Respondent, ExelTech Aerospace Inc.'s immovable property situated in the City of Montreal (borough of Saint-Laurent), Province of Quebec, known and designated as being lot number 4,077,184 of the Official Cadastre of Quebec, Registration Division of Montreal (formerly known as part of lot 3,731,872 of the Official Cadastre of Quebec, Registration Division of Montreal), with the building thereon erected bearing civic number 1200 Pitfield Boulevard, Montreal (Borough of Saint-Laurent), Province of Quebec, H4S 0A1 (the "**Property**")
 - e) take possession of all movable property relating to the Debtor / Respondent, ExelTech Aerospace Inc.'s Property, all movable property employed for the use or operation of the said Property, rentals, revenues and leases, rental insurance, agreements relating to the said Property, contracts and agreements relating to the said Property, claims, receivables and book debts, fruits and revenues, and records and others (the "**Movable Property**"), wherever they may be, by using all legal means at its disposition to force their handover;

The Property and the Movable Property are collectively referred to herein as the "**Charged Property**";

- f) take all measures necessary in order to insure that the Charged Property is duly and adequately insured with existing insurance companies or with other insurance companies;
- g) take any steps or measures in order to protect and promote the Charged Property;
- h) take any steps or measures regarding the maintenance of the Charged Property according to the relevant commercial standards;
- i) pay all fees and expenses engaged for the preservation of the Charged Property;

[9] **ORDERS AND DECLARES** that the Receiver is authorized to negotiate any agreement, including any service, occupancy or lease agreement, with third parties on behalf of the Debtor / Respondent, ExelTech Aerospace Inc.;

[10] **ORDERS AND DECLARES** that the Receiver is authorized to:

- a) take all the conservatory measures and steps required to protect the Charged Property to be sold;
- b) continue the sale process for the sale transaction concerning the Charge Property in the event that the transaction contemplated in the Offer is not completed;

[11] **ORDERS AND DECLARES** that the Receiver is authorized to continue the solicitation process for a sale transaction concerning the Charged Property in the event that the transaction contemplated in the Offer is not completed, and authorized to enter into negotiations with potential purchasers of the said Charged Property, as the case may be;

[12] **AUTHORIZES** the Receiver to take any steps or measures deemed appropriate or useful by the Receiver in order to interest one or many potential purchasers of the Charged Property, in whole or in part, including without limitation, the right to proceed to a private or public call for tenders in order to dispose of the Charge Property;

[13] **ORDERS** the directors of the Debtor to cooperate with the Receiver in the course of its functions;

[14] **AUTHORIZES** the Receiver, if necessary, to undertake discussions with Aéroports de Montréal in order to insure its cooperation;

- [15] **AUTHORIZES** the Receiver to undertake discussions with the City of Montréal and any potential acquirer of the Charged Property in order to confirm and obtain payment of any tax subsidy owed to the Debtor / Respondent, ExelTech Aerospace Inc. and subject to Petitioner, GE Canada Equipment Financing G.P.'s security;
- [16] **ORDERS** that the Receiver shall have no personal or corporate liability as a result of its appointment or as a result of the performance of its duties, save and except for liability arising as a result of the gross negligence or willful misconduct of the Receiver;
- [17] **AUTHORIZES** the Receiver to request and obtain any information and documents with municipal, provincial and federal governments with respect to the Property;
- [18] **AUTHORIZES** the Receiver to seek instructions from this Honourable Court with respect to the execution of the powers which are conferred upon it as Receiver or to seek modifications to the powers or additional powers as Receiver;
- [19] **ORDERS AND DECLARES** that the Receiver and the Receiver's legal counsel, as security for their professional fees and disbursements, are hereby granted a charge on the Property of up to \$300,000 for the professional fees and up to \$200,000 for the disbursements that shall rank in priority to any hypothec, security interest or charge of affecting the Property, including the Petitioner's security, without registration requirement on the public registers, the whole subject to any written agreements entered into between the Petitioner, GE Canada Equipment Financing G.P. and the Receiver, RSM Richter Inc. regarding same;
- [20] **DECLARES** that the Receiver is not and shall not be deemed or considered to be a successor employer or related employer with respect to any of the employees of the Debtor or any former employees or any of its affiliates within the meaning of any provincial, federal or municipal legislation or other laws governing employment or labor standards or any other statute, regulation or rule of law or equity for any purpose whatsoever and, further, that the Receiver shall not be, nor be deemed to be, in occupation, possession, charge, management or control of the Property of the Debtor pursuant to any federal, provincial or municipal legislation, statute, regulation or rule of law or equity which imposes liability on the basis of such status, including, without limitation, the *Environment Quality Act* (Quebec), the *Canadian Environmental Protection Act, 1999* or the *Act Respecting occupational health and safety* (Quebec) or similar other federal or provincial legislation;
- [21] **AUTHORIZES** the Petitioner, GE Canada Equipment Financing G.P. to serve this Order outside of the legal hours and juridical days, by leaving a copy under the door, by fax machine, by registered mail or any other similar mean, the whole subject to the appropriate proof of service;

- [22] **EXEMPTS** the Receiver to provide a security regarding its appointment as Receiver;
- [23] **GRANTS** provisional execution of the judgment to be rendered notwithstanding appeal and without security;
- [24] **THE WHOLE** with costs against the Debtor / Respondent, ExelTech Aerospace Inc. and without costs against the Trustee/Receiver.

(S) DORRUE BELLELIN