

CANADA

SUPERIOR COURT
(Commercial Division)
In bankruptcy and insolvency

PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL
N°. : 500-11-039364-100

IN THE MATTER OF THE PROPOSAL
OF :

MULTINA INC.

Debtor

and

RSM RICHTER INC.

Trustee

PROPOSAL

**MULTINA INC. HEREBY SUBMITS THE FOLLOWING PROPOSAL UNDER THE
BANKRUPTCY AND INSOLVENCY ACT:**

I. DEFINITIONS:

For purposes hereof:

“**APPROVAL**” means the situation arising from the PROPOSAL having been duly accepted by the creditors and having been approved by the COURT in a judgment that has become executory as a result of the deadline for appeal having expired without there having been an appeal, or an appeal having been lodged and the judgment approving the PROPOSAL having been finally confirmed or the appeal withdrawn.

“**BIA**” means the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended.

“**CLAIM**” means any claim or liability provable in proceedings under the BIA.

“**CLAIMS AGAINST DIRECTORS**” means all claims referred to in section 50(13) of the BIA, subject to the exceptions contained in section 50(14) thereof.

“**COURT**” means the Superior Court of Quebec, district of Montreal, sitting in bankruptcy and insolvency matters and, where applicable, the Québec Court of Appeal.

"CROWN CLAIMS" means all amounts referred to in section 60(1.1) of the BIA that were outstanding at the time of the FILING DATE and remain outstanding.

"DEBTOR" means Multina Inc.

"EMPLOYEE CLAIMS" means amounts that employees would be qualified to receive under section 60(1.3)(a) of the BIA.

"FILING DATE" means July 23, 2010, being the date on which the DEBTOR filed the NOTICE OF INTENTION.

"NOTICE OF INTENTION" means the notice of intention to file a proposal filed by the DEBTOR under the BIA on the FILING DATE.

"POST-FILING GOODS AND SERVICES" means all accrued expenses and debts arising in respect of goods supplied, guarantees issued, services rendered or other consideration given to the DEBTOR as and from the FILING DATE.

"PREFERRED CLAIMS" means all CLAIMS directed by section 136 of the BIA to be paid in priority to all other claims in the distribution of the property of an insolvent party, but excluding the EMPLOYEE CLAIMS.

"PROPOSAL" means the present PROPOSAL, as same may be amended from time to time prior to the vote of the creditors.

"PROPOSAL EXPENSES" means all proper fees, expenses, liabilities and obligations of the DEBTOR and the TRUSTEE, related or incidental to the NOTICE OF INTENTION and/or the PROPOSAL, including, without limitation, all legal fees and accounting fees and the fees and expenses of the legal representatives of the DEBTOR and of the TRUSTEE in connection therewith.

"PROVEN CLAIM" means any CLAIM for which a proof of claim is filed with the Trustee in accordance with section 124 of the BIA and that is proven in accordance with section 135 of the BIA.

"SECURED CLAIMS" means CLAIMS of SECURED CREDITORS.

"SECURED CREDITORS" has the meaning ascribed to such terms under section 2 of the BIA.

"TRUSTEE" means RSM Richter Inc. in its capacity of Trustee to the PROPOSAL.

"UNSECURED CLAIMS" means all CLAIMS against the DEBTOR to the exclusion of CROWN CLAIMS, EMPLOYEE CLAIMS, PREFERRED CLAIMS, SECURED CLAIMS and, for more certainty, the PROPOSAL EXPENSES.

"UNSECURED CREDITORS" means the holders of UNSECURED CLAIMS.

II. SECURED CLAIMS

1. The SECURED CLAIMS will be paid in accordance with existing or future agreements between the DEBTOR and the SECURED CREDITORS or pursuant to the rights which the BIA grants to such creditors. The DEBTOR declares that this PROPOSAL is not, and shall not be, made in respect of the SECURED CLAIMS and the security of the SECURED CREDITORS.

III. CROWN CLAIMS, EMPLOYEE CLAIMS, PREFERRED CLAIMS AND PROPOSAL EXPENSES

2. The EMPLOYEE CLAIMS, if any, shall be paid in full in the normal course of business.
3. The PROPOSAL EXPENSES will be paid in full, as they become due, in priority to all PREFERRED CLAIMS, CROWN CLAIMS and UNSECURED CLAIMS.
4. The CROWN CLAIMS, without interest, will be paid in full within six (6) months of the APPROVAL.
5. PREFERRED CLAIMS, without interest, will be paid in full in priority to all UNSECURED CLAIMS.

IV. UNSECURED CLAIMS

6. All UNSECURED CLAIMS shall form part of a single class of UNSECURED CLAIMS for voting and distribution purposes. For the purpose of voting, the PREFERRED CLAIMS shall fall within the class of UNSECURED CLAIMS.
7. With the assistance and intervention of the TRUSTEE, both in his capacity as trustee and receiver, the DEBTOR shall orderly dispose of its remaining assets and remit to the TRUSTEE the proceeds of such sale(s). In complete satisfaction and discharge of all UNSECURED CLAIMS, the UNSECURED CREDITORS shall receive a pro rata share of the net proceeds of all sale(s) of the remaining assets of the DEBTOR, after payment of the PROPOSAL EXPENSES, the SECURED CLAIMS, the EMPLOYEE CLAIMS, the PREFERRED CLAIMS and the CROWN CLAIMS, if any. Remittances to the UNSECURED CREDITORS shall be effected by the TRUSTEE through a single distribution to be made no later than June 15, 2011.

V. POST-FILING GOODS AND SERVICES

8. POST-FILING GOODS AND SERVICES will be paid in full in the ordinary course of business and on regular trade terms.

VI. DIRECTORS' LIABILITY

9. In accordance with section 50(13) of the BIA, the PROPOSAL will constitute a compromise of all CLAIMS AGAINST DIRECTORS and will operate as a full

and complete discharge in favour of all past and present directors of the DEBTOR with respect to such claims. Nothing herein shall be interpreted as an acknowledgment of any liability or obligation of the directors.

VII. APPLICATION OF SECTIONS 95 TO 101 OF THE BIA

10. Sections 38 and 95 to 101 of the BIA and articles 1631 to 1636 of the *Civil Code of Québec* shall not apply to the PROPOSAL.

VIII. COMMITTEE

11. The DEBTOR agrees to the formation of a committee of creditors at the meeting of creditors called to consider the PROPOSAL.
12. This committee shall have, among others, the power to extend the deadline for the payment of dividends.

IX. PAYMENTS

13. All monies payable under the PROPOSAL shall be paid over to the TRUSTEE who shall pay the dividends, the whole in accordance with the terms of the PROPOSAL.

X. OFFICIAL VERSION

14. Notwithstanding the filing of the PROPOSAL in both English and French, in the event of any discrepancy between the English and French versions, the English version shall prevail.

SIGNED IN MONTREAL, this 20th day of January 2011

MULTINA INC.

Witness

Per: Sylvie Dorais
Sylvie Dorais
Duly Authorized

Catherine Desautels
Signature

Catherine Desautels
Name