

Superior Court

(Commercial Division)

CANADA
PROVINCE OF QUEBEC
DISTRICT OF MONTREAL

N°: 500-11-044282-131 *Smk*

DATE : March 15, 2013

PRESIDING: ~~Me Chantal Flamand, registraire~~

IN THE MATTER OF THE RECEIVERSHIP OF STEEL COMPONENTS
PRODUITS MÉTALLIQUES INC./STEEL COMPONENTS METAL
PRODUCTS INC.:

STEEL COMPONENTS PRODUITS MÉTALLIQUES INC. / STEEL
COMPONENTS METAL PRODUCTS INC.

Debtor

- and -

BANK OF MONTREAL

Petitioner

ORDER

CONSIDERING the Motion for the Appointment of an Interim Receiver presented by the Petitioner (the "**Motion**"), as well as the exhibits and the affidavit of Luc Vincent filed in support thereof;

CONSIDERING the representations of counsel;

CONSIDERING sections 47(1), 47(3) and 47.2 of the *Bankruptcy and Insolvency Act (Canada)* (the "**BIA**") and R.6(4) of the *Bankruptcy and Insolvency General Rules*;

Smk

CONSIDERING that the conditions set forth by the above-mentioned Act have been met;

FOR THESE REASONS, THE COURT:

- [1]. **ABRIDGES** the delay for the service and presentation of the Motion;
- [2]. **GRANTS** the Motion;

APPOINTMENT AND POWERS

- [3]. **APPOINTS** Richter Advisory Group Inc. as interim receiver to the assets of the Debtor (the "**Interim Receiver**"), and in particular, all of the present and future movable property, tangible and intangible, of the Debtor, wherever located (the "**Property**") with the following powers to be exercised by the Interim Receiver whenever he considers it necessary or desirable:
 - (a) to take possession and control of the Property, including the power to change all locks, passwords, or other security measures affecting the Property and to draw up an inventory of the Property;
 - (b) to take control of any and all proceeds, receipts and disbursements of the Debtor, including any proceeds arising from the sale, rental or other disposal of the Property;
 - (c) to summarily dispose of any property that is perishable or likely to depreciate rapidly in value;
 - (d) receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor;
 - (e) to have access to any premises where the Property may be located, and have access to any and all contracts, agreements, books, records, and other documents relating to same whether in physical or electronic format;
 - (f) to redirect the mail addressed to the Debtor so that same is received by the Interim Receiver;
 - (g) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time on whatever basis (the "**Agents**"), including on a temporary basis, to assist with the exercise of the powers and duties conferred by this order (the "**Order**");

(h) and to take such further action or steps reasonably incidental to the protection and preservation of the Property, pending its disposal by the Petitioner pursuant to its hypothecary recourses or to further order of this court;

- [4]. **DECLARES** that the Order and its effects shall survive the filing by the Debtor of a notice of intention to make a proposal or of a proposal pursuant to the terms of the BIA, the issuance of an initial order in regard of the Debtor pursuant to the terms of the *Companies Creditors Arrangements Act* (the "CCAA") or the bankruptcy of the Debtor, unless the Court orders otherwise;
- [5]. **ORDERS** that the Debtor, all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or its behalf, and all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order, (all of the foregoing collectively being "**Persons**", and each being a "**Person**"), shall forthwith advise the Interim Receiver of the existence of any property in such Person's possession or control, shall grant immediate and continued access to the Property to the Interim Receiver, and shall deliver all such Property to the Interim Receiver upon the Interim Receiver's request;
- [6]. **ORDERS** that all Persons shall forthwith advise the Interim Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtor, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "**Records**") in that Person's possession or control, and shall provide to the Interim Receiver or permit the Interim Receiver to make, retain and take away copies thereof and grant to the Interim Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Interim Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure;
- [7]. **ORDERS**, without limiting the generality of the foregoing, that all Persons should provide the Interim Receiver with any information or document the Interim Receiver may require with respect to the Debtor or the Property;
- [8]. **ORDERS** the Debtor not to dispose, alienate, encumber or otherwise transact in any manner whatsoever, with regard to the Property, other than in the ordinary course of business or with the prior written consent of authorization of the Interim Receiver;

LIMITATION OF LIABILITY

- [9]. **ORDERS** that the Interim Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part;
- [10]. **DECLARES** that neither the Petitioner nor the Interim Receiver shall incur any liability or obligation as a result of any conservatory measure or other action taken prior to the making of this Order which, had such judgment been rendered at that time, would have been authorized by same;
- [11]. **DECLARES** that subject to the powers granted to the Interim Receiver pursuant to the terms of paragraph [1] of this Order, nothing herein contained shall require the Interim Receiver to occupy or to take control, or to otherwise manage all or any part of the Property. The Interim Receiver shall not, as a result of this Order, be deemed to be in possession of any of the Property within the meaning of environmental legislation, or a successor employer of the Debtor, the whole pursuant to the terms of the *BIA*;

FEES

- [12]. **ORDERS** that the Debtor shall be responsible for the payment of the Interim Receiver's fees and disbursements, including the fees and disbursements of any Agents retained by the Interim Receiver in the course of its mandate;
- [13]. **DECLARES** that as security for the professional fees and disbursements incurred in relation to these proceedings, both before and after the date of the Order, a charge and security over the Debtor's property, present and future, movable and immovable, corporeal and incorporeal, wherever located, is hereby constituted in favour of the Interim Receiver, of the Interim Receiver's attorneys and other advisors, to the extent of the aggregate amount of \$ 50,000 (the "**Administration Charge**");
- [14]. **DECLARES** that the Administration Charge shall rank in priority to any and all other hypothecs, mortgages, liens, security interests, priorities, charges, encumbrances or security of whatever nature or kind (collectively, the "**Encumbrances**") affecting the property charged by such Encumbrances;
- [15]. **DECLARES** that the Administration Charge is effective and shall charge, as of 12:01 a.m. (Montreal time) today (the "**Effective Time**"), all of the Debtor's property present and future;
- [16]. **DECLARES** that notwithstanding: (i) these proceedings and any declaration of insolvency made herein, (ii) any petition for a receiver order filed pursuant to the *BIA* in respect of the Petitioner and any receiving

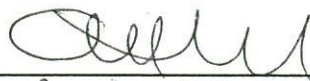
order granting such petition or any assignment in bankruptcy made or deemed to be made in respect of the Petitioner and (iii) the provisions of any federal or provincial statute, the payments or disposition of property made by the Interim Receiver pursuant to the Order and the granting of the Administration Charges do not and will not constitute settlements, fraudulent preferences, fraudulent conveyances or other challengeable or reviewable transactions or conduct meriting a recourse for abuse under an applicable law, and shall be valid and enforceable as against any person, including any trustee in bankruptcy, and any receiver to the property of the Debtor;

- [17]. **AUTHORIZES** the Interim Receiver to collect the payment of its fees and disbursements and those of its Agents from the Debtor, with the consent of the Petitioner, the whole subject to taxation in conformity with the *BIA*, if applicable;

GENERAL

- [18]. **DECLARES** that this Order, the Motion and the affidavit do not, in and of themselves, constitute a default or failure to comply by the Debtor under any statute, regulation, license, permit, contract, permission, covenant, agreement, undertaking or any other written document or requirement;
- [19]. **DECLARES** that the Interim Receiver is at liberty to serve any notice, circular or any other document in connection with these proceedings by forwarding copies by prepaid ordinary mail, courier, personal delivery or electronic transmission to persons or other appropriate parties at their respective given address as last shown in the Records; the documents served in this manner shall be deemed to be received on the date of delivery if by personal delivery or electronic transmission, on the following business day if delivered by courier, or three (3) business days after mailing if delivered by ordinary mail;
- [20]. **DECLARES** that the Interim Receiver may serve any court materials in these proceedings on all represented parties, by emailing a PDF or other electronic copy of such materials to counsels' email addresses, provided that the Interim Receiver shall deliver "hard copies" of such materials upon request to any party as soon as practicable thereafter;
- [21]. **DECLARES** that, unless otherwise provided herein, ordered by this Court, or provided by the *BIA*, no document, order or other material need be served on any person in respect of these proceedings, unless such person has served a notice of appearance on the solicitors for the Petitioner, for the Debtor and for the Interim Receiver and has filed such notice with the Court;

- [22]. **DECLARES** that any interested Person may apply to this Court to vary or rescind this Order or seek other relief upon five (5) days-notice to the Interim Receiver, the Petitioner and any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order;
- [23]. **DECLARES** that this Order and all other orders in these proceedings shall have full force and effect in all provinces and territories in Canada;
- [24]. **DECLARES** that the Interim Receiver shall be authorized to apply as it may consider necessary or desirable, with or without notice, to any other court or administrative body, whether in Canada, the United States of America or elsewhere, for orders which aid and complement this Order and any subsequent orders of this Court and, without limitation to the foregoing, an order under Chapter 15 of the *U.S. Bankruptcy Code*, for which the Interim Receiver shall be the foreign representative of the Debtor. All courts and administrative bodies of all such jurisdictions are hereby respectively requested to make such orders and to provide such assistance to the Interim Receiver as may be deemed necessary or appropriate for that purpose;
- [25]. **REQUESTS** the aid and recognition of any Court or administrative body in any Province of Canada and any Canadian federal court or administrative body and any federal or state court or administrative body in the United States of America and any court or administrative body elsewhere, to act in aid of and to be complementary to this Court in carrying out the terms of this Order;
- [26]. **ORDERS** the provisional execution of this Order notwithstanding any appeal and without the requirement to provide any security or provision for costs whatsoever;
- [27]. **THE WHOLE** without costs.



Registrar, ~~ics~~



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A handwritten signature in blue ink, appearing to be "L. Smith", located in the bottom right corner of the page.