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Court File No. CV-09-8194-00CL

DATED AT TORONTO THIS 8<sup>th</sup> DAY OF December 20 09  
FAIT À TORONTO LE 8<sup>th</sup> JOUR DE Décembre 20 09

*[Handwritten Signature]*

REGISTRAR

GREFFIER

ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST

THE HONOURABLE MR. )

TUESDAY, THE 8<sup>TH</sup>

JUSTICE NEWBOULD )

DAY OF DECEMBER, 2009

IN THE MATTER OF THE COMPANIES' CREDITORS  
ARRANGEMENT ACT, R.S.C. 1985, c. c-36, AS AMENDED

AND IN THE MATTER OF A PROPOSED PLAN OF COMPROMISE AND  
ARRANGEMENT OF W.C. WOOD CORPORATION, LTD., W.C. WOOD HOLDINGS INC.  
and W.C. WOOD CORPORATION INC.

AND IN THE MATTER OF SECTION 243(1) OF THE BANKRUPTCY AND INSOLVENCY  
ACT, R.S.C. 1985 c. B-3, AS AMENDED, AND SECTION 101 OF THE COURTS OF  
JUSTICE ACT, R.S.O. 1990, c. C.43, AS AMENDED



APPROVAL AND VESTING ORDER

THIS MOTION, made by BDO Dunwoody Limited in its capacity as the Court-appointed receiver (the "Receiver") of the undertaking, property and assets of W.C. Wood Corporation, Ltd., W.C. Wood Holdings Inc. and W.C. Wood Corporation, Inc. (collectively, "W.C. Wood") for, *inter alia*, an order approving the transactions (the "Transactions") contemplated by an auction services agreement dated November 30, 2009 (the "Auction Services Agreement") and an accounts receivable collection agreement dated November 27, 2009 (the "Collection Agreement", and, together with the Auction Services Agreement, the "Asset Engineering Agreements") between the Receiver and Asset Engineering Corporation ("Asset Engineering") appended in redacted form to the Twelfth Report to the Court of BDO Dunwoody Limited (the "Twelfth Report") and included in unredacted form in Confidential Appendix "C" to the Twelfth Report (the "Confidential Appendix", and, together with the Twelfth Report, the "Report"), and vesting in each purchaser of assets described in the Auction Services Agreement

(each, a "Purchaser") all of W.C. Wood's right, title and interest in such assets, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Report and on hearing the submissions of counsel for the Receiver, counsel for CIT Business Credit Canada Inc., counsel for Asset Engineering, \_\_\_\_\_ and no one appearing for any other person on the service list, although properly served as appears from the affidavit of Sam Babe sworn December 4, 2009, filed:

1. THIS COURT ORDERS that the Receiver's Notice of Motion is properly returnable today and hereby dispenses with further service thereof.
2. THIS COURT ORDERS AND DECLARES that the Transactions are hereby approved, and that each and both of the Asset Engineering Agreements are commercially reasonable and in the best interests of W.C. Wood and its stakeholders. The execution of the Asset Engineering Agreements by the Receiver is hereby authorized and approved, and the Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transactions and for the conveyance of any assets of W.C. Wood sold to any Purchaser in accordance with the Auction Services Agreement (each an "Auctioned Asset" and, collectively, the "Auctioned Assets").
3. THIS COURT ORDERS AND DECLARES that, upon Asset Engineering completing the sale of any of the Auctioned Assets to a Purchaser, in accordance with the terms of the Auction Services Agreement, and delivering a bill of sale to such Purchaser (a "Bill of Sale"), all of W.C. Wood's right, title and interest in and to the Auctioned Assets described in such Bill of Sale shall vest absolutely in such Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "Claims") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Madam Justice Pepall dated May 19, 2009, as amended; (ii) any encumbrances or charges created by the Order of the Honourable Madam Justice Pepall dated November 16, 2009; and (iii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system.

4. THIS COURT ORDERS that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of any Auctioned Asset shall stand in the place and stead of that Auctioned Asset, and that from and after the delivery to the relevant Purchaser of the Bill of Sale conveying such Auctioned Asset, all Claims shall attach to the net proceeds from the sale of the Auctioned Asset with the same priority as they had with respect to the Auctioned Asset immediately prior to the sale, as if such Auctioned Asset had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

5. THIS COURT ORDERS that, notwithstanding:

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of W.C. Wood and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of W.C. Wood;

the vesting of the Auctioned Assets in the Purchasers pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of W.C. Wood and shall not be void or voidable by creditors of W.C. Wood, nor shall it constitute nor be deemed to be a settlement, fraudulent preference, assignment, fraudulent conveyance or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

6. THIS COURT ORDERS AND DECLARES that the Transactions are exempt from the application of the *Bulk Sales Act* (Ontario).

7. THIS COURT ORDERS that the unredacted versions of the Asset Engineering Agreements included in the Confidential Appendix be protected until the Transactions have been completed or until further Order of this Honourable Court.

8. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

*John J. T.*

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

DEC 08 2009

PER / PAR: *TJ*

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. c-36, AS AMENDED AND  
IN THE MATTER OF A PROPOSED PLAN OF COMPROMISE AND ARRANGEMENT OF W.C. WOOD  
CORPORATION, LTD. and W.C. WOOD CORPORATION INC.

Court File No.: CV-09-8194-000

AND IN THE MATTER OF SECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985 c. B-3, AS  
AMENDED, AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, c. C.43, AS AMENDED

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

PROCEEDINGS COMMENCED AT TORONTO

**APPROVAL ORDER**

**AIRD & BERLIS LLP**  
Barristers and Solicitors  
BCE Place  
Suite 1800, Box 754  
181 Bay Street  
Toronto, Ontario M5J 2T9  
Tel: 416.863.1500  
Fax: 416.863.1515

**D. Robb English** – LSUC #19862F 1B  
**Sam Babe** – LSUC # 49498 B  
Tel: 416.863.1500  
Fax: 416.863.1515

Lawyers for the Monitor and Receiver,  
BDO Dunwoody Limited