

**EXHIBIT 1**

ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)

THE HONOURABLE MR. )

MONDAY, THE 5<sup>th</sup>

JUSTICE MORAWETZ )

DAY OF OCTOBER, 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 OR ARRANGEMENT OF W.C. WOOD CORPORATION, LTD.,  
W.C. WOOD HOLDINGS INC. AND W.C. WOOD CORPORATION, INC. ( the  
"Applicants")

APPROVAL AND VESTING ORDER  
(Sale of the Dehumidifier Business)

THIS MOTION, made by the Applicants for an order, among other things, approving the sale transaction (the "Transaction") contemplated by an asset purchase agreement (the "Sale Agreement") between W.C. Wood Corporation, Ltd. (the "Vendor") and Fantech Limited (the "Purchaser") dated as of September 25, 2009 and attached as Exhibit "A" to the affidavit of Joseph Angi, sworn October 1, 2009 (the "Angi Affidavit"), and vesting in the Purchaser the Vendor's right, title and interest in and to the assets described in the Sale Agreement (the "Purchased Assets"), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Angi Affidavit and the Seventh Report of BDO Dunwoody Limited, the court-appointed monitor (the "Monitor") and on hearing the submissions of counsel for the Applicants, the Monitor and those other parties present, and from no one appearing for any other person on the service list, although served as appears from the affidavit of Ryan Stabile sworn October 1, 2009 filed:

1. THIS COURT ORDERS that the time for service of the Notice of Motion and the Motion Record is hereby abridged so that this Motion is properly returnable today and any further service of the Notice of Motion and the Motion Record is hereby dispensed with.

2. THIS COURT ORDERS AND DECLARES that the Transaction is hereby approved, and that the execution of the Sale Agreement by the Vendor is hereby authorized and approved, and the Vendor 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 Transaction and for the conveyance of the Purchased Assets to the Purchaser.

3. THIS COURT ORDERS AND DECLARES that the transition agreement (the "Transition Agreement") between the Vendor and the Purchaser dated October 1, 2009 and attached as Exhibit "B" to the Angi Affidavit is hereby authorized and approved, and the Vendor 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 Transition Agreement.

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with the consent of the Monitor.  
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4. THIS COURT ORDERS AND DECLARES that upon the delivery of a Monitor's certificate to the Purchaser substantially in the form attached as Schedule A hereto (the "Monitor's Certificate"), all of the Vendor's right, title and interest in and to the Purchased Assets described in the Sale Agreement shall vest absolutely in the 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 Justice Pepall dated May 19, 2009 and amended by further Orders dated May 25, 2009 and August 28, 2009 (the "Initial Order"); and (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system (all of which are collectively referred to as the "Encumbrances") and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

5. THIS COURT ORDERS that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead of

the Purchased Assets, and that from and after the delivery of the Monitor's Certificate all Claims and Encumbrances shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

6. THIS COURT ORDERS that the Monitor shall pay the net proceeds from the sale of the Purchased Assets, excluding any Hold-back (as such term is defined in the Sale Agreement), to CIT Business Credit Canada Inc. ("CIT") as agent for the Lenders (as such term is defined in the Initial Order) to be applied to amounts owing to the Lenders under the Accommodation Agreement (as such term is defined in the Initial Order).

7. THIS COURT ORDERS that amounts received by the Monitor in respect of the Hold-back shall be paid, upon release in accordance with section 2.09(3) of the Sale Agreement, to CIT as agent for the Lenders to be applied to amounts owing to the Lenders under the Accommodation Agreement.

8. THIS COURT ORDERS that in the event that any claims for damages are made that could result in payments being made to the Purchaser from the Hold-back, no such claims will be settled without the written consent of the Monitor provided after consultation with the Lenders.

9. THIS COURT ORDERS that at the end of the Transition Period, regardless of whether a Purchaser Confirmation (as such term is defined in the Transition Agreement) has been sent by the Purchaser to the Monitor, any remaining amount of the Hold-back, once the Monitor has in its sole discretion made sufficient provision for amounts payable to the Purchaser, will be paid to CIT as agent for the Lenders to be applied to amounts owing to the Lenders under the Accommodation Agreement.

10. THIS COURT ORDERS AND DIRECTS the Monitor to file with the Court a copy of the Monitor's Certificate, forthwith after delivery thereof.

11. THIS COURT ORDERS that, notwithstanding:

- (a) the pendency of these proceedings;

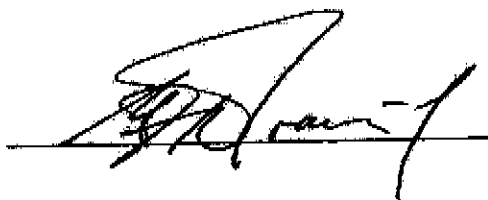
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Debtor and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Debtor;

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Vendor and shall not be void or voidable by creditors of the Vendor, 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.

12. THIS COURT ORDERS AND DECLARES that the Transaction is exempt from the application of the *Bulk Sales Act* (Ontario).

13. 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 Monitor 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 Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Monitor and its agents in carrying out the terms of this Order.

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



OCT 05 2009

PER / PAR. 

**Schedule A – Form of Monitor’s Certificate**

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

**ONTARIO**

**SUPERIOR COURT OF JUSTICE**

**COMMERCIAL LIST**

**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 OR ARRANGEMENT OF W.C. WOOD CORPORATION, LTD. AND  
W.C. WOOD CORPORATION INC. (together the “Applicants” or “W.C. Wood”)**

**MONITOR’S CERTIFICATE**

**RECITALS**

A. Pursuant to an Order of the Honourable Madam Justice Pepall of the Ontario Superior Court of Justice (the “Court”) dated May 19, 2009, BDO Dunwoody Limited was appointed as the monitor (the “Monitor”) in the Applicants’ proceedings under the *Companies Creditors Arrangement Act*, R.S.C 1985, c. C-36, as amended.

B. Pursuant to an Order of the Court dated [DATE], the Court approved the agreement of purchase and sale made as of September 25, 2009 (the “Sale Agreement”) between W.C. Wood Corporation, Ltd. (the “Vendor”) and Fantech Limited (the “Purchaser”) and provided for the vesting in the Purchaser of the Vendor’s right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Monitor to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in Article 5 of the Sale Agreement have been satisfied or waived by the Vendor and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Monitor.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.

THE MONITOR CERTIFIES the following:

1. The Purchaser has paid and the Monitor has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement;
2. The conditions to Closing as set out in Article 5 of the Sale Agreement have been satisfied or waived by the Vendor and the Purchaser; and
3. The Transaction has been completed to the satisfaction of the Monitor.
4. This Certificate was delivered by the Monitor at \_\_\_\_\_ [TIME] on \_\_\_\_\_ [DATE].

**BDO Dunwoody Limited, in its capacity as  
Court-appointed Monitor and not in its  
personal capacity**

Per: \_\_\_\_\_  
Name:  
Title:

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

AND IN THE MATTER OF A PROPOSED PLAN OF COMPROMISE OR ARRANGEMENT WITH RESPECT TO  
W.C. WOOD CORPORATION, LTD., W.C. WOOD HOLDINGS INC. AND W.C. WOOD CORPORATION, INC.

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

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

Proceeding Commenced at Toronto

**APPROVAL AND VESTING ORDER**  
**(Sale of Dehumidifier Business)**

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