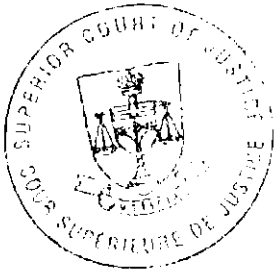


ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST

THE HONOURABLE MR. ) MONDAY, THE 17TH  
)  
JUSTICE WILTON-SIEGEL ) DAY OF MARCH, 2008



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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR  
ARRANGEMENT OF BRAKE PRO, LTD. (the "Applicant")

**ORDER**

**THIS MOTION**, made by Wachovia Capital Finance Corporation (Canada) ("Wachovia") was heard this day at 330 University Avenue, Toronto, Ontario.

**HAVING READ** the Application for Bankruptcy Order, the Affidavit of Truth of Statements of Niall Hamilton dated March 6, 2008 in Application for Bankruptcy Order of Wachovia, filed,

**HAVING READ** the affidavit of Russell Armer sworn February 25, 2008 (the "Armer Affidavit"), the affidavit of Niall Hamilton sworn February 29, 2008 (the "Hamilton Affidavit"), the seventh report of the monitor, BDO Dunwoody Limited (the "Monitor") dated March 5, 2008 (the "Seventh Report"), the eighth report of the Monitor dated March 14, 2008 (the "Eighth Report"), the statement of law of Brake Pro, Ltd. ("Brake Pro") dated March 5, 2008, the statement of law of Wachovia and Tenneco Canada Inc. ("Tenneco") dated March 5, 2008, the statement of law of Canada Revenue Agency ("CRA") dated March 5, 2008 and the statement of law of The United Steel Workers dated March 5, 2008, and on hearing the submissions of counsel for Brake Pro, Wachovia, Tenneco, CRA, The United Steel Workers and the Monitor,

and no one else appearing, and on reading the consent of A. Farber & Partners Inc. ("Farber") filed,

### **STAY OF PROCEEDINGS**

1. **THIS COURT ORDERS** that the *Companies' Creditors Arrangement Act* ("CCAA") proceedings and the Stay Period (as defined in the order dated July 24, 2007 (the "Initial Order")) shall terminate on March 17, 2008 upon issuance of the Bankruptcy Order as defined in the Order of the Honourable Mr. Justice Siegel dated March 17, 2008, court file number 31-OR-207519-T.

### **VACATION PAY**

2. **THIS COURT ORDERS** that the Salaried Vacation Pay (as defined in the Eighth Report), Employment Insurance, Canada Pension Plan contributions and payroll processing fee as set out in paragraph 31 of the Seventh Report shall be paid by the Monitor from the Sale Proceeds (as defined in the November 7, 2007 Order) (the "Sale Proceeds"), prior to the Bankruptcy Order becoming effective.

3. **THIS COURT ORDERS** that the Hourly Vacation Pay (as defined in the Eighth Report) as well as Employment Insurance, Canada Pension Plan contributions and payroll processing fees attributable to the hourly employees as set out in paragraph 31 of the Seventh Report shall be paid from funds reserved by the Monitor from the Sale Proceeds upon receipt of the payroll information relating to the hourly employees, or by April 7, 2008.

### **GST**

4. **THIS COURT ORDERS** that Brake Pro's motion to authorize payment of the pre-filing GST and/or to hold same in trust pending a further order of this Court is hereby dismissed.

5. **THIS COURT ORDERS** that all post-filing GST amounts set out in Schedule "C" to the Seventh Report shall be paid by the Monitor to CRA prior to the Bankruptcy Order becoming effective, and that the Monitor shall file with CRA all necessary forms that accompany these remittances in the name of Brake Pro.

**LANDLORD**

6. **THIS COURT ORDERS** that the landlord, Circleland Investments Inc., shall have until April 19, 2008 to quantify its claim and advance same.

**TRUST FUNDS**

7. **THIS COURT ORDERS** that the Monitor shall, prior to the Bankruptcy Order becoming effective, segregate and hold, in trust, separate and apart from the Sale Proceeds:

- (a) the amounts set out in Schedule "A" to the Eighth Report ("Schedule "A"), including, without limiting the generality of the foregoing, the full amounts of the:
  - (i) Administration Charge provided for under paragraphs 40-42 of the Initial Order (the "Administration Charge"); and
  - (ii) Directors Charge provided for under paragraph 29 of the Initial Order (the "Directors Charge"); and

(b) the amount of \$29,000.00 on account of a claim for fees by counsel for Brake Pro; (collectively the "CCAA Charge Trust Funds") for the benefit of the parties listed on Schedule "A", who have not been paid the amounts listed on Schedule "A", as well as for the benefit of the Monitor, counsel for the Monitor, and counsel for Brake Pro, and the Monitor shall hold the CCAA Charge Trust Funds pending:

- (i) the payment of the creditors listed in the "Accruals" section of Schedule "A", other than the Monitor and counsel for the Monitor (the "Accrued Trade Payables") upon presentation of a proper invoice to the Monitor, and the Monitor is hereby authorized to make said payments;
- (ii) the completion of the claims process described below;
- (iii) the quantification and approval of the fees and disbursements of counsel for Brake Pro, the Monitor and counsel for the Monitor as provided for in paragraph 15 below; and/or further Order of this Court.

8. **THIS COURT ORDERS** that the net amount of the Sale Proceeds remaining in the possession of the Monitor:

- (i) once the payments referred to in paragraphs 2, 3 and 5 have been paid;

- (ii) the CCAA Charge Trust Funds described in paragraph 7 have been segregated;

shall immediately be remitted by the Monitor to Bennett Jones LLP in trust (the "Trust Funds") prior to the Bankruptcy Order becoming effective.

9. **THIS COURT ORDERS** that the Trust Funds and the CCAA Charge Trust Funds shall not be distributed pending further order of this Court and on 5 business days notice to Tenneco and Wachovia.

### **CLAIMS BAR**

10. **THIS COURT ORDERS** that Brake Pro shall serve a copy of this Order on the Service List, Workplace Safety and Insurance Board and the Ministry of Labour for the Province of Ontario (collectively, the "Interested Parties") on or before March 19, 2008.

11. **THIS COURT ORDERS** that the Interested Parties shall have until 5:00 p.m. EST on April 19, 2008 to advance claims, if any, (collectively, the "Claims") against the directors of Brake Pro, being Russell Armer and Dennis Bolden, (collectively, the "Directors") or the Monitor with leave of this Court.

12. **THIS COURT ORDERS** that if no Claim is advanced by an Interested Party on or before 5:00 p.m. EST on April 19, 2008, the Monitor and the Directors shall be released from any and all further obligations in respect of any Claim of that Interested Party and any and all Claims which the Interested Party has or purports to have in respect of the Directors and the Monitor shall be forever barred and extinguished.

13. **THIS COURT ORDERS** that, notwithstanding the dismissal of the CCAA proceedings, paragraphs 30, 32(i), 33-36, 40-47 and 53-55 of the Initial Order shall continue to apply *mutatis mutandis*.

14. **THIS COURT ORDERS** that, notwithstanding the termination of the CCAA proceedings,

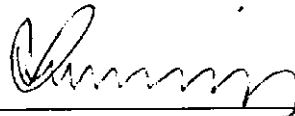
- (a) the provisions of the Directors' Charge, and the priority provided for the Directors Charge under paragraph 43 of the Initial Order, shall continue as against the

CCAA Charge Trust Funds, and shall survive the Bankruptcy Order in respect of all amounts for which the Directors have been indemnified under paragraph 28 of the Initial Order, pending further order of this Court; and

- (b) the provisions of the Administration Charge, and the priority provided for the Administration Charge under paragraph 43 of the Initial Order, shall continue as against the CCAA Charge Trust Funds, and shall survive the Bankruptcy Order in respect of the fees and disbursements of the Monitor and its counsel, and counsel for Brake Pro, for matters associated with paragraph 35 of the Initial Order, pending further order of this Court;

15. **THIS COURT ORDERS** that, notwithstanding paragraph 14, if no Claims are advanced before April 19, 2008, and upon the issuance of an order of the Court approving the quantification and payment of the fees and disbursements of counsel for Brake Pro, as well as the fees and disbursements of the Monitor and its counsel,

- (a) the Directors' Charge and indemnity provided for in paragraphs 28 and 29 of the Initial Order as well as the protections provided for in paragraph 14(a) shall be extinguished;
- (b) the Administration Charge and the indemnity provided for in paragraph 40-42 of the Initial Order as well as the protections provided for in paragraph 14(b) shall be extinguished; and
- (c) the protections provided for in paragraph 14, save and except for the provisions of paragraphs 33-35, shall be extinguished and the Monitor shall pay the net amount to Bennett Jones LLP, in trust.



**Christina Irwin**  
Registrar, Superior Court of Justice

IN THE MATTER OF THE COMPANIES CREDITORS ARRANGEMENT ACT, R.S.C., 1985 c. C-36  
AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF  
BRAKE PRO, LTD.

Court File No. 07-CL-7106

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

Proceeding commenced at TORONTO

**ORDER**

**FRASER MILNER CASGRAIN LLP**  
1 First Canadian Place  
100 King Street West  
Toronto, Ontario

Lawyer: Daniel R. Dowdall  
LSUC No.: 16737D  
Tel: (416) 863-4700  
Fax: (416) 863-4592  
Email: [dan.dowdall@fmc-law.com](mailto:dan.dowdall@fmc-law.com)

Solicitors for BDO Dunwoody Limited  
In its capacity as Monitor of Brake Pro, Ltd.