



ONTARIO
SUPERIOR COURT OF JUSTICE
[COMMERCIAL LIST]

Tuesday
~~FRIDAY~~
FRIDAY, THE 9th
DAY OF MARCH, 2012

THE HONOURABLE MR.)
JUSTICE SPENCE)

DAY OF MARCH, 2012

BETWEEN:

CALLIDUS CAPITAL CORPORATION

Applicant

- and -

CARCAP INC. and CAR EQUITY LOANS CORP.

Respondents

APPLICATION UNDER Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C 1985, c. B-3, and Section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43.

**ORDER
(DISTRIBUTION AND ANCILLARY RELIEF)**

THIS MOTION, made by BDO Canada Limited in its capacity as the court-appointed receiver (the "Receiver") of the undertaking, property and assets of CarCap Inc. and Car Equity Loans Corp. (collectively, the "Debtors") for an order approving a distribution to Callidus Capital Corporation ("Callidus") out of the net proceeds of the sale transaction contemplated by an agreement of purchase and sale between the Receiver and Trend Auto Lease GP Inc. dated February 16, 2012, as more particularly described in the first report of the

Receiver dated February 23, 2012 (the "First Report"), and for other relief, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the First Report; the Motion Record (Volumes 1 and 2), Factum and Book of Authorities of the Receiver; the Supplemental Motion Record and Factum of Callidus; the Responding Motion Record, Supplemental Responding Motion Record, Factum and Book of Authorities of the Purchaser; and, the Motion Record (Volumes 1 and 2), Supplementary Motion Record, Further Supplementary Motion Record, Further Further Supplementary Motion Record, Factum–Sales Process, Factum–Injunctive and Related Relief and Book of Authorities (Volumes 1 and 2) of Eric Inspektor, Harvey Goldberg, Momir Dejanovic, Alan Birnbaum, Barbara Shuster and the Debtors; and, on hearing the submissions of counsel for the Receiver, Callidus, Lodestone Investments Limited and Avi Ritter, the Purchaser, and counsel for Eric Inspektor, Harvey Goldberg, Momir Dejanovic, Alan Birnbaum, Barbara Shuster and the Debtors, no one appearing for any other person on the service list, although properly served as appears from the affidavits of Anna Stitt sworn February February 24, 2012 and March 7, 2012, and the affidavits of R. Graham Phoenix affirmed February 24, 2012 and March 7, 2012, filed:

1. THIS COURT ORDERS that the time for service of the notice of motion and the motion record herein be and is hereby abridged and the service thereof validated, including service on CarCap Portfolio 1 Corp., CarCap Portfolio 10 Corp., CarCap Portfolio 14 Corp. and CarCap Portfolio 16 Corp., so that the motion is properly returnable today.

2. THIS COURT ORDERS that capitalized terms used in this order shall have the meaning ascribed to them in the First Report unless otherwise defined herein.

3. THIS COURT ORDERS that the Receiver be and is hereby authorized and directed to distribute to Callidus on a date (the "Distribution Date") following the closing of the transaction contemplated by the Sale Agreement, and out of the proceeds generated thereby, an amount equal to the secured obligations owing to Callidus by the Debtors as at the Distribution Date, as confirmed by the Receiver.

The Receiver will hold back the sum of 213,744.72 from the distribution pending further court order or the agreement of Mr. Schwan's client and the Receiver

4. THIS COURT ORDERS that the Receiver's fees and disbursements incurred for the period November 28, 2011 through February 15, 2012, as more particularly described in the Receiver's fee affidavit (appended to the First Report as Appendix "X"), be and are hereby approved in the aggregate amount of \$165,984.79, including applicable taxes of \$19,095.60.

Mr. Schwan's client and the Receiver

5. THIS COURT ORDERS that the fees and disbursements incurred by Fasken Martineau DuMoulin LLP, as independent counsel to the Receiver, for the period December 6, 2009 through January 31, 2012, as more particularly described in the counsel's fee affidavit (appended to the First Report as Appendix "Y"), be and are hereby approved in the aggregate amount of \$62,384.24, including applicable taxes of \$7,176.99.

6. THIS COURT ORDERS that the Receiver's interim statement of receipts and disbursements (appended to the First Report as Appendix "W") and the Receiver's cash flow statement (appended to the First Report as Appendix "E") be and are hereby approved.

7. THIS COURT ORDERS that the Sale Process in respect of the Purchased Assets and the Receiver's Activities, as described in the First Report, be and are hereby approved.

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

MAR 13 2012

MB

[Signature]

CALLIDUS CAPITAL CORPORATION
Applicant

- and -

CARCAP INC. AND CAR EQUITY LOANS CORP.
Respondents

APPLICATION UNDER Section 243(1) of the Bankruptcy and Insolvency Act, R.S.C 1985, c. B-3, and Section 101 of the Courts of Justice Act, R.S.O. 1990, c. C.43.

Court File No. CV-11-9498-00CL

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SUPERIOR COURT OF JUSTICE
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Proceeding commenced at TORONTO

ORDER
(DISTRIBUTION AND ANCILLARY RELIEF)

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Solicitors for BDO Canada Limited., in its
capacity as Receiver