



Companies' Creditors Arrangement Act, R.S.C. 1985, C. C-36, as amended (the "CCAA") in the Ontario Superior Court of Justice [Commercial List] Canada (the "Ontario Court") and having presented to this Court, by and through their counsel of record, David Bobbitt Noel, Jr. and John E. West, of the Firm of Vinson & Elkins, as joined by the Debtors, by and through their counsel of record, David S. Gragg, of the Firm of Langley & Banack, Inc., for entry of an order, pursuant to 11 U.S.C. §§ 105(a), 1504, 1507, 1515, 1517, 1519, 1520 and 1521, recognizing the CCAA Proceeding as a foreign main proceeding (the "Application"); the Court having considered the Affidavit of Hary Gandy and the Affidavit Blair Davidson filed in support of the Application and the Chapter 15 Petitions, as well as the pleadings and other materials on file in this case; and the Court finding that the CCAA Proceeding is a foreign proceeding entitled to recognition under Chapter 15 of the Code (as defined below); the Court makes the following findings of fact and conclusions of law:

- A. This Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and Section 1501 of the Code;
- B. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(P);
- C. Venue is properly located in this District pursuant to 28 U.S.C. § 1440;
- D. These Chapter 15 cases were properly commenced pursuant to §§ 1504 and 1515 of the United States Bankruptcy Code (the "Code") and the petitions on file in these cases meet all requirements of § 1515 of the Code;
- E. The CCAA Proceeding is a "foreign main proceeding" within the meaning of §101(23) of the Code;
- F. The Monitor is a person within the meaning of Section 101(41) of the Code and is a duly appointed "foreign representative" within the meaning of § 101(24) of the Code;

G. Notwithstanding the fact that some of the members of the Gandhi Group are corporations chartered in one or more states in the United States, the center of main interest of the Gandhi Group is in Ontario, Canada, and the CCAA Proceeding is properly designated a “foreign main proceeding” within the meaning of §§ 1502(4) and, as such, is entitled to recognition as a foreign main proceeding under section 1517(b)(1) of the Code with respect to each of the Debtors;

H. The relief requested by the Monitor herein is necessary and appropriate and in the interest of international comity and the purposes of Chapter 15 as provided in § 1501 of the Code and will not cause any hardship to any party in interest that is not outweighed by the benefits of granting the relief;

I. As the duly appointed foreign representative of a foreign main proceeding, the Monitor is entitled to all of the relief provided under § 1520 of the Code;

J. The relief sought by the Monitor pursuant to § 1521 of the Code is necessary and appropriate to effectuate the purposes of Chapter 15 and to protect the assets of the Gandhi Group in the United States and to protect the interests of all creditors of the Debtors; and

K. Notice of these proceedings has been sufficient and proper under the circumstances and satisfies the requirements of Fed. R. Bankr. P. 2002 (q). No further notice is required or necessary.

**NOW, THEREFORE, IT IS HEREBY ORDERED AS FOLLOWS:**

1. The Application is granted;
2. This Court recognizes the CCAA Proceeding as a foreign main proceeding pursuant to Chapter 15 as to each of the Debtors in the Gandhi Group;
3. Except as herein provided, the provisions of Section 1520 of the Code apply in these

Chapter 15 Cases, including without limitation, the automatic stay under Section 362 of the Code, throughout the duration of these Chapter 15 Cases or until otherwise ordered by this Court.

4. The CCAA Order (and any further amendments or extensions thereof as may be granted from time to time by the Ontario Court) is hereby given full force and effect in the United States. Accordingly, the Monitor and the Debtors may operate the Debtors' business as provided in the CCAA Order and Section 363 of the Code.

5. Pursuant to § 1521(a)(6) of the Code, the provisions of this Court's Interim Order Granting Emergency Relief in this Case prohibiting the termination of executory contracts with the Debtors shall remain in place and shall be to the same extent as provided in the CCAA Order. Any party wishing to terminate, modify, alter, or interfere with any executory contract with a Debtor in the United States, for any reason, must bring an action or proceeding for such relief in the CCAA Proceeding prior to taking any action with respect to such contract(s).

6. The Debtors are hereby authorized to continue using cash collateral in the exercise of their powers and subject to the terms of the CCAA Order.

7. The Monitor shall have the same powers in the United States with respect to performance of its duties under the CCAA Order as the Monitor has in the CCAA Proceeding, including but not limited to the right to access to the Property, books, records and employees of the Debtors; the authority to compel production of Debtors' books and records and the examination of any person pursuant to Bankruptcy Rule 2004; to monitor the Debtors' receipts and expenses, and to perform such other duties as required by the Court in the CCAA Proceeding; and

8. The Debtors shall cooperate fully with the Monitor with respect to the rights and duties of the Monitor under this Order and as the recognized foreign representative with respect to

the CCAA Proceeding recognized by this Court as a foreign main proceeding.

9. This Court shall retain jurisdiction with respect to the enforcement, amendment or modification of this Order, any request for additional relief or any adversary proceeding brought in and through these Chapter 15 Cases, and any request by any entity for relief from this Order, for cause shown, that is properly commenced and within the jurisdiction of this Court.

**IT IS SO ORDERED.**

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Submitted by:

Harry Perrin  
David Bobbitt Noel, Jr.  
John E. West  
Vinson & Elkins L.L.P.  
2500 First City Tower  
1001 Fannin Street.  
Houston, Texas 77002-6760  
Telephone: (713) 758-2222  
ATTORNEYS FOR THE MONITOR

David S. Gragg  
Langley & Banack, Inc.  
745 E. Mulberry, Suite 900  
San Antonio, Texas 78212  
Telephone: (210) 736-6600  
ATTORNEYS FOR THE DEBTORS

@PFDesktop\::ODMA\WORLDOX\W\LBCLIENT\02610\0012\L0351948.WPD