

May 2010 Update on Proposal Status

The following update is to provide clarification and estimated time lines as outlined in the proposal accepted by the general creditors of Von Weise Canada Company.

On April 20, 2010 the Proposal was approved by the Courts.

The proposal terms for 2010 are expected to be fulfilled including the creditor payout. The actual dividend rate should be more than originally estimated given the surplus from the building sale. The proposal included an estimated surplus of \$965,000. Actual proceeds will be more than \$1.2 million.

The other main asset was the account receivable. The collection continues as required.

The payout to creditors was noted in the proposal for June. The real estate did close in March with surplus funds available to Von Weise by late March. The court approved the proposal in late April. Thus the first creditor payout should be issued by the end of May.

Regarding payment to unionized employees, these will be issued to CAW. They confirmed after the creditor meeting that payment is reissued to employees within a few weeks of receipt of funds. This payout of funds to the CAW by BDO for the Von Weise proposal will also occur in May.

Von Weise continues to be responsible for administrative and filing requirements of the corporation (taxes, insurance etc). This activity has been relocated as of the real estate closing in March. BDO is in contact with the US office completing this role to complete the proposal monitoring function.