

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

**IN THE MATTER OF AN APPLICATION UNDER
SUBSECTION 47(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*
R.S.C. 1985, C.B-3**

**AND IN THE MATTER OF SECTION 101 OF
THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, C.C-43**

BETWEEN:

THE BANK OF NOVA SCOTIA

Applicant

- and -

HURONIA PRECISION PLASTICS INC.

Respondent

APPLICATION RECORD

BORDEN LADNER GERVAIS LLP

Barristers and Solicitors
Scotia Plaza
40 King Street West
Toronto, Ontario
M5H 3Y4

JOHN D. MARSHALL

Direct Dial 416-367-6024
Direct Fax 416-361-2763
LSUC #16960Q

SAM P. RAPPOS

Direct Dial 416-367-6033
Direct Fax 416-361-7306
LSUC Reg. #51399S

Solicitors for the Applicant

J. D. Marshall for BNS
A. Mitchell for GE Canada
S. Brotman for Bellport Properties
1339052 O.S.
Rabey Holdings
B. Harrison for Magna + substituted
N. Renner for Techform
S. Bates for BDC
T. McGraw for Proxim

Sept 17/08

The receivership matter was unopposed.

I am satisfied, having reviewed the record and having heard submissions that it is just + convenient, as well as necessary, to protect the interests of the applicant to assist Defina Partners Inc as Interim Receiver and Receiver + Manager (the "Receiver") over ~~the~~ Humma (the "Debtor"). The appointment is made under both s101 of the C.I.A. and s47(1) of the BIA.

The Debtor is insolvent. It can no longer carry on operations. The Debtor has acknowledged that ~~the~~ the BNS credit facility is under-collateralized by approximately \$800,000. The ^{financial} situation of the Debtor is having a significant impact on the Egyptian creditors (Maximom + Magna in particular). The Debtor is a supplier of auto

parts of a number of OETs. Parts are supplied on a "just in time" basis. In many cases the tools used by the Debtor are property of the Egypt Creditors. I am satisfied that it is essential that a mechanism be put in place at this time that enables Egypt Creditors to make arrangements for immediate removal of their equipment.

Such removal is to be supervised by the Receiver and a verification process is to be put in place such that the Receiver can satisfy itself that the Egypt Creditors are entitled to remove the equipment. The Receiver is to ensure that the necessary steps are taken to ensure the protection of the creditors of the Debtor.

I am also satisfied that it is appropriate at this time to approve the Nagra Sale Transaction as outlined in the affidavit of John Barraclough

The proposed sale price appears to exceed the fair market value of the equipment that is subject to the sale.

In making the receivables order, no determination is being made in respect of the rights and obligations of the landlords and the Receiver under the lease, if any, and the receivables order does not alter those rights and obligations.

Two orders are to issue.

① Receivables order

② Removal of tooling order

Orders to issue as per my file.

A. H. Brown.