

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

**IN THE MATTER OF AN APPLICATION UNDER 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
CANTAR POOL PRODUCTS LIMITED / PRODUITS DE PISCINES CANTAR
LIMITÉE**

Applicant

**MOTION RECORD OF A. FARBER & PARTNERS INC., IN ITS CAPACITY AS THE
COURT-APPOINTED MONITOR OF CANTAR POOL PRODUCTS LIMITED /
PRODUITS DE PISCINES CANTAR LIMITÉE**

(Returnable February 21, 2013)

January 25, 2013

AIRD & BERLIS LLP
Barristers & Solicitors
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181 Bay Street, Suite 1800
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Products Limited/Produits de Piscines Cantar Limitée*

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Tab 1

**ONTARIO
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AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
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**NOTICE OF MOTION
(returnable February 21, 2013)**

A. Farber & Partners Inc. ("**Farber**"), in its capacity as the Court-appointed monitor of Cantar Pool Products Limited/Produits de Piscines Cantar Limitée (in such capacity, the "**Monitor**"), will make a motion to a judge presiding over the Commercial List on Thursday, February 21, 2013 at 10:00 a.m., or as soon after that time as the motion can be heard, at 330 University Avenue, Toronto, Ontario.

PROPOSED METHOD OF HEARING: The motion is to be heard orally.

1. **THE MOTION IS FOR** an Order, including, among other things:
 - (a) if necessary, abridging the time for service and filing of this notice of motion and the motion record or, in the alternative, dispensing with same;
 - (b) approving the Fifth Report of the Monitor dated December 9, 2011 (the "**Fifth Report**") and approving the actions of the Monitor described therein;
 - (c) approving the Sixth Report of the Monitor dated January 24, 2013 (the "**Sixth Report**") and approving the actions of the Monitor described therein;
 - (d) approving the fees and disbursements of the Monitor and its counsel;

- (e) authorizing and directing the Monitor, to make payment of the balance of proceeds held by the Monitor firstly to pay or make allowance for any remaining or additional fees and disbursements incurred or to be incurred by the Monitor or its counsel and thereafter either to:
 - (i) make payment and distribution to creditors under the Plan of Arrangement as sanctioned by this Court in accordance with the exceptions provided for under Section 242(1)(c) or 244(2) of the OBCA, or in the alternative;
 - (ii) make payment to Her Majesty the Queen in Right of the Province of Ontario pursuant to the provisions of Section 244(1) of the OBCA; and
- (f) such further and other relief as counsel may advise and this Honourable Court may permit.

2. THE GROUNDS FOR THE MOTION ARE:

- (a) the Monitor continues to hold funds in excess of \$2,000,000 representing realizations on the assets of the debtor, being primarily the proceeds of the discharge of a VTB Mortgage held by the debtor;
- (b) the funds held by the Monitor is subject to an administration charge in favour of the Monitor and its counsel;
- (c) the Monitor and its counsel are required to pass their accounts from time to time, and intend to pass their accounts to a current date with this motion, and thereafter to pay such accounts from proceeds on hand with the Monitor;
- (d) the debtor corporation has been dissolved after approval of the Plan by creditors and sanction of the Plan by the Court;
- (e) there are potential competing claims to the funds available after the application of the administration charge, including the claims by creditors for distribution of the funds in accordance with the Plan as being the proceeds of property available to

creditors prior to the dissolution of the corporation, the forfeiture of such funds to the Crown due to dissolution of the corporation or a potential for a claim by a secured creditor, and the Monitor seeking the advice and direction of the Court as to the relative entitlements prior to making any final distribution;

- (f) such further and other grounds as counsel may advise and this Honourable Court may permit.

3. **THE FOLLOWING DOCUMENTARY EVIDENCE** will be used at the hearing of the motion:

- (a) the Sixth Report and the Fifth Report; and
- (b) such other material as counsel may submit and this Honourable Court may permit.

Date: January 25, 2013

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its capacity as the Court-appointed monitor
of Cantar Pool Products Limited/Produits
de Piscines Cantar Limitée*

TO: ATTACHED SERVICE LIST

SERVICE LIST

Parties Served by Email

<i>Counsel / Party</i>	<i>Telephone</i>	<i>Fax</i>	<i>Party Representing</i>
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<p>Faircove Investments Inc. 330 Humberline Drive Toronto, ON M9W 1R5</p> <p><u>With a copy to:</u></p> <p>Michael Freel Polyair Inter Pack Inc. mfreel@polyair.com Tel: 416-679-6597 Fax: 416-679-6605</p>			
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<p>Cassels Brock & Blackwell LLP 2100 Scotia Plaza 40 King Street West Toronto, ON M5H 3C2</p> <p>Robert Cohen RCohen@CasselsBrock.com</p>	(416) 869-5000	(416) 360-8877	IPEX Inc., John Crane Canada Inc.
<p>Competition Pool Accessories Inc. 950 Boul. Michele-Bohec Blainville, PQ J7C 5E2</p> <p>Mario Lampron Mario@competition-pool.com</p>		(450) 437-4860	

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<p>Goldman, Spring, Kichler & Sanders LLP 40 Sheppard Avenue West, Suite 700 Toronto, ON M2N 6K9</p> <p>Mitchell J. Sanders msanders@goldmanspring.com</p> <p>Larry Fischer fischer@goldmanspring.com</p> <p>Joseph Maierovits jbm@goldmanspring.com</p>	<p>(416) 225-9400</p>	<p>(416) 225-4805</p>	<p>Faircove Investments Inc.</p>
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Her Majesty the Queen in Right of the Province of Ontario as Represented by the Minister of Finance (Income Tax, PST) P.O. Box 620 33 King Street West - 6 th Floor Oshawa, ON L1H 8E9 Kevin O'Hara kevin.ohara@ontario.ca		(905) 436-4510	
Northern Lights Recreation Co. c/o Wil-Bar International 50 Cabot Court Hauppauge, NY 11788-3716 Steve Cohen stevec@wilbarintl.com	(631) 951-9800	(631) 951-9170	
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CFM Corporation 2695 Meadowvale Blvd. Mississauga, ON L5N 8A3		(905) 858-1165	
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IN THE MATTER OF AN APPLICATION UNDER 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 CANTAR POOL PRODUCTS LIMITED /
PRODUITS DE PISCINES CANTAR LIMITÉE**

Court File No. 06-CL-6690

**ONTARIO
SUPERIOR COURT OF JUSTICE
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Proceedings commenced at Toronto

NOTICE OF MOTION

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Tab A

**ONTARIO
SUPERIOR COURT OF JUSTICE
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THE HONOURABLE) THURSDAY, THE 21ST DAY
)
JUSTICE) OF FEBRUARY, 2013

**IN THE MATTER OF AN APPLICATION UNDER THE
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LIMITÉE**

Applicant

ORDER

THIS MOTION, made by A. Farber & Partners Inc., in its capacity as the Court-appointed monitor of Cantar Pool Products Limited/Produits de Piscines Cantar Limitée (in such capacity, the "**Monitor**"), for an Order:

- (a) Accepting and approving the Fifth and Sixth Report of the Monitor dated December 9, 2011 and January 24, 2013, along with the activities of the Monitor;
- (b) Accepting and approving the fees and disbursements of the Monitor and of its counsel for the periods outlined in the Fifth and Sixth Reports of the Monitor;
- (c) authorizing and directing the Monitor, to make payment of the balance of proceeds held by the Monitor firstly to pay or make allowance for any remaining or additional fees and disbursements incurred or to be incurred by the Monitor or its counsel and thereafter either to:
 - (i) make payment and distribution to creditors under the Plan of Arrangement as sanctioned by this Court in accordance with the exceptions provided for under Section 242(1)(c) or 244(2) of the OBCA, or in the alternative;

- (ii) make payment to Her Majesty the Queen in Right of the Province of Ontario pursuant to the provisions of Section 244(1) of the OBCA; and
- (d) such further and other relief as counsel may advise and this Honourable Court may permit;

was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Fifth Report and the Sixth Report of the Monitor and on hearing the submissions of counsel for the Monitor, and counsel for _____, no one appearing for any other person on the service list, although duly served:

1. **THIS COURT ORDERS** that that the time for service and filing of the notice of motion and the motion record is hereby abridged and validated so that this motion is properly returnable today and hereby dispenses with further service thereof.

2. **THIS COURT ORDERS** that the Fifth Report and the Sixth Report be and are hereby approved and the actions of the Monitor and of its counsel as described therein be and are hereby approved.

3. **THIS COURT ORDERS** that the fees and disbursements of the Monitor with respect to the Applicant in the amount of \$268,937.79, inclusive of applicable GST/HST for fees and disbursements incurred to the date as set out in the Fifth and Sixth Reports of the Monitor, be and are hereby approved.

4. **THIS COURT ORDERS** that the fees and disbursements of the Monitor's legal counsel, Aird & Berlis LLP in the amount of \$148,064.51, inclusive of applicable GST/HST for fees and disbursements incurred to the date as set out in the Fifth and Sixth Reports of the Monitor, be and are hereby approved.

5. **THIS COURT ORDERS** authorizes and directs the Monitor to make payment of the balance of the proceeds held by the Monitor:

- (i) Firstly to pay or make allowance for any remaining or additional fees and disbursements incurred or to be incurred by the Monitor or its counsel; and

- (ii) Secondly to make payment and distribution to those creditors having proven claims against the Applicant in accordance with the provisions of the Plan of Arrangement of the Applicant as sanctioned by this Court.

6. **THIS COURT ORDERS** that this Order shall be posted on the website maintained by the Monitor (www.farberfinancial.com) and shall only be required to be served upon those parties who have either formally entered an appearance in these proceedings or those parties who appeared at the hearing of the motion for this Order.

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

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Tab B

**ONTARIO
SUPERIOR COURT OF JUSTICE
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THE HONOURABLE) THURSDAY, THE 21ST DAY
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Applicant

ORDER

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- (a) Accepting and approving the Fifth and Sixth Report of the Monitor dated December 9, 2011 and January 24, 2013, along with the activities of the Monitor;
- (b) Accepting and approving the fees and disbursements of the Monitor and of its counsel for the periods outlined in the Fifth and Sixth Reports of the Monitor;
- (c) authorizing and directing the Monitor, to make payment of the balance of proceeds held by the Monitor firstly to pay or make allowance for any remaining or additional fees and disbursements incurred or to be incurred by the Monitor or its counsel and thereafter either to:
 - (i) make payment and distribution to creditors under the Plan of Arrangement as sanctioned by this Court in accordance with the exceptions provided for under Section 242(1)(c) or 244(2) of the OBCA, or in the alternative;

- (ii) make payment to Her Majesty the Queen in Right of the Province of Ontario pursuant to the provisions of Section 244(1) of the OBCA; and
- (d) such further and other relief as counsel may advise and this Honourable Court may permit;

was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Fifth Report and the Sixth Report of the Monitor and on hearing the submissions of counsel for the Monitor, and counsel for _____, no one appearing for any other person on the service list, although duly served:

1. **THIS COURT ORDERS** that that the time for service and filing of the notice of motion and the motion record is hereby abridged and validated so that this motion is properly returnable today and hereby dispenses with further service thereof.

2. **THIS COURT ORDERS** that the Fifth Report and the Sixth Report be and are hereby approved and the actions of the Monitor and of its counsel as described therein be and are hereby approved.

3. **THIS COURT ORDERS** that the fees and disbursements of the Monitor with respect to the Applicant in the amount of \$268,937.79, inclusive of applicable GST/HST for fees and disbursements incurred to the date as set out in the Fifth and Sixth Reports of the Monitor, be and are hereby approved.

4. **THIS COURT ORDERS** that the fees and disbursements of the Monitor's legal counsel, Aird & Berlis LLP in the amount of \$148,064.51, inclusive of applicable GST/HST for fees and disbursements incurred to the date as set out in the Fifth and Sixth Reports of the Monitor, be and are hereby approved.

5. **THIS COURT ORDERS** authorizes and directs the Monitor to make payment of the balance of the proceeds held by the Monitor:

- (i) Firstly to pay or make allowance for any remaining or additional fees and disbursements incurred or to be incurred by the Monitor or its counsel; and

- (ii) Secondly to make payment of the balance of any funds available to Her Majesty the Queen in Right of the Province of Ontario.

6. **THIS COURT ORDERS** that this Order shall be posted on the website maintained by the Monitor (www.farberfinancial.com) and shall only be required to be served upon those parties who have either formally entered an appearance in these proceedings or those parties who appeared at the hearing of the motion for this Order.

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Tab 2

**ONTARIO
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LIMITÉE**

Applicant

SIXTH REPORT OF THE MONITOR

JANUARY 24, 2013

INTRODUCTION

1. On October 17, 2006, the Applicant filed for and obtained protection from its creditors under the *Companies' Creditors Arrangement Act*, R.S.C. 1985 c. C-36, as amended (the "CCAA") pursuant to an Order of this Honourable Court dated October 17, 2006 (the "**Initial Order**"). A copy of the Initial Order is attached as **Exhibit "A"**.

2. Pursuant to the Initial Order, A. Farber & Partners Inc. ("**Farber**") was appointed as Monitor of the Applicant (in such capacity, the "**Monitor**"). A copy of Farber's First Report dated October 16, 2006, which was filed in connection with the CCAA application, is attached as **Exhibit "B"**.

3. Coincident with the granting of the Initial Order on October 17, 2006, this Honourable Court granted Orders:

- (a) approving the sale of the Applicant's assets relating to the Applicant's Pool Equipment Division (the "**Pool Equipment Assets**") to 662671 Canada Inc. ("**662**"), and vesting the right, title and interest in the Pool Equipment Assets in and to 662; and

- (b) approving the sale of the Applicant's residual assets relating to the Above Ground Pool Division that were not sold by the Applicant as part of an earlier transaction in August of 2006 (the "**Residual Ground Pool Assets**") to Northern Lights Recreation Co. ("**Northern Lights**"), and vesting the right, title and interest in the Residual Ground Pool Assets in and to Northern Lights.

Copies of these Approval and Vesting Orders are attached collectively as **Exhibit "C"**.

4. On October 19, 2006, this Honourable Court granted an Order (the "**Humberline Premises Approval and Vesting Order**") approving the sale of the premises ("**Humberline Premises Sale**") known municipally as 330 Humberline Drive, Toronto, Ontario (the "**Humberline Premises**") to Strathallen Acquisitions Inc. ("**Strathallen**"), vesting the right, title and interest in the Humberline Premises in and to Strathallen, and approving the payment of the proceeds of the Humberline Premises Sale to LaSalle Business Credit, LLC ("**LaSalle**"). A copy of the Humberline Premises Approval and Vesting Order is attached as **Exhibit "D"**. A copy of the Monitor's Second Report dated October 18, 2006, which was filed in connection with this motion, is attached as **Exhibit "E"**.

5. On November 16, 2006, this Honourable Court granted an Order (the "**Claims Procedure and Meeting Order**") establishing a procedure for the filing and determination of claims against the Applicant for the purposes of voting on and effecting distributions under the Plan (as defined below), establishing a claims bar date, establishing the procedure to call, hold and conduct a meeting of the creditors of the Applicant affected by the Plan (the "**Creditors' Meeting**") and setting the date for the return of the Applicant's motion for an order sanctioning the Plan. A copy of the Claims Procedure and Meeting Order is attached as **Exhibit "F"**. A copy of the Monitor's Third Report dated November 10, 2006, which was filed in connection with this motion, is attached as **Exhibit "G"**.

6. On November 16, 2006, this Honourable Court also granted an Order (the "**Extension Order**") extending the stay of proceedings to January 18, 2007. A copy of the Claims Procedure and Meeting Order is attached as **Exhibit "H"**.

7. On November 23, 2006, the Applicant filed a Plan of Compromise and Arrangement (the "**Plan**") with this Honourable Court.

8. Pursuant to the Claims Procedure and Meeting Order, the Creditors' Meeting was held on January 12, 2007, at which time the Applicant's unsecured creditors approved the Plan by the required majority.

9. On January 18, 2007, this Honourable Court granted an Order (the "**Sanction Order**") approving the Plan and extending the stay of proceedings to the earlier of the Effective Date (as defined in the Plan) and February 15, 2007. A copy of the Sanction Order and Plan are attached as **Exhibit "I"**. A copy of the Monitor's Fourth Report dated January 16, 2007, which was filed in connection with this motion, is attached as **Exhibit "J"**.

10. On January 30, 2007, the Monitor filed a certificate of compliance with the Court certifying that all Conditions Precedent, as set out in Section 7.6 of the Plan, had been satisfied and that the Effective Date had occurred and the Plan could be implemented. A copy of the Certificate of Compliance is attached as **Exhibit "K"**.

11. The purpose of this Sixth Report of the Monitor (the "**Sixth Report**") is to:

- (a) provide this Honourable Court with an update on the implementation of the Plan;
- (b) seek the authorization and direction of the Court with respect to the distribution of funds held by the Monitor in light of the cancellation of the certificate of the incorporation of the Applicant following the approval of the Applicant's Plan and the granting of the Sanction Order having regard to the provisions of Sections 244(1), Section 244(2) and 242(1)(c) of the *Business Corporations Act* R.S.O. 1990, c. B.16, as amended (the "**OBCA**");
- (c) seek approval of the Fifth Report and the Sixth Report and the actions of the Monitor as described therein; and
- (d) seek approval of the fees and disbursements of the Monitor and its legal counsel to date, and approval of payment thereof by the Monitor from funds held by the Monitor;

TERMS OF REFERENCE

12. In preparing this Sixth Report, the Monitor has relied upon unaudited, internally prepared financial information, Applicant's records and discussions with management of the Applicant. The Monitor has not performed an audit, review or other verification of such information. An examination of the financial forecast as outlined in the Canadian Institute of Chartered Accountants Handbook has not been performed. Future oriented financial information relied upon in this report is based on management of the Applicant's assumptions regarding future events and actual results achieved will vary from this information and the variations may be material. Unless otherwise stated, dollars referenced in these materials are in Canadian funds.

THE PLAN

13. The Plan was approved pursuant to the Sanction Order on January 18, 2007.

14. There were a number of conditions precedent that needed to be satisfied to reach the Effective Date and, in turn, enable implementation of the Plan. These conditions precedent are set out in Section 7.6 of the Plan. Section 7.8 of the Plan provides that once all of the conditions precedent set out in Section 7.6 of the Plan are satisfied, the Monitor can issue a Certificate of Compliance. On January 30, 2007, shortly after creditor and Court approval of the Plan, the Certificate of Compliance was filed in the Court.

15. Key elements of the Plan are summarized below:

- (a) There was one single class of Affected Creditors under the Plan.
- (b) The Plan was structured such that the Applicant's creditors with Smaller Claims (as defined below), or those who elected to reduce their claims, would receive a fixed distribution based on a formula in the Plan in a specific time frame, and the Applicant's creditors with Larger Claims (as defined below) would receive a distribution of net realizations over a longer term, after provision for certain costs and prior charges.

- (c) Pursuant to Article 4.1(b) of the Plan, Affected Creditors (as defined in the Plan) with aggregate Claims of \$5,000 or less are to be paid twenty-five cents on the dollar. In addition, Affected Creditors with Affected Claims (as defined in the Plan) exceeding \$5,000, who elected to reduce their Affected Claims to \$5,000, are to be paid twenty-five cents on the dollar on the reduced amount (collectively, the “**Smaller Claims**”). Under the terms of the Plan, distributions with respect to the Smaller Claims were to be paid within six months of the Effective Date. Distributions with respect to the Smaller Claims were made on May 17, 2007.
- (d) Pursuant to Article 4.1(b) of the Plan, Affected Creditors with Affected Claims greater than \$5,000 in respect of which no election was made as referred to above, are to participate in realizations from the Affected Creditors Distribution Pool as set out in Section 5 of the Plan (the “**Larger Claims**”). The distributions with respect to the Larger Claims were to occur from time to time as cash flow permitted. The Applicant was only to make distributions from the Affected Creditors’ Distribution Pool (as defined in the Plan) if the amount available was economically practical, as determined by the Applicant, acting reasonably in consultation with the Monitor. Until recently, there were insufficient proceeds to warrant a distribution to Affected Creditors with Larger Claims.
- (e) Pursuant to Article 4.1(b) of the Plan, Affected Creditors with Larger Claims are to participate in realizations from the Affected Creditors’ Distribution Pool ostensibly from the proceeds realized from a Charge/Mortgage in the principal amount of \$1,600,000.00 registered on October 24, 2006 as Instrument Number AT1287953 on title to the Humberline Premises, which Charge/Mortgage was transferred to LaSalle on October 24, 2006 as Instrument Number AT1287954 (the “**VTB Mortgage**”). While there was a provision in the Plan for monetization of the VTB Mortgage if an acceptable offer was received, no such offer was forthcoming. A copy of the VTB Mortgage is attached as **Exhibit “L”**.

16. On or about January 25, 2007, LaSalle executed an agreement (the “**LaSalle Agreement**”) which provides that if, among other things, the Plan is accepted by the requisite

majority of creditors and approved by the Court, LaSalle's interest in, among other things, the VTB Mortgage would be released to the extent necessary to permit payment under the Plan from the Affected Creditors' Distribution Pool of the full amount payable in accordance with Article 4.1(a) of the Plan to Affected Creditors to which Article 4.1(a) applies, and to a maximum of 25 cents for each dollar of Affected Claims in accordance with Article 4.1(b). A copy of the LaSalle Agreement is attached as **Exhibit "M"**.

17. The Monitor confirms that the proposed distribution of the proceeds from the VTB Mortgage to the Applicant's creditors will not exceed twenty-five cents for each dollar of Affected Claims in accordance with Article 4.1(b).

18. The LaSalle Agreement further states that, not less than ten days prior to a proposed distribution to creditors under the Plan, the Applicant must deliver to LaSalle notice of the proposed distribution, the particulars of the proposed distribution, the amount of the proposed distribution and reasonable evidence that the proposed distribution will not result in the aggregate amount of prior distributions and the proposed distribution exceeding the Aggregate Permitted CCAA Plan Payment Amount.

19. On or about October 17, 2008, LaSalle merged with and into LaSalle Bank National Association, who, together with LaSalle Bank Midwest National Association, merged with and into Bank of America, National Association ("**Bank of America**"). Evidence of these mergers is attached as **Exhibit "N"**.

20. The VTB Mortgage was scheduled to mature on October 23, 2011 at \$2,120,285. Bank of America confirmed that the Monitor could receive payment under the VTB Mortgage and that Bank of America would relinquish any interest it may have in the VTB Mortgage provided that the funds from the VTB Mortgage were distributed to the Applicant's creditors in accordance with the Plan.

21. By the time the VTB Mortgage matured, the Applicant no longer had any officers or directors with corporate authority to deal with the final matters necessary to complete implementation of the Plan, namely sending the required notice pursuant to the LaSalle Agreement, receiving the funds from the VTB Mortgage, discharging the VTB Mortgage and

distributing the funds from the VTB Mortgage. In addition, neither the Initial Order nor the Claims Procedure and Meeting Order, nor the Sanction Order, provided specific powers to the Monitor to approve or authorize any such actions to be taken on behalf of the Applicant by the Monitor.

22. In addition, on the maturity of the VTB Mortgage, the Monitor discovered that the Applicant's Certificate of Incorporation had been cancelled for cause pursuant to Section 240 of the OBCA because the Applicant had failed to maintain the required number of directors and, accordingly was dissolved. A copy of the Applicant's corporate profile report, which confirms that the cancellation is attached as **Exhibit "O"**.

23. Section 244 of the OBCA provides that "any property of a corporation that has not been disposed of as of the date of its dissolution is immediately upon such dissolution forfeit to and vests in the Crown". The Applicant's property that was being disposed of was its interest in the VTB Mortgage, which was assigned to LaSalle, which in turn had merged with Bank of America. While the Applicant's interest in the VTB Mortgage may have escheated to the Crown pursuant to section 244 of the OBCA, any interest of Bank of America would not be defeated by the dissolution. Further, Sections 242(1)(c) and 244(2) of the OBCA provide exceptions to the effect that, where an Order is made which affects property belonging to the Corporation before the dissolution, the property would remain available to satisfy the Order or decision. The Monitor is unable to make a distribution of the proceeds of the VTB Mortgage prior to obtaining the Court's determination of the applicability of the exceptions in the circumstance of this Applicant.

24. As a result of these events, by the end of 2011, an impasse had been reached which may be summarized as follows:

- (a) The purchaser of the Humberline Premises wished to repay the VTB Mortgage, but could not do so as there was no person with authority to give a discharge on behalf of the Applicant;

- (b) Bank of America had agreed, pursuant to the LaSalle Agreement, to release any interest it held in the VTB Mortgage provided that the proceeds of such mortgage were used to make payment to creditors under the Plan;
- (c) If the Applicant's interest in the VTB Mortgage had been forfeit to the Crown pursuant to Section 244(1) of the OBCA, then the Applicant would not be in a position to make payment of the proceeds of the VTB Mortgage to creditors under the Plan, and thus would be unable to fulfill the terms of the LaSalle Agreement.

25. While Section 241(5) of the OBCA would permit the Applicant or another interested person to apply for revival of the corporation, such entitlement only exists for corporations cancelled pursuant to Section 241 of the OBCA. In this instance the cancellation of the certificate was under Section 240 of the OBCA, and revival would not be possible absent approval of the legislature under private members legislation.

26. The Monitor, through its counsel, contacted the Office of the Public Guardian & Trustee (being the office in charge of dealing with escheat of this nature) and provided information concerning the matters at issue with respect to the VTB Mortgage, including a copy of the Fifth Report of the Monitor, the Motion Record for the motion of the Monitor returnable January 25, 2012, and a letter summarizing the issues. The Office of the Public Guardian & Trustee was not able to formulate a formal position with respect to the matters within the time available, but indicated that it would not be attending to oppose the Monitor's motion to be authorized to provide a discharge in order to receive the funds due under the VTB Mortgage.

27. On January 25, 2012 an Order was made by this Honourable Court authorizing the Monitor to execute the discharge of the VTB Mortgage and to receive the funds due under the VTB Mortgage. The order specifically provided that any claims to the VTB Mortgage would attach to the funds received by the Monitor in the same priority as such claims held immediately prior to the discharge of the VTB Mortgage. A copy of the Order of January 25, 2012 is attached as Exhibit "P". The VTB Mortgage was thereafter discharged upon payment to the Monitor of the sum of \$2,120,284.94, which the Monitor continues to hold in an interest bearing account.

REVIEW OF BANK OF AMERICA CLAIM TO PROCEEDS

28. As approved by the Humberline Premises Approval and Vesting Order, on the sale of the Humberline Premises the VTB Mortgage was assigned to LaSalle and was held in the name of the LaSalle until discharge. A copy of the Transfer of Charge to LaSalle is appended as Exhibit "Q" and a copy of the Parcel Register for the Humberline Premises as at November 3, 2011 is attached as Exhibit "R". In the Applicant's restructuring of its financial affairs LaSalle had agreed to give up its claim to the Mortgage provided the distribution to the creditors was less than 25 cents on the dollar and the proceeds were used to pay creditors under the Plan. As the proposed distribution was less than 25 cents on the dollar, there was initially no need to inquire as to the amount of the indebtedness owing to LaSalle (now Bank of America) in that the proceeds would be distributed to creditors rather than to Bank of America.

29. Given the possibility of a forfeiture to the Crown which would prevent a distribution to creditors the Monitor sought to determine the exact nature and amount of the remaining indebtedness, if any, owing from the Applicant to Bank of America. At the time of the Initial Order, and at the time of the approval of the Plan, the Applicant was indebted to LaSalle as a co-borrower with a related entity, Polyair Canada Limited, pursuant to a Canadian Loan Agreement, and was obligated as a Guarantor pursuant to a US Credit Agreement between LaSalle and a number of other related entities. The VTB Mortgage was assigned to LaSalle not absolutely, but as security for the remaining obligations of the Applicant to LaSalle.

30. Considerable time delay was experienced while Monitor's counsel attempted to obtain current information with respect to any indebtedness of the Applicant to Bank of America, which information was in the possession of entities which were not parties to the application. Monitor's counsel ultimately was able to review subsequent credit agreements entered into between Polyair Canada Limited and Bank of America in 2008. The Monitor cannot produce these documents because they were provided to Monitor's counsel on a confidential basis given that they deal with the financial affairs of entities which are not parties to this application. However, it was apparent that as of December 17, 2008 Polyair Canada Limited and Bank of America entered into an Amended and Restated Credit Agreements with respect to both the Canadian and U.S. facilities. Given that CCAA Application of the Applicant had already been

completed and sanctioned, the Applicant was no longer included as a party to or obligor in respect of either of these credit agreements.

31. As the 2008 Amended and Restated Credit Agreements fully replaced the earlier credit agreements, the Applicant was no longer a Borrower nor a Guarantor under either of these documents. Accordingly, it was the conclusion of Monitor's counsel that the Applicant no longer had any obligation to LaSalle or Bank of America for which the assignment of the VTB Mortgage could stand as security. It should be noted that the Monitor has had difficulty locating any persons at Bank of America having any direct knowledge or dealings with the liabilities of the Applicant and thus the Monitor will ensure that Bank of America receives full advance notice of any proposed distribution of the proceeds of the VTB Mortgage, and of the Monitor's conclusions as expressed in this report.

POSSIBLE CLAIMS AGAINST FUNDS HELD BY THE MONITOR

32. The Initial Order granted to the Monitor an administration charge in favour of the Monitor and its counsel not to exceed \$500,000. This administration charge was a charge upon all of the property and assets of the Applicant, including the proceeds of the VTB Mortgage, created prior to the cancellation of the Applicant's certificate of incorporation, and thus the property interests of the Applicant were subject to the administration charge. The Monitor and its counsel claim to be entitled to payment of their fees and disbursements, including those fees and disbursements as identified in paragraphs 37 and 38 of this Report, in priority to all other claimants.

33. The Crown, being her Majesty the Queen in Right of the Province of Ontario, may have an interest in the assets and undertaking of the Applicant pursuant to the forfeiture provisions of Section 244(1) of the OBCA.

34. The forfeiture of property to the Crown is subject to certain exceptions including those provided at Section 242(1)(c) and Section 244(2) of the OBCA. In this instance, the Plan called for distribution of proceeds of assets of the debtor, principally the proceeds of the VTB Mortgage, to be made in satisfaction of claims under the Plan. The Plan was approved by creditors while the corporation was still in existence, and the Court approved the Plan by virtue

of the Sanction Order, again while the corporation was still in existence. The approved Plan and Sanction Order gave rise to the expectation that the proceeds would be utilized to make payments under the Plan to creditors of the Applicant, which would be payments from assets of the corporation which would have been available to satisfy any judgment or order if the corporation had not been dissolved. Ambiguity arises because the VTB Mortgage was not specifically charged or assigned to the benefit of creditors under the Plan or the Sanction Order, nor was the VTB Mortgage assigned to the Monitor to hold for the benefit of creditors, since the mortgage was already assigned to LaSalle and subject to the LaSalle Agreement.

35. Bank of America would also be a potential claimant to the proceeds of the VTB Mortgage. Should Bank of America take the position that its claims against the Applicant had not been essentially released through the restatement of its loan arrangements without inclusion of the Applicant, and in the event that any forfeiture of the crown prevented distribution of the proceeds to creditors as anticipated by the LaSalle Agreement, then the release provided for in the LaSalle Agreement would not be effective and Bank of America could potentially advance a claim. There has been no indication to date that Bank of America does claim any interest in the VTB Mortgage.

LARGER CLAIMS – CREDITOR PROFILE

36. For the information of this Honourable Court and other stakeholders, the Monitor can report that the Larger Claims under the CCAA Plan represent 113 creditors with total claims of \$9,804,853.06. Pursuant to the CCAA Plan, these Larger Claim creditors have had to wait until the VTB Mortgage matured on October 23, 2011. As reported at paragraph 27, the VTB Mortgage did mature and by Court Order dated January 25, 2012 the Monitor was authorized to execute the discharge of the VTB Mortgage to receive the funds due under the VTB Mortgage.

37. Unfortunately due to the passage of time and the series of events that unfolded as described above, these Large Claim creditors, who have already faced significant hardship and have waited close to six years for some recovery, now potentially face the prospect of no recovery, while Small Claim creditors received their recovery of 25% and/or \$2,500 back in May 2007 under the same CCAA Plan. If funds were approved to be disbursed to these Large Claim

creditors, there is the prospect for a recovery of close to 20 cents on the \$. In terms of potential escheatment to the Province of Ontario, the Monitor further advises that the majority of these Large Claims (66.7% in value, 66.3% in number; 75 out of 113) are entities resident in Ontario, many of which are in the manufacturing sector. While the Monitor appreciates the matters reported on above and direction sought, must be evaluated on a legal basis, the creditor stakeholder interests should also be considered, consistent with the objectives of the CCAA. A copy of the remaining creditor's list is appended as **Exhibit "S"**. The Monitor will coordinate a mailing to each of these creditors, a copy of this report (without appendices) and provide a link to the website to enable review of the full report and motion materials in advance of the hearing.

MONITOR AND LEGAL COUNSEL – FEES AND DISBURSEMENTS

38. Pursuant to paragraph 31 of the Initial Order, the Monitor and its legal counsel are required to pass their accounts from time to time.

39. From the date of September 25, 2006 to October 12, 2012, Farber, in its capacity as Monitor of the Applicant, has incurred fees of \$237,992.50 and disbursements of \$14,964.33, plus of applicable GST/HST of \$15,980.96. A copy of the detailed billings of the Monitor, supported by the affidavit sworn by Paul Denton, are attached as **Exhibit "T"**.

40. From the period September 29, 2006 to September 19, 2012, the Monitor's legal counsel, Aird & Berlis LLP, has incurred fees and disbursements in the amount of \$148,064.51, inclusive of applicable GST/HST. A copy of the detailed billings of Aird & Berlis LLP, supported by an affidavit sworn by Richard Epstein, are attached as **Exhibit "U"**.

41. Given that the revival of the corporation is at the discretion of the Director and given that interested parties, including Bank of America and the Crown as represented by the Province of Ontario require a full opportunity to respond to the report and the motion associated with this report, the Monitor is not seeking discharge at this time and will continue incur additional fees for itself and its counsel.

RECOMMENDATIONS

42. The Monitor therefore recommends and requests that this Honourable Court:
- (a) approve the Fifth and Sixth Reports of the Monitor and the activities of the Monitor as therein described;
 - (b) approve the fees and disbursements of the Monitor and its counsel as set forth at paragraphs 39 and 40 of this Report and payment thereof from funds on hand with the Monitor;
 - (c) provide advice and direction to the Monitor in the determination of the entitlement to the balance of proceeds held by the Monitor, and specifically to make payment firstly, for any remaining or additional fees and disbursements incurred by the Monitor or its counsel and thereafter either to:
 - (i) make payment and distribution to the creditors under the Plan in accordance with the exception provided for under Section 242(1)(c) or 244(2) of the OBCA, or in the alternative;
 - (ii) make payment to Her Majesty the Queen in Right of the Province of Ontario pursuant to the provisions of Section 244(1) of the OBCA; and
 - (d) for such further and other direction or advice as this Court may deem appropriate.

All of which is respectfully submitted this 24th day of January, 2013.

A. FARBER & PARTNERS INC.,
in its capacity as the Court-appointed Monitor of
Cantar Pool Products Limited/Produits de Piscines
Cantar Limitée

A. Farber & Partners Inc.,

IN THE MATTER OF AN APPLICATION UNDER 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 CANTAR POOL PRODUCTS LIMITED /
PRODUITS DE PISCINES CANTAR LIMITÉE**

Court File No. 06-CL-6690

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

Proceedings commenced at Toronto

SIXTH REPORT OF THE MONITOR

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Tab A

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE) TUESDAY, THE 17TH DAY OF
JUSTICE CUMMING)
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IN THE MATTER OF AN APPLICATION UNDER 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 CANTAR POOL PRODUCTS LIMITED/
PRODUITS DE PISCINES CANTAR LIMITÉE

Applicant



INITIAL ORDER

THIS APPLICATION, made by the Applicant, pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "CCAA") was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Victor D'Souza sworn October 16, 2006 and on hearing the submissions of counsel for the Applicant, and on being advised that the Applicant's primary secured creditor, LaSalle Business Credit LLC, as agent ("LaSalle") for the U.S. lenders and the Canadian lender to the Applicant and its affiliates (collectively the "LaSalle Group Lenders"), was given advance notice that the Applicant would be applying today for protection pursuant to the CCAA, and on reading the consent of A. Farber & Partners Inc. to act as the Monitor,

SERVICE

1. THIS COURT ORDERS that the time for service of the Notice of Application and the Application Record is hereby abridged so that this Application is properly returnable today and hereby dispenses with further service thereof.

APPLICATION

2. THIS COURT ORDERS AND DECLARES that the Applicant is a company to which the CCAA applies.

PLAN OF ARRANGEMENT

3. THIS COURT ORDERS that the Applicant shall have the authority to file and may, subject to further order of this Court, file with this Court a plan of compromise or arrangement (hereinafter referred to as the "Plan") between, *inter alia*, the Applicant and one or more classes of its secured and/or unsecured creditors as it deems appropriate.

POSSESSION OF PROPERTY AND OPERATIONS

4. THIS COURT ORDERS that the Applicant shall remain in possession and control of its current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the "Property") and that all persons having possession of any of the Property, other than LaSalle and the LaSalle Group Lenders, shall forthwith deliver-up possession of the Property to the Applicant. Subject to further Order of this Court, the Applicant shall continue to carry on business in a manner consistent with the preservation of its remaining business (the "Business") and Property. The Applicant shall be authorized and empowered to continue to retain and employ the employees, consultants, agents, experts,

accountants, counsel and such other persons (collectively "Assistants") currently retained or employed by it, with liberty to retain such further Assistants as it deems reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.

5. THIS COURT ORDERS that the Applicant shall be entitled but not required to pay the following expenses whether incurred prior to or after this Order:

- (a) all outstanding and future wages, salaries, employee and pension benefits, vacation pay, bonuses and expenses payable on or after the date of this Order, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements; and
- (b) the fees and disbursements of any Assistants retained or employed by the Applicant in respect of these proceedings, at their standard rates and charges.

6. THIS COURT ORDERS that, except as otherwise provided to the contrary herein, the Applicant shall be entitled but not required to pay all reasonable expenses incurred by the Applicant in carrying on the remaining Business after this Order, and in carrying out the provisions of this Order, which expenses shall include, without limitation:

- (a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors and officers insurance), maintenance and security services; and
- (b) payment for goods or services actually supplied to the Applicant following the date of this Order.

7. THIS COURT ORDERS that the Applicant shall remit, in accordance with legal requirements, or pay:

- (a) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from employees' wages, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, (iii) Quebec Pension Plan, and (iv) income taxes;

- (b) all goods and services or other applicable sales taxes (collectively, "Sales Taxes") required to be remitted by the Applicant in connection with the sale of goods and services by the Applicant, but only where such Sales Taxes are accrued or collected after the date of this Order, or where such Sales Taxes were accrued or collected prior to the date of this Order but not required to be remitted until on or after the date of this Order, and
- (c) any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and which are attributable to or in respect of the carrying on of the Business by the Applicant.

8. THIS COURT ORDERS that until such time as the Applicant repudiates a real property lease in accordance with paragraph 11(c) of this Order, the Applicant shall pay all amounts constituting rent or payable as rent under real property leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable to the landlord under the lease) or as otherwise may be negotiated by the Applicant from time to time ("Rent"), for the period commencing from and including the date of this Order, bi-weekly, in advance (but not in arrears).

9. THIS COURT ORDERS that, except as specifically permitted herein, the Applicant is hereby directed, until further Order of this Court: (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the Applicant to any of its creditors as of this date, except for payments to LaSalle as the Applicant's primary secured creditor; (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of its Property; and (c) to not grant credit or incur liabilities except in the ordinary course of the Business or in respect of the Restructuring.

10. THIS COURT ORDERS that notwithstanding any other term of this Order, the Applicant is hereby authorized and directed to pay over to LaSalle (or to such party as LaSalle may direct in

writing), any and all proceeds from any source, including dispositions of Property and collections of accounts receivable, from and after the date of this Order until the amount necessary to satisfy certain indebtedness, liabilities and obligations owing or to become owing to LaSalle and the LaSalle Group Lenders, as agreed to by, among others, the Applicant and LaSalle, in the approximate amount of US\$8.6 million (the "LaSalle Minimum Amount") has been paid in full, save and except for such expenditures by the Applicant which are approved in advance in writing by LaSalle.

RESTRUCTURING

11. THIS COURT ORDERS that the Applicant shall have the right to:
 - (a) permanently or temporarily cease, downsize or shut down any of its business or operations and to dispose of redundant or non-material assets not exceeding \$75,000 in any one transaction or \$250,000 in the aggregate, other than the payments in 11(c), if applicable;
 - (b) terminate the employment of such of its employees or temporarily lay off such of its employees as it deems appropriate on such terms as may be agreed upon between the Applicant and such employees, or failing such agreement, to deal with the consequences thereof in the Plan;
 - (c) in accordance with paragraphs 12 and 13, vacate, abandon or quit any leased premises and/or repudiate any real property lease and any ancillary agreements relating to any leased premises, on not less than seven (7) days' notice in writing to the relevant landlord on such terms as may be agreed upon between the Applicant and such landlord, or failing such agreement, to deal with the consequences thereof in the Plan;
 - (d) with the exception of any agreement with LaSalle or the lenders for whom LaSalle acts as agent, repudiate such of its arrangements or agreements of any nature whatsoever, whether oral or written, as the Applicant deems appropriate on such terms as may be agreed upon between the Applicant and such counter-parties, or failing such agreement, to deal with the consequences thereof in the Plan; and
 - (e) pursue all avenues of refinancing and offers for material parts of its Business or Property, in whole or part, subject to prior approval of this Court being obtained before any material refinancing or any sale (except as permitted by subparagraph (a), above),

all of the foregoing to permit the Applicant to proceed with an orderly restructuring of the Business (the "Restructuring").

12. THIS COURT ORDERS that the Applicant shall provide each of the relevant landlords with notice of the Applicant's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Applicant's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Applicant, or by further Order of this Court upon application by the Applicant on at least two (2) days' notice to such landlord and any such secured creditors. If the Applicant repudiates the lease governing such leased premises in accordance with paragraph 11(c) of this Order, it shall not be required to pay Rent under such lease pending resolution of any such dispute, and the repudiation of the lease shall be without prejudice to the Applicant's claim to the fixtures in dispute.

13. THIS COURT ORDERS that if a lease is repudiated by the Applicant in accordance with paragraph 11(c) of this Order, then (a) during the notice period prior to the effective time of the repudiation, the landlord may show the affected leased premises to prospective tenants during normal business hours, on giving the Applicant and the Monitor 24 hours' prior written notice, and (b) at the effective time of the repudiation, the relevant landlord shall be entitled to take possession of any such leased premises without waiver of or prejudice to any claims or rights such landlord may have against the Applicant in respect of such lease or leased premises, and such landlord shall be entitled to notify the Applicant of the basis on which it is taking possession and to gain possession of and re-lease such leased premises to any third party or parties on such terms as such landlord

considers advisable, provided that nothing herein shall relieve such landlord of its obligation to mitigate any damages claimed in connection therewith.

14. THIS COURT ORDERS that, subject to the other provisions of this Order (including the payment of Rent as herein provided) and any further Order of this Court, the Applicant shall be permitted to dispose of any or all of the Property located (or formerly located) at such leased premises without any interference of any kind from landlords (notwithstanding the terms of any leases) and, for greater certainty, the Applicant shall have the right to realize upon the Property and other assets in such manner and at such locations, including leased premises, as it deems suitable or desirable for the purpose of maximizing the proceeds and recovery therefrom.

NO PROCEEDINGS AGAINST THE APPLICANT OR THE PROPERTY

15. THIS COURT ORDERS that until and including November 16, 2006, or such later date as this Court may order (the "Stay Period"), no proceeding or enforcement process in any court or tribunal (each, a "Proceeding") shall be commenced or continued against or in respect of the Applicant or the Monitor, or affecting the Business or the Property, except with the written consent of the Applicant and the Monitor, or with leave of this Court, and any and all Proceedings currently under way against or in respect of the Applicant or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

16. THIS COURT ORDERS that during the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being "Persons" and each being a "Person") against or in respect of the Applicant or the Monitor, or affecting the Business or the Property, or arising out of, relating to or triggered by the occurrence of any default or non-performance by or the insolvency of the Applicant, the making or filing of these proceedings are hereby stayed and suspended except with the written consent of the Applicant and the Monitor, or leave of this Court, provided that nothing in this Order shall (i) empower the Applicant to carry on any business which the Applicant is not lawfully entitled to carry on, (ii) exempt the Applicant from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien or (v) prevent LaSalle, or any lender for whom LaSalle acts as agent, from exercising any right of set-off (including without limitation applying all present and future monies in any bank accounts maintained by the Applicant in respect of which LaSalle or such other lenders have control).

NO INTERFERENCE WITH RIGHTS

17. THIS COURT ORDERS that during the Stay Period, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Applicant, except with the written consent of the Applicant and the Monitor, or leave of this Court.

CONTINUATION OF SERVICES

18. THIS COURT ORDERS that during the Stay Period, all Persons having oral or written agreements with the Applicant or statutory or regulatory mandates for the supply of goods and/or services, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation, services, utility or other services to the Business or the Applicant, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Applicant, and that the Applicant shall be entitled to the continued use of its current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Applicant in accordance with normal payment practices of the Applicant or such other practices as may be agreed upon by the supplier or service provider and each of the Applicant and the Monitor, or as may be ordered by this Court.

NON-DEROGATION OF RIGHTS

19. THIS COURT ORDERS that, notwithstanding anything else contained herein, no creditor of the Applicant shall be under any obligation after the making of this Order to advance or re-advance any monies or otherwise extend any credit to the Applicant. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

20. THIS COURT ORDERS that during the Stay Period, and except as permitted by subsection 11.5(2) of the CCAA, no Proceeding may be commenced or continued against any of the former, current or future directors or officers of the Applicant with respect to any claim against the directors

or officers that arose before the date hereof and that relates to any obligations of the Applicant whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations, until a compromise or arrangement in respect of the Applicant, if one is filed, is sanctioned by this Court or is refused by the creditors of the Applicant or this Court.

DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE

21. THIS COURT ORDERS that the Applicant shall indemnify its directors and officers from all claims, costs, charges and expenses relating to the failure of the Applicants, after the date hereof, to make payments of the nature referred to in subparagraphs 5(a), 7(a), 7(b) and 7(c) of this Order which they sustain or incur by reason of or in relation to their respective capacities as directors and/or officers of the Applicants except to the extent that, with respect to any officer or director, such officer or director has actively participated in the breach of any related fiduciary duties or has been grossly negligent or guilty of willful misconduct.

22. THIS COURT ORDERS that the directors and officers of the Applicant shall be entitled to the benefit of and are hereby granted a charge (the "Directors' Charge") on the Property, which charge shall not exceed an aggregate amount of \$750,000, as security for the indemnity provided in paragraph 21 of this Order. The Directors' Charge shall have the priority set out in paragraphs 33 and 35 herein.

23. THIS COURT ORDERS that, notwithstanding any language in any applicable insurance policy to the contrary, (a) no insurer shall be entitled to be subrogated to or claim the benefit of the Directors' Charge, and (b) the Applicant's directors and officers shall only be entitled to the benefit of the Directors' Charge to the extent that they do not have coverage under any directors' and

officers' insurance policy, or to the extent that such coverage is insufficient to pay amounts indemnified in accordance with paragraph 21 of this Order.

APPOINTMENT OF MONITOR

24. THIS COURT ORDERS that A. Farber & Partners Inc. is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the Property and the Applicant's conduct of the Business with the powers and obligations set out in the CCAA or set forth herein and that the Applicant and its shareholders, officers, directors, and Assistants shall advise the Monitor of all material steps taken by the Applicant pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations.

25. THIS COURT ORDERS that the Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:

- (a) monitor the Applicant's receipts and disbursements;
- (b) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein;
- (c) advise the Applicant in its development of the Plan and any amendments to the Plan;
- (d) report to LaSalle with respect to all of the above and any other information reasonably required by LaSalle to assess its position in these CCAA proceedings;
- (e) assist the Applicant, to the extent required by the Applicant, with the holding and administering of creditors' or shareholders' meetings for voting on the Plan;
- (f) have full and complete access to the books, records and management, employees and advisors of the Applicant and to the Business and the Property to the extent required to perform its duties arising under this Order;
- (g) be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order;

- (h) consider, and if deemed advisable by the Monitor, prepare a report and assessment on the Plan; and
- (i) perform such other duties as are required by this Order or by this Court from time to time.

26. THIS COURT ORDERS that the Monitor shall not take possession of the Property and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, be deemed to have taken or maintained possession or control of the Business or Property, or any part thereof.

27. THIS COURT ORDERS that nothing herein contained shall require the Monitor to occupy or to take control, care, charge, possession or management (separately and/or collectively, "Possession") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the "Environmental Legislation"), provided however that nothing herein shall exempt the Monitor from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

28. THIS COURT ORDERS that that the Monitor shall provide any creditor or other stakeholder of the Applicant with information provided by the Applicant in response to reasonable requests for

information made in writing by such person addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised in writing by the Applicant is confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the Applicant may agree.

29. THIS COURT ORDERS that, in addition to the rights and protections afforded the Monitor under the CCAA or as an officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or willful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.

30. THIS COURT ORDERS that the Monitor, counsel to the Monitor and counsel to the Applicant shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, by the Applicant as part of the costs of these proceedings. The Monitor, counsel for the Monitor, Prowis Inc. (the Applicant's restructuring advisors) and counsel for the Applicant are hereby authorized to render their accounts to the Applicant on a weekly basis. Subject to paragraph 10 of this Order, the Applicant is hereby authorized and directed to pay such accounts immediately upon receipt of same and, in addition, the Applicant is hereby authorized to pay to the Monitor, counsel to the Monitor, and counsel to the Applicant, reasonable retainers, respectively, to be held by them as security for payment of their respective fees and disbursements outstanding from time to time.

31. THIS COURT ORDERS that the Monitor and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Monitor and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

32. THIS COURT ORDERS that the Monitor, counsel to the Monitor, if any, Prowis and the Applicant's counsel shall be entitled to the benefit of and are hereby granted a charge (the "Administration Charge") on the Property, which charge shall not exceed an aggregate amount of \$500,000, as security for the unpaid portion, if any, of their professional fees and disbursements incurred at the standard rates and charges of the Monitor and such counsel, both before and after the making of this Order in respect of these proceedings. The Administration Charge shall have the priority set out in paragraphs 33 and 35 hereof.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

33. THIS COURT ORDERS that the priorities of the security and encumbrances existing as at the date hereof in favour of LaSalle (the "LaSalle Security") and the Directors' Charge and the Administration Charge created by this Order, as among them, shall be as follows:

First - the LaSalle Security up to the LaSalle Minimum Amount to the extent unpaid;

Second - the Administration Charge (to the maximum amount of \$500,000);

Third - the Directors' Charge (to the maximum amount of \$750,000); and

Fourth - the LaSalle Security for any amount exceeding the LaSalle Minimum Amount.

34. THIS COURT ORDERS that the filing, registration or perfection of the Directors' Charge or the Administration Charge (collectively, the "Charges") shall not be required, and that the Charges

shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges coming into existence, notwithstanding any such failure to file, register, record or perfect.

35. THIS COURT ORDERS that each of the Directors' Charge and the Administration Charge shall constitute a charge on the Property and such Charges shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, statutory or otherwise (collectively, "Encumbrances") in favour of any Person other than the LaSalle Security, which shall have priority over the Directors' Charge, the Administration Charge and such other Encumbrances, up to the LaSalle Minimum Amount in accordance with paragraph 33 hereof.

36. THIS COURT ORDERS that except as otherwise expressly provided for herein, or as may be approved by this Court, the Applicant shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, any of the LaSalle Security, the Directors' Charge or the Administration Charge, unless the Applicant also obtains the prior written consent of the Monitor, LaSalle, the beneficiaries of the Directors' Charge and the Administration Charge, or further Order of this Court.

37. THIS COURT ORDERS that the Directors' Charge and the Administration Charge, shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Charges (collectively, the "Chargees") shall not otherwise be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to BIA, or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative

covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an "Agreement") which binds the Applicant, and notwithstanding any provision to the contrary in any Agreement:

- (a) the creation of the Charges shall not create or be deemed to constitute a breach by the Applicant of any Agreement to which it is a party;
- (b) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the creation of the Charges; and
- (c) the payments made by the Applicant pursuant to this Order, and the granting of the Charges, do not and will not constitute fraudulent preferences, fraudulent conveyances, oppressive conduct, settlements or other challengeable, voidable or reviewable transactions under any applicable law.

SERVICE AND NOTICE

38. THIS COURT ORDERS that the Applicant shall, within ten (10) business days of the date of entry of this Order, send a copy of, this Order to its known creditors, other than employees and creditors to which the Applicant owes less than \$1,000, at their addresses as they appear on the Applicant's records, and shall promptly send a copy of this Order (a) to all parties filing a Notice of Appearance in respect of this Application, and (b) to any other interested Person requesting, a copy of this Order, and the Monitor is relieved of its obligation under Section 11(5) of the CCAA to provide similar notice, other than to supervise this process.

39. THIS COURT ORDERS that the Applicant and the Monitor be at liberty to serve this Order, any other materials and orders in these proceedings, any notices, documents or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery, facsimile or electronic transmission to the Applicant's creditors or other interested parties at their respective addresses as last shown on the records of the Applicant and that any such service or

notice by courier, personal delivery, facsimile or electronic transmission shall be deemed to be received on the same business day if delivered prior to 5:00 p.m. or the next business day if delivered after 5:00 p.m., or if sent by ordinary mail, on the third business day after mailing.

40. THIS COURT ORDERS that the Applicant, the Monitor, and any party who has filed a Notice of Appearance may serve any court materials in these proceedings by e-mailing a PDF or other electronic copy of such materials to counsels' email addresses as recorded on the Service List from time to time, in accordance with the E-filing protocol of the Commercial List to the extent practicable, and the Monitor may post a copy of any or all such materials on its website at www.farberfinancialgroup.com.

GENERAL

41. THIS COURT ORDERS that the Applicant or the Monitor may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

42. THIS COURT ORDERS that nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of the Applicant, the Business or the Property.

43. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, to give effect to this Order and to assist the Applicant, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicant and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to

grant representative status to the Monitor in any foreign proceeding, or to assist the Applicant and the Monitor and their respective agents in carrying out the terms of this Order.

44. THIS COURT ORDERS that each of the Applicant and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order.

45. THIS COURT ORDERS that within ten (10) days of the date of this Order, any interested party (including the Applicant and the Monitor) may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Applicant's counsel, the Monitor, LaSalle and any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

46. THIS COURT ORDERS that this Order and all of its provisions are effective as of 12:01 a.m. Eastern Standard Time on the date of this Order.

Oct 17/06 Peter A. Cumming J.

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

OCT 17 2006

PER/PAR: JA

IN THE MATTER OF AN APPLICATION UNDER 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 CANTAR POOL PRODUCTS
LIMITED/PRODUITS DE PISCINES CANTAR LIMITÉE

Court File No. 06-CL-6690

ONTARIO
SUPERIOR COURT OF JUSTICE
Commercial List
Proceedings commenced in Toronto

INITIAL ORDER

McCarthy Tétrault LLP
Barristers and Solicitors
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Toronto ON M5K 1E6

Geoff R. Hall LSUC #347010
(416) 601-7856
Fax: (416) 868-0673

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Solicitors for the Applicant
#4122929

Tab B

IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
CANTAR POOL PRODUCTS LIMITED/
PRODUITS DE PISCINES CANTAR LIMITEÈ

A. FARBER & PARTNERS INC.

Report

October 16, 2006

In our capacity as the nominated Monitor of Cantar Pool Products Limited/Produits De Piscines Cantar Limiteè ("Cantar"), we have been asked to report to the Court on the merits of the proposed transaction sought to be approved coincident with the CCAA application. This transaction forms a key part of the realization strategy to provide the prospect of a greater recovery to unsecured creditors than would occur in the event of a bankruptcy.

- Our review process has included: review of all motion materials filed by Cantar; meeting and discussions with Mr. Victor D'Souza, the Chief Operating Officer of Cantar and Cantar management; review and discussions with Cantar's legal counsel and; meetings and discussions with representatives of Prowis Inc., financial advisors retained by Cantar, to review the current financial position, the restructuring process underway, the sales processes conducted for the Cantar Equipment division, as well as the costs to wind down the Cantar entity. Our review has also involved retention of independent legal counsel to review the security of the primary secured lender, La Salle Business Credit, a division of ABN Amro Bank N.V. Canada branch ("La Salle").
- Independent legal counsel engaged has confirmed that La Salle's security is valid and enforceable, with first-ranking security over all of the assets of Cantar in Ontario and Quebec.
- As reported at length in First Affidavit of Victor D'Souza, two of three Cantar divisions have recently been sold, namely the Above Ground Pool and Pool Accessories divisions. Coincident with this application, an Approval and Vesting Order for the sale of the assets of the third division, the Pool Equipment division, is being sought. We can confirm that we have reviewed the marketing process for this division's assets and the ultimate Letters of Interest ("LOI") accepted with Prowis and Cantar management. We reviewed a list of 12 parties who signed confidentiality agreements and three LOIs received. In our view the LOI accepted was commercially reasonable and the best offer produced.

Based on the above factors, we believe that the proposed transaction appears commercially reasonable. We confirm Cantar management and Prowis have been working to formulate a Plan, which includes negotiations with La Salle to release its security over certain assets retained by Cantar as part of a successful Plan. Provided La Salle provides such releases, there is a prospect for a recovery to unsecured creditors of Cantar through a Plan that it would appear would not occur in the event of bankruptcy.

A. FARBER & PARTNERS INC.

Per:



Paul Denton , CA CIRP

2179939.1

Tab C

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE) TUESDAY, THE 17th DAY
JUSTICE CUMMING) OF OCTOBER, 2006

**IN THE MATTER OF AN APPLICATION UNDER 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 CANTAR POOL PRODUCTS LIMITED/
PRODUITS DE PISCINES CANTAR LIMITÉE**



Applicant

**FIRST APPROVAL AND VESTING
ORDER
(662671 Canada Inc. Purchase Agreement)**

THIS MOTION made by Cantar Pool Products Limited/ Produits De Piscines Cantar Limitée ("Cantar" or the "Applicant") for an Order:

- (a) authorizing and approving the sale by the Applicant of certain "Purchased Assets" as defined in an asset purchase agreement dated September 28, 2006 (the "APA") and directing the payment of the proceeds and deposit in respect of such sale in the manner set forth herein;
- (b) vesting title in and to the Purchased Assets in 662671 Canada Inc. ("662" or the "Purchaser"); and

- (c) directing that the proceeds of the sale to 662 shall stand in the place and stead of the Purchased Assets,

was heard on this day at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion, the Second Affidavit of Victor D'Souza sworn October 16, 2006, and the exhibits thereto (the "Second D'Souza Affidavit") together with the materials filed in these proceedings to date, and upon hearing the submissions of counsel for the Applicant, the Monitor, LaSalle Business Credit LLC, as agent for the U.S. lenders and the Canadian lender to the Applicant and its affiliates ("LaSalle"), and such other counsel as were present as evidenced by the counsel slip in respect of this motion:

Service

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record in respect of this motion be and it is hereby abridged, if necessary, so that the motion is returnable today, and that service, including the manner of service of the within motion materials, be and is hereby approved and validated, and that the further service of the Notice of Motion upon any interested party other than those served be and it is hereby dispensed with.

Definitions

2. **THIS COURT ORDERS** that all terms used herein with initial capital letters which are not otherwise defined herein shall have the respective meanings ascribed to them in the APA or in the initial order of this Honourable Court dated October 16, 2006.

Approval

3. **THIS COURT ORDERS** that the APA, substantially in a form attached as Exhibit "A" to the Second D'Souza Affidavit, together with the transactions contemplated therein (the "Transactions"), be and they are hereby authorized and approved, and that the Applicant be and is hereby authorized to complete the transactions set forth in the APA and further directs that on closing the Purchase Price be paid to LaSalle (or to such party as LaSalle may direct in writing) in accordance with the terms of the APA.

4. **THIS COURT ORDERS** that LaSalle shall apply the proceeds received from the Purchase Price to reduce the then owing LaSalle Minimum Amount.

5. **THIS COURT ORDERS** that in completing the Transactions, subject to the terms and conditions of the APA, the Applicant be and is hereby authorized:

- (a) to execute and deliver any amendments to the APA, and such additional, related and ancillary documents and assurances governing or giving effect to the Transactions as the Applicant, in its discretion, may deem to be reasonably necessary or advisable to conclude the Transactions; and
- (b) to take such steps, actions and proceedings as are, in the opinion of the Applicant, necessary or incidental to the performance of its obligations and the obligations of the Purchaser pursuant to the APA.

6. **THIS COURT ORDERS** that the *Bulk Sales Act*, R.S.O. 1990, c. B-14, as amended, and any other legislation affecting sales in bulk in all jurisdictions in which the Purchased Assets are located do not apply to the APA and the transactions set forth in the APA.

Vesting

7. **THIS COURT ORDERS** that effective immediately upon the filing with this Honourable Court of a certificate by the Applicant (the "Applicant's Certificate") substantially in the form of the draft Applicant's Certificate attached as Schedule "A" hereto, the Applicant's right, title and interest, if any, in and to the Purchased Assets shall vest and be hereby vested absolutely and forever, in and to the Purchaser free and clear of and from any and all rights, titles, interests, claims, hypothecs, indentures, mortgages, charges, loan agreements, liens (whether contractual, statutory or otherwise), disputes, judgments, writs of execution, writs of seizure and sale, contractual claims, including contractual rights of seizure, sale or repossession and including security interests registered under the *Personal Property Security Act* (Ontario), R.S.O. 1990, c. C-43, assignments, pledges, options, executions, trusts, deemed trusts (whether contractual, statutory or otherwise), adverse claims, actions, levies, equitable or contractual rights of set off, or any other rights or claims of any kind whatsoever, statutory by operation of law or court order or otherwise (collectively referred to hereafter as the "Encumbrances"), whether such Encumbrances came into existence prior to,

subsequent to, or as a result of the CCAA Initial Order in respect of the Applicant, dated October 17, 2006, or any previous Order of the Court in these proceedings, of any and all parties and all persons, including individuals, firms, corporations, partnerships, joint ventures, trusts, unincorporated organizations, natural persons and corporations in their capacity as agents, trustees, executors, administrators, or other legal representatives (collectively referred to hereafter as the "Persons") including, without limiting the generality of the foregoing, any Persons served with notice of the Notice of Motion in respect of this Order, and all of the Encumbrances, asserted by any of the Persons, or in any way effecting the Purchased Assets, are hereby expunged and discharged.

Miscellaneous

8. **THIS COURT ORDERS** that the Applicant is authorized to seek further or other orders from this Court or any other Court having jurisdiction over the Purchased Assets, as it may deem necessary to complete the Transactions.

9. **THIS COURT ORDERS** that the proceeds of the sale under the APA shall stand in the place and stead of the Purchased Assets without prejudice to any claim being advanced against them as could have been advanced against the Purchased Assets.

10. **THIS COURT ORDERS** that the Purchaser be and is hereby authorized to seek such further and other orders from this Court, as may be necessary or desirable to complete the transactions contemplated by the APA to vest the Purchased Assets in the Purchaser as contemplated by this Order.

11. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States or in any other jurisdiction to give effect to this Order and to assist the Monitor and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

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

Peter A. Cumming J.

OCT 17 2006

PER/PAGE: *[Signature]*

Schedule "A"

Court File No. 06-CL-6690

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF AN APPLICATION UNDER 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 CANTAR POOL PRODUCTS LIMITED/
PRODUITS DE PISCINES CANTAR LIMITÉE

Applicant

APPLICANT'S CERTIFICATE

WHEREAS, pursuant to the Order of the Honourable Justice Cumming of the Ontario Superior Court of Justice, Commercial List, made this 17th day of October, 2006, A. Farber and Partners Inc. was appointed the monitor (the "**Monitor**") with respect to Cantar Pool Products Limited/ Produits De Piscines Cantar Limitée (the "**Applicant**").

WHEREAS, the Applicant as vendor entered into an asset purchase agreement dated as of the 28th day of September, 2006 (the "**APA**") with 6626271 Canada Inc. as purchaser ("**662**" or the "**Purchaser**") and Competition Pool Accessories, Inc. and Pioneer Family Pools (Hamilton) Inc. together, as guarantors, in respect of the Purchased Assets as defined in the APA.

AND WHEREAS, pursuant to the order herein of the Honourable Justice Cumming dated October 17th, 2006, this court approved the APA and issued an Approval and Vesting Order on the same date, which Approval and Vesting Order is to be effective with respect to the Purchased Assets upon the filing of an Applicant's certificate confirming the payment to LaSalle Business Credit LLC ("**LaSalle**") (or such other party as LaSalle has directed in writing) of the Purchase Price in accordance with the terms of the APA and that all the conditions to closing of the APA having been satisfied or waived.

THE UNDERSIGNED HEREBY CERTIFIES as follows:

1. the Purchase Price pursuant to the APA for the Purchased Assets has been paid to LaSalle (or such other party as LaSalle has directed in writing) in accordance with the terms of the APA; and
2. all the conditions to closing of the APA have been satisfied or waived.

MADE at Toronto, this ____ day of _____, 2006,

Cantar Pool Products Limited/ Produits De
Piscines Cantar Limitée

Name:

Title:

I have the authority to bind the Corporation.



**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE
JUSTICE CUMMING

)
)
)

TUESDAY, THE 17th DAY
OF OCTOBER, 2006

**IN THE MATTER OF AN APPLICATION UNDER 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 CANTAR POOL PRODUCTS LIMITED/
PRODUITS DE PISCINES CANTAR LIMITÉE**

Applicant

**SECOND APPROVAL AND VESTING
ORDER
(Northern Lights Recreation Co. Purchase Agreement)**

THIS MOTION made by Cantar Pool Products Limited/ Produits De Piscines Cantar Limitée ("Cantar" or the "Applicant") for an Order:

- (a) authorizing and approving the sale by the Applicant of certain "Assets" as defined in an asset purchase agreement (the "APA"), in form substantially as attached as **Exhibit "B"** to the Second D'Souza Affidavit (as herein defined) and directing payment of the proceeds in respect of such sale in the manner set forth herein;
- (b) vesting title in and to the Assets in Northern Lights Recreation Co. ("Northern" or the "Purchaser"); and

- (c) directing that the proceeds of the sale to Northern shall stand in the place and stead of the Assets,

was heard on this day at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion, the Second Affidavit of Victor D'Souza sworn October 16, 2006, and the exhibits thereto (the "Second D'Souza Affidavit") together with the materials filed in these proceedings to date, and upon hearing the submissions of counsel for the Applicant, the Monitor, LaSalle Business Credit LLC, as agent for the U.S. lenders and the Canadian lender to the Applicant and its affiliates ("LaSalle"), and such other counsel as were present as evidenced by the counsel slip in respect of this motion:

Service

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record in respect of this motion be and it is hereby abridged, if necessary, so that the motion is returnable today, and that service, including the manner of service of the within motion materials, be and is hereby approved and validated, and that the further service of the Notice of Motion upon any interested party other than those served be and it is hereby dispensed with.

Definitions

2. **THIS COURT ORDERS** that all terms used herein with initial capital letters which are not otherwise defined herein shall have the respective meanings ascribed to them in the APA or in the initial order of this Honourable Court dated October 16, 2006.

Approval

3. **THIS COURT ORDERS** that the APA, substantially in a form attached as Exhibit "B" to the Second D'Souza Affidavit, together with the transactions contemplated therein (the "Transactions"), be and they are hereby authorized and approved, and that the Applicant be and is hereby authorized to complete the transactions set forth in the APA and further directs that on closing the Purchase Price be paid to LaSalle (or to such party as LaSalle may direct in writing) in accordance with the terms of the APA.

4. **THIS COURT ORDERS** that LaSalle shall apply the proceeds received from the Purchase Price to reduce the then owing LaSalle Minimum Amount.
5. **THIS COURT ORDERS** that in completing the Transactions, subject to the terms and conditions of the APA, the Applicant be and is hereby authorized:
 - (a) to execute and deliver any amendments to the APA, and such additional, related and ancillary documents and assurances governing or giving effect to the Transactions as the Applicant, in its discretion, may deem to be reasonably necessary or advisable to conclude the Transactions; and
 - (b) to take such steps, actions and proceedings as are, in the opinion of the Applicant, necessary or incidental to the performance of its obligations and the obligations of the Purchaser pursuant to the APA.
6. **THIS COURT ORDERS** that the *Bulk Sales Act*, R.S.O. 1990, c. B-14, as amended, and any other legislation affecting sales in bulk in all jurisdictions in which the Assets are located do not apply to the APA and the transactions set forth in the APA.

Vesting

7. **THIS COURT ORDERS** that effective immediately upon the filing with this Honourable Court of a certificate by the Applicant (the "Applicant's Certificate") substantially in the form of the draft Applicant's Certificate attached as Schedule "A" hereto, the Applicant's right, title and interest, if any, in and to the Assets shall vest and be hereby vested absolutely and forever, free and clear of and from any and all rights, titles, interests, claims, hypothecs, indentures, mortgages, charges, loan agreements, liens (whether contractual, statutory or otherwise), disputes, judgments, writs of execution, writs of seizure and sale, contractual claims, including contractual rights of seizure, sale or repossession and including security interests registered under the *Personal Property Security Act* (Ontario), R.S.O. 1990, c. C-43, assignments, pledges, options, executions, trusts, deemed trusts (whether contractual, statutory or otherwise), adverse claims, actions, levies, equitable or contractual rights of set off, or any other rights or claims of any kind whatsoever, statutory by operation of law or court order or otherwise (collectively referred to hereafter as the "Encumbrances"), whether such Encumbrances came into existence prior to, subsequent to, or as a result of the CCAA Initial Order

in respect of the Applicant, dated October 17, 2006, or any previous Order of the Court in these proceedings, of any and all parties and all persons, including individuals, firms, corporations, partnerships, joint ventures, trusts, unincorporated organizations, natural persons and corporations in their capacity as agents, trustees, executors, administrators, or other legal representatives (collectively referred to hereafter as the "Persons") including, without limiting the generality of the foregoing, any Persons served with notice of the Notice of Motion in respect of this Order, and all of the Encumbrances, asserted by any of the Persons, or in any way effecting the Assets, are hereby expunged and discharged.

Miscellaneous

8. **THIS COURT ORDERS** that the Applicant is authorized to seek further or other orders from this Court or any other Court having jurisdiction over the Assets, as it may deem necessary to complete the Transactions.

9. **THIS COURT ORDERS** that the proceeds of the sale under the APA shall stand in the place and stead of the Assets without prejudice to any claim being advanced against them as could have been advanced against the Assets.

10. **THIS COURT ORDERS** that the Purchaser be and is hereby authorized to seek such further and other orders from this Court, as may be necessary or desirable to complete the transactions contemplated by the APA to vest the Assets in the Purchaser as contemplated by this Order.

11. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States or in any other jurisdiction to give effect to this Order and to assist the Monitor and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

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

Oct 6/06

Peter A. Cumming J.

OCT 17 2006

PER/PAR: *JA*

Schedule "A"

Court File No. 06-CL-6690

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

**IN THE MATTER OF AN APPLICATION UNDER 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 CANTAR POOL PRODUCTS LIMITED/
PRODUITS DE PISCINES CANTAR LIMITÉE**

Applicant

APPLICANT'S CERTIFICATE

WHEREAS, pursuant to the Order of the Honourable Justice Cumming of the Ontario Superior Court of Justice, Commercial List, made this 17th day of October, 2006, A. Farber and Partners Inc. was appointed the monitor (the "**Monitor**") with respect to Cantar Pool Products Limited/ Produits De Piscines Cantar Limitée (the "**Applicant**").

AND WHEREAS, the Applicant as vendor settled, but have not yet signed, an asset purchase agreement (the "**APA**") with Northern Lights Recreation Co. as purchaser ("**Northern**" or the "**Purchaser**") in respect the Assets as defined in the APA.

AND WHEREAS, pursuant to the order herein of the Honourable Justice Cumming dated October 17, 2006, this court approved the APA and issued an Approval and Vesting Order on the same date, which Approval and Vesting Order is to be effective with respect to the Assets upon the filing of an Applicant's certificate confirming the payment to LaSalle Business Credit LLC ("**LaSalle**") (or such other party as LaSalle has directed in writing) of the Purchase Price in accordance with the terms of the APA and that all the conditions to closing of the APA having been satisfied or waived.

THE UNDERSIGNED HEREBY CERTIFIES as follows:

1. the Purchase Price pursuant to the APA for the Assets has been paid to LaSalle (or such other party as LaSalle has designated in writing) in accordance with the terms of the APA; and
2. all the conditions to closing of the APA have been satisfied or waived.

MADE at Toronto, this ____ day of _____, 2006,

Cantar Pool Products Limited/ Produits De
Piscines Cantar Limitée

Name:

Title:

I have the authority to bind the Corporation.

IN THE MATTER OF AN APPLICATION UNDER 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 CANTAR POOL PRODUCTS LIMITED/ PRODUITS DE PISCINES CANTAR LIMITÉE

Court file no. 06-CL-6690

ONTARIO
SUPERIOR COURT OF JUSTICE
Commercial List
Proceeding commenced at Toronto

APPLICANT'S CERTIFICATE

McCarthy Tétrault LLP
Barristers and Solicitors
Suite 4700, Toronto Dominion Bank
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Toronto ON M5K 1E6

Geoff R. Hall LSUC #347010
(416) 601-7856
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James D. Gage LSUC #346761
Tel: (416) 601-7539
Fax: (416) 868-0673

Solicitors for the Applicant

IN THE MATTER OF AN APPLICATION UNDER 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 CANTAR POOL PRODUCTS LIMITED/ PRODUITS DE PISCINES CANTAR LIMITÉE

Court file no. 06-CL-6690

ONTARIO
SUPERIOR COURT OF JUSTICE
Commercial List
Proceeding commenced at Toronto

**SECOND APPROVAL AND VESTING
ORDER**
**(Northern Lights Recreation co.
Purchase Agreement**

McCarthy Tétrault LLP
Barristers and Solicitors
Suite 4700, Toronto Dominion Bank
Tower
Toronto ON M5K 1E6

Geoff R. Hall LSUC #347010
(416) 601-7856
Fax: (416) 868-0673

James D. Gage LSUC #346761
Tel: (416) 601-7539
Fax: (416) 868-0673

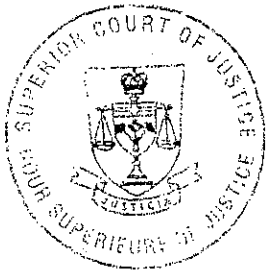
Solicitors for the Applicant

#4122930v.2

Tab D

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE) THURSDAY, THE
)
) 19TH DAY OF OCTOBER, 2006
JUSTICE CUMMING)
)
)



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 CANTAR POOL PRODUCTS
LIMITED/PRODUITS DE PISCINES CANTAR LIMITÉE (the
"Applicant")

APPROVAL AND VESTING ORDER

THIS MOTION, made by the Applicant for an Order:

- (a) authorizing the Applicant to cause its wholly owned subsidiary, Faircove Investments Inc. ("Faircove"), to commence voluntary dissolution proceedings pursuant to Section 237 of the *Business Corporations Act* (Ontario), R.S.O. 1990, c. B-16, as amended (the "OBCA");
- (b) authorizing and approving, as part of the dissolution proceedings, the assignment to the Applicant by Faircove of all of Faircove's interest in and to all of its assets including, without limitation, all of Faircove's right, title and interest in the property known municipally as 330 Humberline Drive, Toronto, Ontario and more particularly described in Schedule "A" hereto (the "Property");
- (c) authorizing and approving, as part of the dissolution proceedings, the assignment by Faircove to the Applicant of all of Faircove's right, title and interest in the agreement

of purchase and sale dated December 8, 2005, as amended (the "Amended Purchase Agreement"), in respect of the Property with Strathallen Acquisitions Inc. as purchaser (the "Purchaser") or its intended assignees, Canada Mortgage and Housing Corporation, as to a 90% interest and Humberline (Industrial) Realty Inc., as to a 10% interest (together, the "Intended Assignees" and, individually, an "Intended Assignee"); and

- (d) authorizing and approving, following the assignment of the Property and Amended Purchase Agreement to the Applicant, the completion of the sale of the Property by the Applicant to the Purchaser or its Intended Assignees and the payment of the proceeds of such sale in the manner set forth herein.

ON READING the Notice of Motion, the Affidavit of Victor D'Souza, sworn October 18, 2006 and on hearing the submissions of counsel for the Applicant, the Monitor, LaSalle Business Credit LLC, as agent for the U.S. lenders and the Canadian lender to the Applicant and its affiliates ("LaSalle") and such other counsel as were present as evidenced by the counsel slip in respect of this motion:

Service

1. THIS COURT ORDERS that the time for service of the Notice of Motion and the Motion Record is hereby abridged so that the motion is properly returnable today, and that any requirement for service of the Notice of Motion and of the Motion Record upon any party not served is dispensed with.

Dissolution of Faircove Investments Inc. and Assignment to Applicant

2. THIS COURT ORDERS that the Applicant be and is hereby authorized to cause its subsidiary Faircove to commence voluntary dissolution proceedings pursuant to Section 237 of the

OBCA and, in furtherance thereof, to receive an assignment of and assume all of Faircove's right, title and interest in the Property and the Amended Purchase Agreement (the "Assignment"), such that the Property shall vest in the Applicant at that time.

3. THIS COURT ORDERS that notwithstanding the Assignment, the Property shall remain subject to the first priority charge registered against title to the Property in favour of LaSalle until such time as the Property vests in the Purchaser or its Intended Assignees in accordance with paragraph 8 hereof.

Approval of Sale by Applicant to Purchaser

4. THIS COURT ORDERS that the Amended Purchase Agreement and all amendments thereto the Assignment by Faircove to the Applicant and the subsequent sale to the Purchaser or its Intended Assignees of the Property by the Applicant pursuant to the Amended Purchase Agreement for the payment of the Purchase Price (as defined in the Amended Purchase Agreement) in accordance with the terms of the Amended Purchase Agreement as amended to conform herewith, together with all other transactions contemplated by the Amended Purchase Agreement (the "Transactions"), are hereby approved.

5. THIS COURT ORDERS that the Applicant is authorized and empowered to implement and complete the Transactions in accordance with the terms and conditions of the Amended Purchase Agreement, with such alterations, amendments, deletions and additions of an immaterial nature as the parties thereto may agree to and perform the obligations contained in the Amended Purchase Agreement.

6. THIS COURT ORDERS that in completing the Transactions, subject to the terms and conditions of the Amended Purchase Agreement, the Applicant be and is hereby authorized:

- (a) to execute and deliver such additional, related and ancillary documents and assurances governing or giving effect to the Transactions as the Applicant in its discretion, may deem to be reasonably necessary or advisable to conclude the Transactions, including the execution of such powers of attorney, conveyances, deeds, releases, bills of sale, transfers, instruments and such other documents in the name and on behalf of the Applicant, as may be contemplated by the Amended Purchase Agreement, including, without limitation, the grant of security in favour of LaSalle in respect of (i) the vendor take back note, and (ii) the mortgage to be granted by the Purchaser or its Intended Assignees (as contemplated by the Amended Purchase Agreement); and
- (b) to take such steps, actions and proceedings, in such sequences and at such times as are, in the opinion of the Applicant necessary or incidental to the performance of its obligations pursuant to the Amended Purchase Agreement.

7. THIS COURT ORDERS that the *Bulk Sales Act*, R.S.O. 1990, c. B-14, as amended, and any other legislation affecting sales in bulk in all jurisdictions in which the Property are located do not apply to the Amended Purchase Agreement and the Transactions.

Vesting

8. THIS COURT ORDERS that, following the Assignment and effective immediately upon the filing with this Honourable Court of a certificate by the Applicant (the "Applicant's Certificate")

substantially in the form of the draft Applicant's Certificate attached as Schedule "B" hereto, the Applicant's right, title and interest, in and to the Property shall vest and be hereby vested in fee simple, without further instrument of transfer or assignment, absolutely and forever in and to the Purchaser or its Intended Assignees, free and clear of and from any and all estate, right, title, interest, claims, hypothec, mortgages, charges, liens, disputes, judgments, writs of execution, writs of seizure and sale, contractual claims, including contractual rights of seizure, sale or repossession and including security interests registered under the *Personal Property Security Act* (Ontario), R.S.O. 1990, c. C-43, assignments, pledges, options, executions, trusts, deemed trusts (whether contractual, statutory or otherwise), adverse claims, actions, levies, or any other rights or claims of any kind whatsoever, statutory by operation of law or court order or otherwise (collectively referred to hereafter as the "Encumbrances"), whether such Encumbrances came into existence prior to, subsequent to, or as a result of the Initial Order, dated October 17, 2006, as amended, or any previous Order of the Court in these proceedings, of any and all parties and all persons, including individuals, firms, corporations, partnerships, joint ventures, trusts, unincorporated organizations, natural persons and corporations in their capacity as agents, trustees, executors, administrators, or other legal representatives (collectively referred to hereafter as the "Persons") including, without limiting the generality of the foregoing, any Persons served with notice of the Notice of Motion in respect of this Order, and all of the Encumbrances, asserted by any of the Persons, or in any way affect the Property, are hereby expunged and discharged, save and except only for the Encumbrances set out in Schedule "C" hereto.

9. THIS COURT ORDERS that notwithstanding:

- (a) the pendency of the Applicant's proceeding pursuant to the *Companies' Creditors Arrangement Act* and the declaration of insolvency made therein;

- (b) the pendency of any petitions for receiving orders heretofore or hereafter issued pursuant to the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, (the "BIA"), as amended, in respect of the Applicant and any receiving orders issued pursuant to any such petitions, and
- (c) the provisions of any federal or provincial statute,

the sale of the Property of the Applicant to the Purchaser or its Intended Assignees and the other payments referred to herein do not constitute a fraudulent conveyance, settlement, or other challengeable or reviewable transaction under the BIA or any other applicable federal or provincial legislation and they do not constitute conduct meriting an oppression remedy and all terms of Amended Purchase Agreement, including any covenants or obligations of the Applicant thereunder or in relation thereto, shall be binding on any trustee in bankruptcy that may be appointed in respect of the Applicant.

Distribution of Proceeds of Sale

10. THIS COURT ORDERS that in order to facilitate the discharge of registered Encumbrances against the Property in connection with the closing of the sale thereof, the Applicant is authorized and directed to make the following payments to the following secured creditors from the proceeds (net of real estate commissions) of the sale of the Property:

- (a) Hawklane Developments Inc. ("Hawklane") - \$1.5 million;
- (b) LaSalle (or to such other party as LaSalle may direct in writing) – up to the then owing "LaSalle Minimum Amount" (as that term is defined in the Initial Order dated October 17, 2006 (the "Initial Order") in these CCAA proceedings);

and to utilize the remaining net proceeds of the sale of the Property (if any) in accordance with the provisions of the Initial Order.

Miscellaneous

11. THIS COURT ORDERS that the Applicant is authorized to seek further or other orders from this Court or any other Court having jurisdiction over the Property, as it may deem necessary to complete the Transactions.

Oct 19 / 06

Peter A. Cumming J.

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

OCT 19 2006

PER/PAR.

[Signature]

SCHEDULE "A"

PIN: 07368 - 0040 LT

Part Lot 38, Concession 4, Fronting the Humber,
More particularly described as Part 2, Plan 64R-11839
City of Toronto (formerly Borough of Etobicoke)

Schedule "B"

Court File No.

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

**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 CANTAR POOL PRODUCTS LIMITED/
PRODUITS DE PISCINES CANTAR LIMITÉE**

Applicant

APPLICANT'S CERTIFICATE

WHEREAS, pursuant to the Order of the Honourable Justice Cumming of the Ontario Superior Court of Justice, Commercial List, made the 17th day of October, 2006, an initial order was granted with respect to Cantar Pool Products Limited/ Produits De Piscines Cantar Limitée (the "Applicant") pursuant to the *Companies' Creditors Arrangement Act*, R.S.C 1985, c. C-36, as amended.

AND WHEREAS, pursuant to the voluntary dissolution of Faircove Investments Inc. ("Faircove"), a subsidiary of the Applicant, the Applicant was assigned all of the right, title and interest of Faircove in and to property known municipally as 330 Humberline Drive, Toronto, Ontario (the "Property") and an asset purchase agreement dated as of the 8th day of December, 2005, as amended (the "Amended Purchase Agreement") with Strathallen Acquisitions Inc. as purchaser (the "Purchaser") in respect of the Property (the "Assignment").

AND WHEREAS, pursuant to the order herein of the Honourable Justice Cumming dated October _____, 2006 (the "Third Approval and Vesting Order"), this court approved the Assignment and the subsequent sale of the Property by the Applicant to the Purchaser or

its Intended Assignees (as defined in the Third Approval and Vesting Order) pursuant to the Amended Purchase Agreement and ordered that, following the Assignment, the vesting of the Property in and to the Purchaser or its Intended Assignees is to be effective with respect to the Property upon the filing of a Applicant's Certificate confirming the payment of the Purchase Price to Hawklane Developments Inc. ("Hawklane") and to LaSalle Business Credit LLC ("LaSalle") (or to such other party as LaSalle has directed in writing) in accordance with Approval and Vesting Order and that all the conditions to closing of the Amended Purchase Agreement having been satisfied or waived.

THE UNDERSIGNED HEREBY CERTIFIES as follows:

1. the Purchase Price pursuant to the Amended Purchase Agreement for the Property has been paid to Hawklane and LaSalle (or to such other party as LaSalle has directed in writing) in accordance with the terms of the Approval and Vesting Order; and
2. all the conditions to closing of the Amended Purchase Agreement have been satisfied or waived.

MADE at Toronto, this • day of October, 2006,

**CANTAR POOL PRODUCTS
LIMITED/PRODUITS DE PISCINES CANTAR
LIMITÉE**

Name:

Title:

I have the authority to bind the Corporation.

Schedule "C"

Instrument No.	Instrument Type
64R-2980	Reference Plan
EB426257	Agreement with the Borough of Etobicoke
64R-11839	Reference Plan
E317117	Notice of Airport Zoning Regulations
AT977153	Land Registrar's order

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 CANTAR POOL PRODUCTS LIMITED/
PRODUITS DE PISCINES CANTAR LIMITÉE

Court File No. 66-CL-6690

ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)
Proceeding commenced at Toronto

APPLICANT'S CERTIFICATE

McCarthy Tétrault LLP
Barristers and Solicitors
Suite 4700, Toronto Dominion Bank
Tower
Toronto ON M5K 1E6

Geoff R. Hall LSUC #347010
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James D. Gage LSUC #346761
Tel: (416) 601-7539
Fax: (416) 868-0673

Solicitors for the Applicant

IN THE MATTER OF AN APPLICATION UNDER 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 CANTAR POOL PRODUCTS
LIMITED/PRODUITS DE PISCINES CANTAR LIMITÉE

Court File No. 66-CL-6690

ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)
Proceedings commenced in Toronto

APPROVAL AND VESTING ORDER

McCarthy Tétrault LLP
Barristers and Solicitors
Suite 4700, Toronto Dominion Bank
Tower
Toronto ON M5K 1E6

Geoff R. Hall LSUC #347010
(416) 601-7856
Fax: (416) 868-0673

James D. Gage LSUC #34676I
Tel: (416) 601-7539
Fax: (416) 868-0673

Solicitors for the Applicant

Tab E



**A. Farber
& Partners Inc.**

MEMBER OF FARBER FINANCIAL GROUP

**IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
CANTAR POOL PRODUCTS LIMITED/
PRODUITS DE PISCINES CANTAR LIMITEÈ**

A. FARBER & PARTNERS INC.

Monitor's 2nd Report

October 18, 2006

In our capacity as the Court-Appointed Monitor of Cantar Pool Products Limited/Produits De Piscines Cantar Limiteè ("Cantar"), we have been asked to report to the Court on the merits of a proposed real estate transaction, on which approval is being sought from the Court. This transaction forms a key part of the realization strategy to provide the prospect of a greater recovery to unsecured creditors than would occur in the event of a bankruptcy.

This motion relates to real estate located at 330 Humberline Drive, Toronto ("the Property"). The Property is held by Faircove Investments Limited ("Faircove"), which is a wholly-owned subsidiary of Cantar and a guarantor of the La Salle Business Credit ("La Salle") credit facilities. The Property was charged as security to La Salle to support its credit facilities with Cantar and the Polyair Group. As reported in the Monitor's first report dated October 16, 2006, independent legal counsel retained by the Monitor has confirmed La Salle has valid and enforceable first-ranking security over the Property to the extent of its registered charge for \$10.5 million. We have reviewed the marketing and listing program with Cantar management and the real estate broker retained CB Richard Ellis. Based on such review and enquiry it appears an extensive marketing and listing process was conducted and a commercially reasonable price obtained for the Property. The Property is proposed to be transferred from Faircove to Cantar, which will then effect the sale to the third-party purchaser. As Cantar and its unsecured creditors currently have no direct claim over the Property, the proposed transfer and sale of the beneficial interest is likely beneficial to the Cantar unsecured creditors because of the value it will produce in Cantar.

A. FARBER & PARTNERS INC.

Per:

Paul Denton, CA CIRP

Tab F



Court File No. 06-CL-6690

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE)

THURSDAY, THE 16TH DAY

MR JUSTICE CL CAMPBELL

OF NOVEMBER, 2006

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 CANTAR POOL PRODUCTS
LIMITED/PRODUITS DE PISCINES CANTAR LIMITÉE

Applicant

CLAIMS PROCEDURE AND MEETING ORDER

THIS MOTION made by Cantar Pool Products Limited ("Cantar") for an Order:

- (a) if necessary, abridging the time for service of the Notice of Motion and Motion Record, and dispensing with the further service of the Notice of Motion and the Motion Record upon any interested person not served;
- (b) establishing a procedure for the filing and determination of claims against Cantar for the purpose of voting on and effecting distributions under the Plan (as defined in Appendix "A" attached hereto);
- (c) establishing a claims bar date;

- (d) establishing the procedure to call, hold and conduct a meeting of the creditors of Cantar affected by the Plan;
- (e) setting the date for the return of Cantar's motion for an order sanctioning the Plan;
and
- (f) certain other relief,

was heard this day at the courthouse, 330 University Avenue, Toronto, Ontario.

ON READING (i) the Notice of Motion and (ii) the Third Report of A. Farber & Partners Inc. as monitor of Cantar (the "Monitor"); and upon hearing the submissions of counsel for Cantar and the Monitor,

SERVICE

1. THIS COURT ORDERS that the time for service of the Notice of Motion and Motion Record herein be and it is hereby abridged so that the motion is properly returnable today and, further, that service of the Notice of Motion and Motion Record herein upon any interested party not served is hereby dispensed with.

DEFINED TERMS

2. THIS COURT ORDERS that capitalized terms not otherwise defined in this Order have the meanings ascribed to them in Appendix "A" attached hereto.

FILING OF THE PLAN

3. THIS COURT ORDERS that Cantar is hereby authorized and directed to file the Plan with this Court and to present the Plan to the Affected Creditors for their consideration in accordance with the terms of this Order.
4. THIS COURT ORDERS that Cantar may at any time and from time to time before and during the Creditor Meeting amend the Plan by written instrument, provided that Cantar gives notice to all Affected Creditors present at the Creditor Meeting of the details of any such amendment prior to the vote being taken to approve the Plan and complies with the procedures for amendments as set out in the Plan.

NOTICE TO CREDITORS AND CLAIMS PROCEDURE

Publication of Notice to Creditors

5. THIS COURT ORDERS that, on two consecutive days prior to November 30, 2006, Cantar shall cause the Notice to Creditors to be published in the *National Post*.

Known Affected Creditors

6. THIS COURT ORDERS that, on or before 5:00 p.m. on November 20, 2006, Cantar shall provide a list of Known Affected Creditors to the Monitor setting out (i) the amount owed to each Known Affected Creditor and (ii) the last known address of such Known Affected Creditor.
7. THIS COURT ORDERS that, promptly after receiving the list of Known Affected Creditors from Cantar, the Monitor shall send the Claims and Meeting Materials to each Known Affected Creditor to the address for it set out on the list.

8. THIS COURT ORDERS that any Known Affected Creditor who wants to dispute the amount of its Affected Claim as set out in the Notice of Claim must return a properly completed Notice of Dispute to the Monitor so it is received by the Monitor no later than 5:00 p.m. on the Claims Bar Date. Upon receipt of any Notice of Dispute, the Monitor shall forthwith provide a copy thereof to Cantar.
9. THIS COURT ORDERS that any Known Affected Creditor who does not file a properly completed Notice of Dispute with the Monitor by 5:00 p.m. on the Claims Bar Date shall be deemed to have accepted the amount of its Affected Claim as set out in the Notice of Claim for all purposes, and all other Affected Claims of such Known Affected Creditor, if any, shall be forever extinguished and barred.

Other Affected Creditors

10. THIS COURT ORDERS that the Monitor shall post a copy of the Claims and Meeting Materials to the Website as soon as practicable after the making of this Order, and shall send the Claims and Meeting Materials to each Person who prior to the Claims Bar Date makes a written request for them, within three Business Days of receipt of such request.
11. THIS COURT ORDERS that any Person that wants to assert an Affected Claim against Cantar (other than an Affected Claim set out in a Notice of Claim received by such Person) must file a properly completed Proof of Claim with the Monitor by 5:00 p.m. on the Claims Bar Date. Upon receipt of any such Proof of Claim, the Monitor shall forthwith provide a copy thereof to Cantar.

12. THIS COURT ORDERS that any Person who does not receive a Notice of Claim and does not file a properly completed Proof of Claim with the Monitor by 5:00 p.m. on the Claims Bar Date shall not be entitled to attend or vote at the Creditor Meeting and shall not be entitled to receive any distribution pursuant to the Plan, and all Affected Claims of such Affected Creditor, if any, shall be forever extinguished and barred.

Resolution of Disputed Claims

13. THIS COURT ORDERS that Cantar, with the assistance of the Monitor, shall review all Proofs of Claim and Notices of Dispute received by the Claims Bar Date, and determine whether to accept, revise or disallow the amount of each Affected Claim set out therein.
14. THIS COURT ORDERS that, by no later than 5:00 p.m. on January 2, 2007, the Monitor shall send a Notice of Revision or Disallowance to each Affected Creditor whose Affected Claim the Monitor and Cantar have determined to revise or disallow. If the Monitor does not send a Notice of Revision or Disallowance by such date to an Affected Creditor who has submitted a Proof of Claim or Notice of Dispute, Cantar shall be deemed to have accepted the Affected Claim of such Affected Creditor in the amount set out in the Proof of Claim or Notice of Dispute, as the case may be, for all purposes.
15. THIS COURT ORDERS that any Affected Creditor who wants to dispute the amount of its Affected Claim as set out in a Notice of Revision or Disallowance shall, by no later than 5:00 p.m. on January 10, 2007, so advise Cantar and the Monitor in writing with a detailed summary of the reasons for such dispute, and by no later than 5:00 p.m. on January 15, 2007, bring a motion to have the amount of such Affected Claim determined by the Court by

serving on Cantar and the Monitor and filing with the Court a motion record in respect of such Affected Creditor's motion by such date.

16. THIS COURT ORDERS that Cantar, in consultation with the Monitor, shall attempt to resolve any dispute with an Affected Creditor regarding the value of its Affected Claim by no later than 5:00 p.m. on January 12, 2007.
17. THIS COURT ORDERS that any Affected Creditor to whom a Notice of Revision or Disallowance is sent who does not advise Cantar and the Monitor that it wants to dispute the amount of its Affected Claim as set out in the Notice of Revision or Disallowance or who does not serve and file a motion record in respect thereof prior to the applicable time deadline established in the preceding paragraph shall be deemed to have accepted the amount of its Affected Claim as set out in the Notice of Revision or Disallowance for all purposes, and all other Affected Claims of such Affected Creditor, if any, shall be forever extinguished and barred.

Other Claims Process Matters

18. THIS COURT ORDERS that the Monitor shall assist Cantar in connection with the administration of the Claims Procedure, as requested by Cantar from time to time or as required by the CCAA, this Order or any other order in these proceedings.
19. THIS COURT ORDERS that copies of all Proofs of Claim, Notices of Claim, Notices of Revision or Disallowance and Notices of Dispute shall be maintained by the Monitor and, subject to further order of the Court, all Affected Creditors will be entitled to have access

thereto prior to the Creditor Meeting by appointment during normal business hours on written request to the Monitor.

20. THIS COURT ORDERS that, for the purposes of the Claims Procedure, all Affected Claims that are denominated in a foreign currency shall be converted to Canadian dollars at the Bank of Canada spot rate of exchange for exchanging such currency to Canadian dollars at 5:00 p.m. on the Commencement Date.
21. THIS COURT ORDERS that Cantar may, but shall not be required to, set off against any Affected Claim and the payments or other distributions to be made pursuant to the Plan in respect of such Affected Claims (whether by way of legal, equitable or contractual set-off), claims of any nature whatsoever that Cantar may have against the holder of such Affected Claim, provided that neither the failure to do so nor the allowance of any Affected Claim hereunder shall constitute a waiver or release by Cantar of any such claim that Cantar may have against the holder of such Affected Claim.
22. THIS COURT ORDERS that Cantar and the Monitor are hereby authorized to use reasonable discretion as to adequacy of compliance with respect to the manner in which Proofs of Claim, Notices of Claim, Notices of Revision or Disallowance and Notices of Dispute are completed and executed, and may, if they are satisfied that an Affected Claim has been adequately proven, waive strict compliance with the requirements of the Claims Procedure as to completion and execution of Proofs of Claim, Notices of Claim, Notices of Revision or Disallowance and Notices of Dispute.
23. THIS COURT ORDERS that any document to be sent pursuant to the Claims Procedure may be sent by ordinary mail, registered mail, courier, email or facsimile transmission. An

Affected Creditor shall be deemed to have received any document sent pursuant to the Claims Procedure five (5) days after such document is sent by ordinary mail, one (1) Business Day after such document is sent by registered mail or courier, and the same Business Day as such document is sent by e-mail or facsimile transmission where such document is transmitted at or prior to 5:00 p.m. and the next Business Day where such document is transmitted after 5:00 p.m.

24. THIS COURT ORDERS that any document, or notice required to be provided or delivered to the Monitor under the Claims Procedure shall be so provided or delivered to the Monitor at the following address:

A. Farber & Partners Inc.
150 York Street, Suite 1600
Toronto, ON M5H 3S5

Attention: Paul Denton
Email: pdenton@afarber.com

25. THIS COURT ORDERS that, for greater certainty, any time limitations imposed on the filing, sending or delivery of documentation shall be understood to mean as follows:

- (a) when the obligation is on an Affected Creditor to deliver or file a document by a particular time to the Monitor, the obligation is satisfied only if and when the Monitor is actually in receipt of the document by the time indicated; and
 - (b) when the obligation is on the Monitor or Cantar to notify and/or send a document to an Affected Creditor, the obligation is satisfied so long as the document is posted, couriered, e-mailed or faxed by the time stipulated, and there is no obligation on the Monitor or Cantar to ensure that the Affected Creditor has actually received the document by the time stipulated.
26. THIS COURT ORDERS that Cantar and the Monitor may in their discretion, generally or in individual circumstances, waive in writing the time limits imposed on Affected Creditors under the Claims Procedure and this Order if Cantar and the Monitor deem it advisable to do

so (without prejudice to the requirement that all other Affected Creditors must comply with this Order and the Claims Procedure).

27. THIS COURT ORDERS that all references to time herein shall mean local time in Toronto, Ontario, Canada and any reference to an event occurring on a Business Day shall mean prior to 5:00 p.m. on such Business Day unless otherwise indicated herein.

NOTICE SUFFICIENT

28. THIS COURT ORDERS that the publication of the Notice to Creditors and the mailing to Known Affected Creditors and other Affected Creditors of the Claims and Meeting Materials in accordance with the requirements of this Order shall constitute good and sufficient service and delivery of notice of this Order, the Claims Procedure, the Claims Bar Date, the Creditor Meeting and the Plan on all Persons who may be entitled to receive notice and who may wish to assert Affected Claims or wish to be present or vote in person or by proxy at a Creditor Meeting or any adjournment thereof, and that no other notice or service need be given or made and no other document or material need be served to or upon any Person in respect of this Order, the Claims Procedure, the Claims Bar Date, the Creditor Meeting or the Plan.

CREDITOR MEETING

29. THIS COURT ORDERS that Cantar shall call, hold and conduct a Creditor Meeting of Affected Creditors to consider and vote on the Plan at 2:00 p.m. on January 12, 2006 at the Ramada Hotel and Conference Centre, 185 Yorkland Blvd., Toronto, Ontario.

30. THIS COURT ORDERS that a representative of the Monitor shall preside as the chair (the "Chair") of the Creditor Meeting and, subject to this Order and any further Order of the Court, shall decide all matters relating to the conduct of the Creditor Meeting. The Chair may adjourn the Creditor Meeting at his or her discretion.
31. THIS COURT ORDERS that the quorum required at the Creditor Meeting shall be one (1) Affected Creditor holding a Proven Claim who is entitled to vote on the Plan, present in person or by proxy.
32. THIS COURT ORDERS that in the event that a Disputed Claim is not finally resolved or settled prior to the date of the Creditor Meeting, the holder of the Disputed Claim shall, subject to further order of the Court, be entitled to vote its Disputed Claim in the amount set out in its Proof of Claim or Notice of Dispute (as applicable) filed with the Monitor, provided that the amount of the Affected Claim for distribution or any other purpose shall be determined by an order of the Court or a written settlement between Cantar and the relevant Affected Creditor with respect to the Disputed Claim.
33. THIS COURT ORDERS that, the Monitor shall tabulate votes in respect of Disputed Claims separately from votes in respect of Proven Claims and shall report the results of such votes to the Court at the Sanction Hearing to the extent that approval or non-approval of the Plan would have been determined by votes cast in respect of Disputed Claims.
34. THIS COURT ORDERS that the Monitor may appoint scrutineers (the "Scrutineers") for the supervision and tabulation of the attendance, quorum, and votes cast at the Creditor Meeting, and that a person designated by the Monitor shall act as secretary at the Creditor Meeting

(the "Secretary"). The Secretary shall tabulate all Proven Claims (and, if applicable, Disputed Claims) at the Creditor Meeting.

35. THIS COURT ORDERS that the only Persons entitled to notice of or to attend, speak or vote at the Creditor Meeting are Affected Creditors with Proven Claims (and, if applicable, Disputed Claims) and their respective proxy holders and legal counsel; representatives of Cantar and the Monitor and their respective legal counsel; the Scrutineers; and the Secretary. Any other Person may be admitted to the Creditor Meeting only on invitation of Cantar or the Chair.

36. THIS COURT ORDERS that the only Persons entitled to vote at the Creditor Meeting, in person or by proxy, are:

- (a) Affected Creditors with Proven Claims; and
- (b) subject to the provisions of the Claims Procedure, Affected Creditors who have Disputed Claims, but only to the extent that all or any portion of that Disputed Claim has been accepted for voting purposes and without prejudice to the rights of Cantar to dispute such Disputed Claims for distribution purposes under the Plan.

37. THIS COURT ORDERS that if:

- (a) the requisite quorum is not present at the Creditor Meeting;
- (b) the Creditor Meeting is postponed by a vote of the majority in value of Proven Claims (and, if applicable, Disputed Claims) present in person or by proxy; or
- (c) the Chair otherwise decides to adjourn the Creditor Meeting,

then the Creditor Meeting shall be adjourned to such date, time and place as may be designated by the Chair. The announcement of the adjournment by the Chair or the posting of notice at the Creditor Meeting of such adjournment shall constitute sufficient notice of the adjournment and

Cantar shall have no obligation to give further notice to any Person of the adjourned Creditor Meeting.

38. THIS COURT ORDERS that to be voted at the meeting, any proxy submitted by an Affected Creditor in respect of the Creditor Meeting (or any adjournment thereof) must be received by the Monitor by 5:00 p.m. on the Business Day immediately prior to the day on which the Creditor Meeting (or any adjournment thereof) is to be held, subject to the discretion of the Monitor to accept any proxy which is submitted prior to the commencement of the Creditor Meeting (or any adjournment thereof).
39. THIS COURT ORDERS that the Chair shall direct a vote at the Creditor Meeting on a resolution to approve the Plan and any amendments thereto as Cantar may consider appropriate.

TRANSFERS OF CLAIMS

Transfer of Whole Affected Claim

40. THIS COURT ORDERS that if the holder of an Affected Claim transfers the whole of such Affected Claim to another Person after the Commencement Date, neither the Monitor nor Cantar shall be obligated to give notice or otherwise deal with the transferee of such Affected Claim in respect thereof unless and until actual notice of transfer, together with satisfactory evidence of such transfer, shall have been received and acknowledged by the Monitor in writing and thereafter such transferee shall for the purposes hereof constitute the "Affected Creditor" in respect of such Affected Claim. Any such transferee of an Affected Claim shall be bound by any notices given or steps taken in respect of such Affected Claim in accordance with this Order prior to receipt and acknowledgment by the Monitor of

satisfactory evidence of such transfer. A transferee of an Affected Claim takes the Affected Claim subject to any rights of set-off to which Cantar may be entitled with respect to such Affected Claim. For greater certainty, a transferee of an Affected Claim is not entitled to set off, apply, merge, consolidate or combine any Affected Claims transferred to it against or on account or in reduction of any amounts owing by such Person to Cantar. No transfer shall be acknowledged for voting purposes unless such transfer shall have been received by the Monitor no later than ten (10) Business Days prior to the Creditor Meeting. Reference to a transfer of an Affected Claim in this Order includes a transfer or assignment, whether absolute or intended as security.

Transfer of Part of An Affected Claim

41. THIS COURT ORDERS that if the holder of the whole of an Affected Claim transfers the whole of such Affected Claim to more than one Person or part of such Affected Claim to another Person after the Commencement Date, such transfer shall not create a separate Affected Claim and such Affected Claim shall continue to constitute and be dealt with as a single Affected Claim. Notwithstanding such transfer, Cantar and the Monitor shall not be bound to recognize or acknowledge any such transfer and shall be entitled to give notices to and to otherwise deal with such Affected Claim only as a whole and only to and with the Person last holding such Affected Claim in whole as the Affected Creditor in respect of such Affected Claim, provided such Affected Creditor may, by notice in writing to the Monitor in accordance with the preceding paragraph direct the subsequent dealings in respect of such Affected Claim, but only as a whole, shall be with a specified Person and in such event, such transferee of the Affected Claim and the whole of such Affected Claim shall be bound by

any notices given or steps taken in respect of such Affected Claim in accordance with this Order.

HEARING FOR SANCTION ORDER

42. THIS COURT ORDERS that, if the Plan is approved by the required majorities of Affected Creditors at the Creditor Meeting pursuant to the CCAA, Cantar shall seek Court approval of the Plan at a motion for the Sanction Order, which motion shall be returnable before this Court at 10:00 a.m. on January 18, 2007, or as soon after that date as the matter can be heard.
43. THIS COURT ORDERS that any Person (other than Cantar and the Monitor) wishing to receive materials and appear at the motion for the Sanction Order shall serve upon the solicitors for Cantar and the Monitor, and file with this Court, a Notice of Appearance by no later than 5:00 p.m. on January 12, 2007.
44. THIS COURT ORDERS that, if the Sanction Hearing is adjourned, only those Persons who have served and filed a Notice of Appearance shall be served with notice of the adjourned date.

GENERAL PROVISIONS

45. THIS COURT ORDERS that this Order and any other order in these proceedings shall have full force and effect in all provinces and territories in Canada and abroad as against all Persons against whom they may otherwise be enforceable.
46. THIS COURT ORDERS AND REQUESTS the aid and recognition of any court or any judicial, regulatory or administrative body in any province or territory of Canada (including the assistance of any court in Canada pursuant to section 17 of the CCAA) and the Federal

Court of Canada and any judicial, regulatory or administrative tribunal or other court or any judicial, regulatory or administrative body of the United States and the states or other subdivisions of the United States and of any other nation or state to act in aid of and be complimentary to this Court in carrying out the terms of this Order.

Richard J. ...

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

NOV 16 2006

PER/PAR:

~~06 CL 006728~~

APPENDIX "A"

DEFINITIONS

In this Order, the following terms shall have the following meanings:

- (d) "Affected Claim" means any Claim except for an Unaffected Claim;
- (e) "Affected Creditor" means any Creditor with an Affected Claim, but only with respect to and to the extent of such Affected Claim;
- (f) "Affiliate" means any affiliated body corporate, as that term is defined in the OBCA;
- (g) "Business Day" means a day, other than Saturday, Sunday or statutory holiday, on which banks are generally open for business in Toronto, Ontario;
- (h) "CCAA" means the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended;
- (i) "CCAA Proceedings" means the proceedings commenced by Cantar under the CCAA pursuant to the Initial Order;
- (j) "Claim" means any right or claim of any Person that may be made in whole or in part against Cantar, whether or not asserted, in connection with any indebtedness, liability or obligation of any kind, which indebtedness, liability or obligation is in existence or which is based on an event, act or omission which occurred in whole or in part prior to the Commencement Date or arising after the Commencement Date as a result of or in connection with the repudiation of any Contract and any interest that may accrue thereon up to the Commencement Date (or to the date of the repudiation of such Contract, where applicable) for which there is an obligation to pay, and amounts which such Person would be entitled to receive, pursuant to the terms of any Contract with such Person at law or in equity, by reason of the commission of a tort (intentional or unintentional), any breach of duty (including, without limitation, any legal, statutory, equitable or fiduciary duty), any right of ownership of or title to property or assets or to a trust or deemed trust (statutory, express, implied, resulting, constructive or otherwise) or for any other reason whatsoever against any property or assets, whether or not reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, perfected, unperfected, present, future, known, or unknown, by guarantee, surety or otherwise, and whether or not such right is executory or anticipatory in nature, or any right or ability of any Person to advance a claim for contribution or indemnity or otherwise with respect to any matter, action, cause or chose in action, whether existing at present or commenced in the future, based in whole or in part on facts which existed prior to the Commencement Date (or to the date of the repudiation of such Contract, where applicable), together with any other rights or claims not

referred to above that, in whole or part, would have been claims provable in bankruptcy had Cantar become bankrupt at the Commencement Date (or the date of the repudiation of such Contract, if applicable), together with any other rights or claims, whether or not asserted, made after the Commencement Date in any way, directly or indirectly related to any action taken or power exercised prior to the Commencement Date;

- (k) **"Claims and Meeting Materials"** means the Notice of Meeting, the Plan, this Order, the Notice of Claim (in the case of and to be provided only to Known Affected Creditors), a Proof of Claim form, the Instruction Letter, a Notice of Dispute form and a Proxy form;
- (l) **"Claims Bar Date"** means 5:00 p.m. (Toronto time) on December 21, 2006;
- (m) **"Claims Procedure"** means the procedure for the filing and determination of Affected Claims as set out in this Order and the schedules substantially in the form attached to this Order, as such procedures and schedules may be amended from time to time;
- (n) **"Class"** means the class of Affected Creditors as set out in the Plan;
- (o) **"Commencement Date"** means October 17, 2006, being the date that the Initial Order was issued by the Court pursuant to the CCAA;
- (p) **"Contract"** means any contract, agreement, lease (including any lease of personal, real, movable or immovable property), permit, license, or arrangement;
- (q) **"Court"** means the Ontario Superior Court of Justice (Commercial List);
- (r) **"Creditor"** means any Person having a Claim and may, where the context requires, include the assignee of a Claim or a trustee, interim receiver, receiver, receiver and manager, liquidator or other Person acting on behalf of such Person;
- (s) **"Creditor Meeting"** means the meeting of Affected Creditors called for the purpose of considering and approving the Plan pursuant to this Order, and includes any adjournment of such meeting;
- (t) **"Disputed Claim"** of a Creditor means the amount of the Claim of such Creditor which has not been finally determined as a Proven Claim at or before the Creditor Meeting in accordance with the Claims Procedure or by the time distributions take place in accordance with this Plan, but that has not been extinguished or barred pursuant to the Claims Procedure;
- (u) **"Initial Order"** means the Order made by the Court pursuant to the CCAA on October 17, 2006 in respect of Cantar, as amended, confirmed, extended or varied from time to time;
- (v) **"Instruction Letter"** means the instruction letter to Affected Creditors pertaining to proving Affected Claims, substantially in the form attached hereto as Schedule "6";

- (w) **"Intercompany Claim"** means any Claim of an Affiliate of Cantar, including, without limitation, any and all Claims of Polyair Inter Pack Inc. and Cantar Polyair Canada Limited;
- (x) **"Known Affected Creditor"** means an Affected Creditor whose Affected Claim is identified in Cantar's books and records on the Commencement Date;
- (y) **"Lasalle"** means Lasalle Business Credit, a division of ABN Amro N.V., Canada Branch;
- (z) **"Monitor"** means A. Farber & Partners Inc., in its capacity as monitor of Cantar as appointed under the Initial Order, and any successor thereto appointed by any further order;
- (aa) **"Notice of Claim"** means a notice substantially in the form attached as Schedule "5" hereto, to be sent by the Monitor to each Known Affected Creditor setting out the Affected Claim of each such Known Affected Creditor according to the books and records of Cantar;
- (bb) **"Notice to Creditors"** means the notice for publication substantially in the form attached hereto as Schedule "1";
- (cc) **"Notice of Dispute"** means a notice substantially in the form attached as Schedule "4" hereto, which may be delivered to the Monitor by an Affected Creditor disputing a Notice of Claim with reasons for its dispute;
- (dd) **"Notice of Meeting"** means the notice of meeting substantially in the form attached as Schedule "8";
- (ee) **"Notice of Revision or Disallowance"** means a notice of revision or disallowance substantially in the form attached as Schedule "3" hereto, advising an Affected Creditor that Cantar has revised or disallowed all or part of its Affected Claim as set out in its Proof of Claim or Notice of Dispute;
- (ff) **"Person"** means any individual, firm, corporation, limited or unlimited liability company, general or limited partnership, association, trust, unincorporated organization, joint venture, government or any agency, officer or instrumentality thereof or any other entity, wherever situate or domiciled;
- (gg) **"Plan"** means this Plan of Compromise or Arrangement filed by Cantar under the CCAA, as such Plan may be amended, varied or supplemented by Cantar from time to time in accordance with the terms hereof and the Claims Procedure and Meeting Order;
- (hh) **"Proof of Claim"** means a proof of claim of an Affected Creditor (other than a Known Affected Creditor) substantially in the form attached as Schedule "2" hereto and delivered in accordance with the Claims Procedure;
- (ii) **"Proven Claim"** means an Affected Claim the amount of which has been finally determined in accordance with the Claims Procedure;

- (jj) **"Proxy"** means a proxy for an Affected Creditor in respect of a Creditor Meeting, substantially in the form attached as Schedule "F";
- (kk) **"Secured Claim"** means (i) Claims of Her Majesty the Queen in Right of Canada or of any Province or Territory or any other taxation authority for: (a) any statutory deemed trust amounts which are required to be deducted from employees' wages, including amounts in respect of employment insurance, Canada Pension Plan, Quebec Pension Plan and income taxes; and (b) goods and services or other applicable sales taxes accruing from and after the Commencement Date payable by Cantar or its customers in connection with the sale of goods and services by Cantar to such customers; and (ii) any Claim or portion thereof which is secured by a validly attached and existing security interest on the property of Cantar which was duly and properly perfected under the Personal Property Security Act (Ontario) at the Commencement Date, to the extent, and only to the extent, of the lesser of: (a) the amount of such Claim as agreed to by Cantar or as finally determined by a court of competent jurisdiction, and (b) the realizable value of the remaining property of Cantar subject to such security interest having regard to, among other things, the priority of such security;
- (ll) **"Unaffected Claim"** means only the following Claims and such other Claims as may be designated in this Plan (or any amendments thereto) as not being affected by this Plan and which are listed in the books and records of Cantar or of which Cantar and the Monitor have received actual notice on or prior to the Claims Bar Date:
- (i) claims for amounts due for goods or services actually supplied to Cantar after the Commencement Date;
 - (ii) Secured Claims (but for greater certainty, excluding any Claim or portion thereof of a Creditor in respect of which the Creditor holds or claims to hold security but such Claim or portion thereof does not constitute a Secured Claim as defined herein);
 - (iii) Claims of the Monitor and its counsel, and Claims of Cantar's counsel and financial advisors;
 - (iv) Claims of Lasalle; and
 - (v) Intercompany Claims.
- (mm) **"Unaffected Creditor"** means any Creditor with an Unaffected Claim, but only in respect of and to the extent of such Unaffected Claim; and
- (nn) **"Website"** means the website at <http://www.afarber.com/corporate/cases.html#cantar> maintained by the Monitor in respect of these proceedings.

SCHEDULE "1"

CANTAR POOL PRODUCTS LIMITED/PRODUITS DE PISCINES CANTAR LIMITÉE

NOTICE TO CREDITORS

On October 17, 2006, Cantar Pool Products Limited ("Cantar") filed for and obtained protection from its creditors under the *Companies' Creditors Arrangement Act* (the "CCAA") pursuant to a court order dated October 17, 2006. A. Farber & Partners Inc. was appointed by the court as Monitor in the CCAA proceedings (the "Monitor").

On November 16, 2006, Cantar was granted an Order (the "Claims Procedure and Meeting Order") that establishes a process for Creditors to prove Claims against Cantar and authorized and directed Cantar to present a plan of compromise or arrangement (the "Plan") to Affected Creditors at a Creditor Meeting.

A copy of the Claims Procedure and Meeting Order can be found on the following website: <http://www.afarber.com/corporate/cases.html#cantar> or may be obtained by contacting the Monitor at the address below. Capitalized terms used in this notice are as defined in the Claims Procedure and Meeting Order unless otherwise noted.

MEETING OF CREDITORS

NOTICE IS HEREBY GIVEN that a meeting of Affected Creditors shall be held at 2:00 p.m. on January 12, 2007 at the Ramada Hotel and Conference Centre, 185 Yorkland Blvd., Toronto, Ontario for the purpose of considering and, if thought advisable, approving the Plan.

CLAIMS PROCEDURE

NOTICE IS HEREBY GIVEN that a procedure to determine the amount of Affected Claims under the Plan (the "Claims Procedure") was established by the Claims Procedure and Meeting Order. Please take notice that Unaffected Claims are not subject to the Claims Procedure.

A copy of the documents to be used in connection with the Claims Procedure can be found on the Website or may be obtained by contacting the Monitor.

THE CLAIMS BAR DATE for proving Affected Claims is 5:00 p.m. (Toronto time) on December 21, 2006. Any Affected Creditor (other than Known Affected Creditors) must file a properly completed Proof of Claim with the Monitor on or before 5:00 p.m. Toronto time on the Claims Bar Date.

AFFECTED CREDITORS (other than Known Affected Creditors) who do not file a Proof of Claim with the Monitor on or before 5:00 pm (Toronto time) on the Claims Bar Date will not be entitled to vote at the Creditor Meeting or obtain any distribution under the Plan, and their Affected Claims, if any, will be forever extinguished and barred.

KNOWN AFFECTED CREDITORS who have received a Notice of Claim from the Monitor are not required to file a Proof of Claim.

SANCTION HEARING

NOTICE IS HEREBY GIVEN that if the Plan is approved by the required majorities of Affected Creditors at the Creditor Meeting pursuant to the CCAA, Cantar will seek court approval of the Plan at a motion for the Sanction Order, which motion shall be returnable at 330 University Avenue, Toronto, Ontario at 10:00 a.m. on January 18, 2007, or as soon after that date as the matter can be heard.

Any person (other than Cantar and the Monitor) who wishes to receive motion materials and appear at the Sanction Hearing must serve upon the solicitors for Cantar and the Monitor, and file with the Court, a Notice of Appearance by no later than 5:00 p.m. (Toronto time) on January 12, 2007.

Any additional information required may be obtained from the Monitor at the address below:

A. Farber & Partners Inc.
150 York Street, Suite 1600
Toronto, ON M5H 3S5

Attention: Paul Denton
Telephone: (416) 496-3773
Fax: (416) 496-3839
E-mail: pdenton@afarber.com

SCHEDULE "2"

Court File No. 06-CL-6690

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

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 CANTAR POOL PRODUCTS
LIMITED/PRODUITS DE PISCINES CANTAR LIMITÉE

Applicant

PROOF OF CLAIM

Please read the accompanying Instruction Letter carefully for completing this Proof of Claim form. Defined terms not defined within this Proof of Claim form shall have the meaning ascribed thereto in the Claims Procedure and Meeting Order dated November 16, 2006.

A. PARTICULARS OF CREDITOR:

- (1) Full Legal Name of Creditor: _____
- (2) Full Mailing Address of Creditor: _____

- (3) Telephone Number of Creditor: _____
- (4) Facsimile Number of Creditor: _____
- (5) E-mail Address of Creditor: _____
- (6) Attention (Contact Person): _____

B. PARTICULARS OF ORIGINAL CREDITOR FROM WHOM YOU ACQUIRED CLAIM, IF APPLICABLE:

(1) Have you acquired this Claim by assignment? Yes No

(a) (if yes, attach documents evidencing assignment)

(2) Full Legal Name of original creditor(s): _____

C. CLAIM:

I, _____, [name of Creditor or authorized representative of the Creditor], do hereby certify:

(a) that I am a Creditor of/hold the position of _____ of the Creditor and have knowledge of all the circumstances connected with the Claim described herein;

(b) the Creditor makes the following Claim against Cantar Pool Products Limited/Produits de Piscines Cantar Limitée ("Cantar").

Claims in foreign currency are to be converted to Canadian dollars at the Bank of Canada spot rate of exchange for exchanging such currency to Canadian dollars on October 17, 2006. The rate of exchange for converting U.S. Dollars to Canadian Dollars on that date was CAD\$1.1380 to US\$1.00.

D. PARTICULARS OF CLAIM:

The particulars of the undersigned's total Claim are attached.

(Provide full particulars of the Claim and supporting documentation, including amount, description of transaction(s) or agreement(s) giving rise to the Claim, name of any guarantor(s) which has guaranteed the Claim, and amount of Claim allocated thereto, date and number of all invoices, particulars of all credits, discounts, etc. claimed, description of the security, if any, granted by Cantar to Creditor or title retention arrangements with Cantar and estimated value of such security or title retention arrangement).

THIS PROOF OF CLAIM MUST BE RETURNED TO AND RECEIVED BY THE MONITOR AT OR BEFORE 5:00 P.M. (TORONTO TIME) ON THE CLAIMS BAR DATE OF DECEMBER 21, 2006 AT THE FOLLOWING ADDRESS:

A. Farber & Partners Inc.
(In its capacity as Monitor of
Cantar Pool Products Limited)
150 York Street, Suite 1600
Toronto, ON M5H 3S5

Attention: Paul Denton
Telephone: (416) 496-3773
Fax: (416) 496-3839

E-mail: pdenton@afarber.com

Dated at _____ this ____ day of _____, 2006.

Per: _____

SCHEDULE "3"

Court File No. 06-CL-6690

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

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 CANTAR POOL PRODUCTS
LIMITED/PRODUITS DE PISCINES CANTAR LIMITÉE

Applicant

NOTICE OF REVISION OR DISALLOWANCE
FOR VOTING AND DISTRIBUTION PURPOSES

Please read the accompanying Instruction Letter carefully. Defined terms not defined within this Notice of Revision or Disallowance form shall have the meaning ascribed thereto in the Claims Procedure and Meeting Order dated November 16, 2006.

TO: [insert name and address of creditor]

Cantar Pool Products Limited/Produits de Piscines Cantar Limitée ("Cantar") has reviewed your Notice of Dispute/Proof of Claim dated _____, 2006, and have revised or rejected your Claim for the following reasons:

Subject to further dispute by you in accordance with the provisions of the Claims Procedure, your Claim will be allowed as follows:

Claim per Proof of Claim/Notice of Dispute	Allowed as Revised

Claims in foreign currency are to be converted to Canadian dollars at the Bank of Canada spot rate of exchange for exchanging such currency to Canadian dollars on October 17, 2006. The rate of exchange for converting U.S. Dollars to Canadian Dollars on that date was CAD\$1.1380 to US\$1.00.

If you disagree with this revised amount of your Claim and intend to dispute this Notice of Revision or Disallowance, you must so advise Cantar and the Monitor in writing with a detailed summary of the reasons for such dispute by no later than 5:00 p.m. on January 10, 2007 and you must bring a motion to have the amount of such Claim determined by the Ontario Superior Court of Justice (Commercial List) (the "Court") in Court File No. 06-CL-6690 by serving on Cantar and the Monitor and filing with the Court a motion record in respect of your Affected Creditor's motion by January 15, 2007.

DATED at Toronto, this _____ day of _____, 2006.

A. Farber & Partners Inc.
(In its capacity as Monitor of
Cantar Pool Products Limited)
150 York Street, Suite 1600
Toronto, ON M5H 3S5

Attention: Paul Denton
Telephone: (416) 496-3773
Fax: (416) 496-3839
E-mail: pdenton@afarber.com

SCHEDULE "4"

Court File No. 06-CL-6690

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

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 CANTAR POOL PRODUCTS
LIMITED/PRODUITS DE PISCINES CANTAR LIMITÉE

Applicant

NOTICE OF DISPUTE

Please read the accompanying Instruction Letter carefully. Defined terms not defined within this Notice of Dispute form shall have the meaning ascribed thereto in the Claims Procedure and Meeting Order dated November 16, 2006.

A. PARTICULARS OF CREDITOR:

- (1) Full Legal Name of Creditor: _____
- (2) Full Mailing Address of Creditor: _____

- (3) Telephone Number of Creditor: _____
- (4) Facsimile Number of Creditor: _____
- (5) E-mail Address of Creditor: _____
- (6) Attention (Contact Person): _____

B. DISPUTE OF NOTICE OF KNOWN AFFECTED CREDITOR'S CLAIM:

Claims in foreign currency are to be converted to Canadian dollars at the Bank of Canada spot rate of exchange for exchanging such currency to Canadian dollars on October 17, 2006. The rate of exchange for converting U.S. Dollars to Canadian Dollars on that date was CAD\$1.1380 to US\$1.00.

We hereby disagree with the value of our Claim against Cantar Pool Products Limited/Produits de Piscines Cantar Limitée ("Cantar") as set out in the Notice of Claim dated _____, 2006, as set out below:

Claim per Notice of Claim	Claim per Creditor

C. REASONS FOR DISPUTE:

(Provide full particulars of the Claim and supporting documentation, including amount, description of transaction(s) or agreement(s) giving rise to the Claim, name of any guarantor(s) which has guaranteed the Claim, and amount of Claim allocated thereto, date and number of all invoices, particulars of all credits, discounts, etc. claimed description of the security, if any, granted by Cantar to Creditor or title retention arrangements with Cantar and estimated value of such security or title retention arrangement.)

THIS NOTICE OF DISPUTE MUST BE RETURNED TO AND RECEIVED BY THE MONITOR BY NO LATER THAN 5:00 P.M. (TORONTO TIME) ON JANUARY 10, 2007, AT THE ADDRESS SET OUT BELOW OR BY FACSIMILE TO THE FAX NUMBER SET OUT BELOW:

A. Farber & Partners Inc.
(In its capacity as Monitor of
Cantar Pool Products Limited)
150 York Street, Suite 1600
Toronto, ON M5H 3S5

Attention: Paul Denton

Telephone: (416) 496-3773
Fax: (416) 496-3839
E-mail: pdenton@afarber.com

Dated at _____ this ____ day of _____, 2006.

Per: _____

SCHEDULE "5"

Court File No. 06-CL-6690

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

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 CANTAR POOL PRODUCTS
LIMITED/PRODUITS DE PISCINES CANTAR LIMITÉE

Applicant

NOTICE OF CLAIM

Please read the accompanying Instruction Letter carefully. Defined terms not defined within this Notice of Claim form shall have the meaning ascribed thereto in the Claims Procedure and Meeting Order dated November 16, 2006.

TO: [insert name and address of creditor]

The records of Cantar Pool Products Limited/Produits de Piscines Cantar Limitée ("Cantar") show that you have a Claim in aggregate amount set out below.

Subject to any dispute by you in accordance with the provisions of the Claims Procedure, your Claim will be allowed as follows:

Claim per Cantar's Records	

Claims in foreign currency are to be converted to Canadian dollars at the Bank of Canada spot rate of exchange for exchanging such currency to Canadian dollars on October 17, 2006. The rate of exchange for converting U.S. Dollars to Canadian Dollars on that date was CAD\$1.1380 to US\$1.00.

IF YOU INTEND TO DISPUTE THIS NOTICE OF CLAIM, YOU MUST, NO LATER THAN 5:00 P.M. (TORONTO TIME) ON DECEMBER 21, 2006, DELIVER TO THE MONITOR A NOTICE OF DISPUTE IN ACCORDANCE WITH THE CLAIMS PROCEDURE AT THE ADDRESS SET OUT BELOW.

If you do not deliver a Notice of Dispute, the value of your Claim shall be deemed to be as set out in this Notice of Claim.

DATED at Toronto, this ___ day of ___, 2006.

A. Farber & Partners Inc.

(In its capacity as Monitor of
Cantar Pool Products Limited)

150 York Street, Suite 1600

Toronto, ON M5H 3S5

Attention: Paul Denton

Telephone: (416) 496-3773

Fax: (416) 496-3839

E-mail: pdenton@afarber.com

SCHEDULE "6"

INSTRUCTION LETTER – CLAIMS PROCEDURE FOR VOTING AND DISTRIBUTION PURPOSES

On October 17, 2006, Cantar Pool Products Limited ("Cantar") filed for and obtained protection from its Creditors under the *Companies' Creditors Arrangement Act* (the "CCAA"). Pursuant to a Court Order dated October 17, 2006, A. Farber & Partners Inc. was appointed by the Court as Monitor in the CCAA proceedings (the "Monitor").

Under an Order dated November 16, 2006 (the "Claims Procedure and Meeting Order"), the court has established a claims procedure (the "Claims Procedure") to determine the value of Creditors' Affected Claims against Cantar for the purposes of voting on a plan of compromise or arrangement (the "Plan") and receiving distributions under the Plan. A copy of the Plan and Claims Procedure and Meeting Order are included with this package.

A. – Claims Procedure

The Claims Procedure establishes a process to determine the value of your Affected Claims (as defined in the Claims Procedure and Meeting Order), if any, against Cantar.

All notices and enquiries with respect to this Claims Procedure should be addressed to:

A. Farber & Partners Inc.
(In its capacity as Monitor of
Cantar Pool Products Limited)
150 York Street, Suite 1600
Toronto, ON M5H 3S5

Attention: Paul Denton
Telephone: (416) 496-3773
Fax: (416) 496-3839
E-mail: pdenton@afarber.com

A. – Instructions for Known Affected Creditors

1. – Notice of Claim

If you have received a Notice of Claim, you do not need to file a Proof of Claim. If you have not received a Notice of Claim, and you believe you are an Affected Creditor, please follow the instructions under Section C ("Instructions for Affected Creditors other than Known Affected Creditors") below.

2. – Notice of Dispute

If you have received a Notice of Claim and you disagree with the amount of your Affected Claim as set out therein, you are entitled to dispute the Notice of Claim by delivering a Notice of Dispute (in the form enclosed herewith) so that it is actually received by the Monitor by no later than 5:00 p.m. on December 21, 2006.

If you do not deliver a Notice of Dispute so that it is actually received by the Monitor by such date, the value of your Affected Claim will be deemed to be as set out in the Notice of Claim.

The Monitor will review your Notice of Dispute and will determine whether to accept, revise or disallow the amount of your Affected Claim as set out therein. The Monitor shall, no later than 5:00 p.m. on January 2, 2007, send a Notice of Revision or Disallowance to each Affected Creditor whose Affected Claim the Monitor and Cantar have determined to revise or disallow. If the Monitor does not send a Notice of Revision or Disallowance by such date to an Affected Creditor who has submitted a Notice of Dispute, Cantar shall be deemed to have accepted the Affected Claim of the Affected Creditor in the amount set out in the Notice of Dispute for all purposes.

If you disagree with the revised amount of your Affected Claim as set out in the Notice of Revision or Disallowance and intend to dispute such Notice of Revision or Disallowance, please follow the instructions under Section D ("Instructions for Disputing a Notice of Revision or Disallowance") below.

C. – Instructions for Affected Creditors Other than Known Affected Creditors

1. – Proof of Claim

If you do not have any claims against Cantar, there is no need to file a Proof of Claim.

If you believe that you have an Affected Claim against Cantar, you should file a Proof of Claim (in the form enclosed herewith). The Proof of Claim must be delivered to, and received by the Monitor by the Claims Bar Date of 5:00 p.m. on December 21, 2006.

Failure to deliver a Proof of Claim so that it is received by the Monitor by the Claims Bar Date will disentitle you from voting and receiving distributions under the Plan, and your Affected Claims will be forever extinguished and barred.

2. – Notice of Revision or Disallowance

The Monitor will review your Proof of Claim and will determine whether to accept, revise or disallow the amount of your Affected Claim as set out therein. The Monitor shall, no later than 5:00 p.m. on January 2, 2007, send a Notice of Revision or Disallowance to each Affected Creditor whose Affected Claim the Monitor and Cantar have determined to revise or disallow. If the Monitor does not send a Notice of Revision or Disallowance by such date to an Affected Creditor who has submitted a Proof of Claim, Cantar shall be deemed to have accepted the Affected Claim of the Affected Creditor in the amount set out in the Proof of Claim for all purposes.

D. – Instructions for Disputing a Notice of Revision or Disallowance

If you disagree with this revised amount of your Affected Claim and set out in the Notice of Revision or Disallowance and intend to dispute Notice of Revision or Disallowance, you must so advise Cantar and the Monitor in writing with a detailed summary of the reasons for such dispute, and by no later than 5:00 p.m. on January 15, 2007, bring a motion to have the amount of such Affected Claim determined by the Ontario Superior Court of Justice (Commercial List)

(the "Court") in Court File No. 06-CL-6690 by serving on Cantar and the Monitor and filing with the Court a motion record in respect of your Affected Creditor's motion by such date.

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SCHEDULE "7"

CANTAR POOL PRODUCTS LIMITED/PRODUITS DE PISCINES CANTAR LIMITÉE

PROXY FOR USE BY AFFECTED CREDITORS

The undersigned Affected Creditor of Cantar hereby revokes all proxies previously given and nominates, constitutes and appoints _____ of A Farber & Partners Inc. (in its capacity as Monitor of Cantar), or such representative of the Monitor as _____ may designate or, failing either of them, _____ of _____ on behalf of the undersigned at the Creditor Meeting of Cantar which is to be held at 2:00 p.m. (Toronto time) on January 12, 2007 at the Ramada Hotel and Conference Centre, 185 Yorkland Blvd., Toronto, Ontario, and at any adjournment thereof, to the same extent and with the same powers as the undersigned would have if personally present thereat, to attend, vote, and act and the undersigned hereby grants authorization to vote as follows, namely:

1. Passing a resolution approving the form of plan of compromise or arrangement (the "Plan"), with or without variation, in the form distributed in the mailing to Affected Creditors on or about November 23, 2006.
 FOR AGAINST
2. At the nominee's discretion:
 - (a) on any variations or amendments to any of the above matters (including any variation or amendment to the Plan) proposed at such Creditor Meeting or any adjournment thereof, including the authority to sign any written instruments relating thereto; and
 - (b) on any other matters that may properly come before the Meeting or any adjournment thereof.

Please note that paragraph 2 of the proxy provides the nominee with discretionary authority, including the authority to sign any written instruments relating to the matters referred to above or any variations or amendments thereto. The nominee has the right to exercise such discretionary authority to authorize the matters referred to above which require approval by the Affected Creditor.

DATED this _____ day of _____, 2006.

NAME OF AFFECTED CREDITOR: _____

By: _____
(Duly authorized Signatory)

Name: _____

Title: _____

Telephone No.: _____

AGGREGATE VALUE OF CLAIM HELD: _____

Return of Proxy Please return this proxy by facsimile, or by courier to the address set out below:

A. Farber & Partners Inc.
(In its capacity as Monitor of
Cantar Pool Products Limited)
150 York Street, Suite 1600
Toronto, ON M5H 3S5

Attention: Paul Denton
Telephone: (416) 496-3773
Fax: (416) 496-3839
E-mail: pdenton@afarber.com

Notes:

- (i) This proxy is solicited by and on behalf of management of Cantar.
- (ii) Any Affected Creditor has the right to appoint a person (who need not be an Affected Creditor) other than the person designated in this proxy to attend and vote and act for and on behalf of such Affected Creditor at the Creditor Meeting and in order to do so the Affected Creditor may insert the name of such person in the blank space provided in the proxy or may use another appropriate form of proxy.
- (iii) Where an Affected Creditor fails to specify a choice with respect to a matter referred to in this proxy and a representative of the Monitor (being the person specified in this proxy) is appointed as proxy holder, the Affected Claim represented by such proxy will be voted FOR such matter.

- (iv) An Affected Creditor may delete or amend the discretionary authority granted in paragraph 2 of this proxy if such holder is not desirous of providing discretionary authority in that manner.
- (v) If the Affected Creditor is a corporation, the proxy must be executed by an officer or attorney thereof duly authorized with an indication of title of such officer or attorney and with the corporation's name appearing above the signature line. A person signing on behalf of an Affected Creditor must provide satisfactory proof of such person's authority with the proxy.
- (vi) If the proxy is not dated, it is deemed to be dated as of the date of receipt by the Monitor.
- (vii) Invalidation of proxies: This proxy will not be valid or acted upon or voted unless it is completed as specified herein. In order to be acted upon, a proxy must be sent by telecopier or by courier so that it is received by the Monitor at 150 York Street, Suite 1600, Toronto, Ontario; Attention: Paul Denton, Fax no. (416) 496-3839; e-mail at pdenton@afarber.com, by no later than 5:00 p.m. (Toronto time) on the Business Day immediately before the Meeting of the Creditors of Cantar or any adjournment thereof, or with the chair of the Meeting prior to the commencement thereof.

SCHEDULE "8"

NOTICE OF MEETING OF CREDITORS OF CANTAR POOL PRODUCTS LIMITED/PRODUITS DE PISCINES CANTAR LIMITÉE

NOTICE IS HEREBY GIVEN that a meeting (the "Creditor Meeting") of the Affected Creditors (as defined in the Order of the Ontario Superior Court of Justice dated October 17, 2006 (the "Claims Procedure and Meeting Order," a copy of which is included in this package) of Cantar Pool Products Limited/Produits de Piscines Cantar Limitée ("Cantar") will be held at 2:00 p.m. (Toronto time) on January 12, 2007 at the Ramada Hotel and Conference Centre, 185 Yorkland Blvd., Toronto, Ontario for the following purposes:

1. to consider and, if thought fit, to pass, with or without variation, a resolution to approve a plan of compromise or arrangement (the "Plan") proposed by Cantar under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c.C-36; and
2. to transact such other business as may properly come before the Creditors' Meeting or any adjournment thereof.

A full copy of the Plan is included in this package. A. Farber & Partners Inc. in its capacity as Monitor of Cantar (the "Monitor"), has summarized the Plan and commented on it in its Report to Creditors, a copy of which is included in this package.

The Plan is being considered pursuant to the Claims Procedure and Meeting Order, and the Plan must be approved at the motion for a Sanction Order (as also defined in the Claims Procedure and Meeting Order) to be held on January 18, 2007 or as soon as practicable thereafter.

Whether or not you expect to attend the Creditor Meeting, please complete, date and sign the enclosed form of proxy and return it by courier or facsimile transmission to the Monitor at the following address: 150 York Street, Suite 1600, Toronto, Ontario; Attention: Paul Denton, Fax no. (416) 496-3839; e-mail at pdenton@afarber.com, by no later than 5:00 p.m. (Toronto time) on the Business Day immediately before the Creditor Meeting or any adjournment thereof.

DATED at Toronto, Ontario, Canada this _____ day of _____, 2006.

IN THE MATTER OF AN APPLICATION UNDER 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 CANTAR POOL PRODUCTS
LIMITED//PRODUITS DE PISCINES CANTAR LIMITÉE

Court File No. 06-CL-6690

ONTARIO
SUPERIOR COURT OF JUSTICE
(Commercial List)
Proceedings commenced in Toronto

**CLAIMS PROCEDURE AND
MEETING ORDER**

McCarthy Tétrault LLP
Barristers and Solicitors
Suite 4700, TD Bank Tower
Toronto ON M5K 1E6

Geoff R. Hall LSUC #347010
Tel: (416) 601-7856
Fax: (416) 868-0673

James D. Gage LSUC #346761
Tel: (416) 601-7539
Fax: (416) 868-0673

Solicitors for the Applicant
8707292 v.4

Tab G

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

**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 CANTAR POOL PRODUCTS LIMITED / PRODUITS DE
PISCINES CANTAR LIMITEE (the "Applicant" or "Cantar")**

THIRD REPORT OF THE MONITOR

INTRODUCTION

1. On October 17, 2006, the Applicant filed for and obtained protection from its creditors under the *Companies' Creditors Arrangement Act*, R.S.C. 1985 c. C-36, as amended (the "CCAA") pursuant to an order of this Honourable Court dated October 17, 2006 (the "Initial Order").
2. Pursuant to the Initial Order, A. Farber & Partners Inc. was appointed monitor of the Applicant during its CCAA proceedings (the "Monitor").
3. Coincident with the granting of the Initial Order on October 17, 2006, First and Second Approval and Vesting Orders were granted by this Honourable Court, in connection with the sale of Cantar's assets relating to the Cantar Pool Equipment division and residual assets of the Above Ground Pool division not sold by the Applicant as part of an earlier transaction in August 2006. The First Approval and Vesting Order relates to the sale of assets to 662671 Canada Inc. while the Second Approval and Vesting Order relates to sale of assets to Northern Light Recreation Co, which entity had previously purchased the majority of the Above Ground Pool assets in a transaction in August 2006.
4. On October 19, 2006, this Honourable Court authorized and approved among other matters, the sale of the property (Property Sale") known municipally as 330 Humberline Drive, Toronto, Ontario (the "Property") to Strathallen Acquisitions Inc. ("Strathallen"), and vesting the right, title and interest of the Property in and to Strathallen (the "Property Sale Approval and Vesting Order"), and the payment of the proceeds of the Property Sale to LaSalle Business Credit LLC ("LaSalle").

5. The purpose of this third report of the Monitor (the "Third Report") is to provide this Honourable Court with a report on the following:
- An update on the status of the Applicant and its advisors' continuing efforts to effect an orderly wind down of the Cantar business and realize on remaining property, assets and undertakings, to provide a prospect of a recovery to unsecured creditors, including the recently approved sale of Cantar's Pool Equipment Division assets and the Property Sale;
 - The actual cash flow of the Applicant for the weeks ending October 14, 2006 to November 4, 2006, combined with an analysis of the variances and progress towards paying down the LaSalle Minimum Amount (as hereinafter defined) in the approximate amount of US \$8.6 million, and;
 - The Applicant's updated cash flow forecast for the weeks ending November 11, 2006 to January 20, 2007.
 - The Applicant's motion seeking the approval of a claims procedure as set out in the draft Claims Procedure and Meeting Order (the "Claims Procedure and Meeting Order");
 - A Court Order directing the Sheriff, City of Toronto, to return all property of Cantar in the Sheriff's possession, including certain funds previously garnished from Cantar; and
 - The Applicant's request for an extension to the Stay Period.

TERMS OF REFERENCE

6. In preparing this Third Report, the Monitor has relied upon unaudited, internally prepared financial information, Applicant's records and discussions with management of the Applicant. The Monitor has not performed an audit, review or other verification of such information. An examination of the financial forecast as outlined in the Canadian Institute of Chartered Accountants ("CICA") Handbook has not been performed. Future oriented financial information relied upon in this report is based on Cantar management's assumptions regarding future events and actual results achieved will vary from this information and the variations may be material.

Unless otherwise stated, dollars referenced in these materials are in Canadian funds.

BACKGROUND

7. Background to these CCAA proceedings, including the Initial Order and subsequent orders issued by this Honourable Court, supporting materials and reports by the Monitor, have been posted by the Monitor on its web site at www.afarber.com.

CANTAR ORDERLY WIND-DOWN AND REALIZATION PROCESS

8. Since granting the Initial Order, three separate transactions representing a key part of the realization program to pay down the LaSalle Minimum Amount (in the approximate amount of US \$8.6 million as described below), and in turn provide prospects for a recovery to Cantar's unsecured creditors, have been approved and closed.
9. Pursuant to the First Approval and Vesting Order dated October 17, 2006, Cantar's sale of its Pool Equipment Assets as defined in an Asset Purchase Agreement dated September 28, 2006 among Cantar and 6626271 Canada Inc. and Competition Pool Accessories, Inc. and Pioneer Family Pools (Hamilton) Inc. (hereinafter called "662 Sale"), was approved.
10. On October 18, 2006, the 662 Sale closed and pursuant to the First Approval and Vesting Order, the purchase price and deposit totaling \$2.173 million, were applied against Cantar's indebtedness to LaSalle. This translated to a pay-down of the LaSalle Minimum Amount of \$US 1.957 million.
11. Pursuant to the Second Approval and Vesting Order dated October 17, 2006 the sale of the residual equipment in the Above Ground Pool division to Northern Light Recreation ("Northern") was approved (hereinafter called the "Northern Sale"). The Northern Sale related to Cantar equipment located on the premises of CFM Corp., which was not conveyed to Northern under the terms of an August 16, 2006 asset purchase agreement, because Cantar was not in possession of the equipment at that time. The Northern Sale was closed on October 18, 2006 for net proceeds of US\$ 58,000. Similar to the 662 Sale, these proceeds were applied to the LaSalle Minimum Amount. Cantar and its advisors were also able to negotiate the release of off-site tooling and molds from Cantar vendors to Northern, for additional proceeds of US\$ 174,000. These proceeds were received in the weekending October 28, 2006.
12. Pursuant to the Property Sale Approval and Vesting Order issued on October 19, 2006, Cantar's right title and interest in and to the Property, was vested in Strathallen subject to payment of the purchase price. On October 24, 2006, the Property Sale transaction closed and the net purchase price was paid to LaSalle and Hawklane Developments Inc. in accordance with the Property Sale Approval and Vesting Order. Net proceeds applied to the LaSalle Minimum Amount were US \$5.637 million.

13. The Property Sale transaction and net proceeds are summarized below:

	(In Cdn \$000's)
Sales Proceeds net of real estate commission	9,442
Less Vender Take Back mortgage	(1,600)
Less Hawklane Developments Inc. – Put/Call option payment	(1,500)
Plus interest on deposit of \$500,000	2
Net proceeds	<u>\$ 6,344</u>
Net proceeds applied to LaSalle Minimum Amount Canadian to US\$ 000's	<u>US\$ 5,637</u>

14. As previously reported in these proceedings, the tenant of the Property is Polyair Canada Limited (the "Tenant") which operates a packaging business at that location. The Tenant is an indirect wholly owned subsidiary of Polyair Inter Pack Inc. ("Polyair"), which is also Cantar's ultimate parent company. However, the Tenant has no ongoing operational relationship to Cantar.

15. As part of the Property Sale, and to enable the transaction to move forward, Cantar agreed to take back a promissory note secured by a second mortgage charging the property ("VTB"). The VTB is for \$ 1.6 million, with a five-year term, bearing a 6.5% interest rate, with interest to be paid on maturity. Strathallen has a right to set off amounts owing to it by the Tenant, in the event the Tenant is in default under the lease.

16. The VTB note is important to the prospect of a payout to Cantar's unsecured creditors, given the LaSalle Minimum Amount is close to being satisfied.

ACCOUNTS RECEIVABLE

17. The Applicant has trade accounts receivable of approximately \$1.5 million dollars. Ultimate realizations are expected to be less than book value, for the following reasons:

- Some customers are refusing to pay their account balances due to their concerns surrounding future warranty coverage. As per their purchase agreements, Northern and Competition agreed to honour their respective warranty claims. The purchasing companies are now working closely with Cantar to alleviate these concerns, which should ultimately speed up the collection process.
- Some customers are requesting account reconciliations before remitting payment. Cantar and its advisors are working diligently with these customers to satisfy their own internal requirements; however, this process can be time consuming.

- There are customers who ultimately are refusing to pay their balances. In these instances, Cantar may be forced to initiate legal proceedings and/or report these companies to Export Development Corporation, who has insured some of the foreign receivables.

OTHER REALIZATIONS

18. The other meaningful asset which might be available for realization (other than the trade receivables and the above profiled VTB), is the Applicant's inter-company receivable owing to it by a related company, relating to sale of inventory to that company. Ultimate realizations will be a function of that particular company's net cash flows and negotiations with the Applicant's secured creditors, including LaSalle as the senior secured lender. LaSalle has first-ranking security on its assets for its total debt position, which is close to US\$ 20 million. As previously reported, but for the agreement and accommodation reached with LaSalle and the LaSalle group of lenders, there would be no prospect of any payout to the Cantar creditors. Other cash receipts are anticipated from sub-tenant recoveries on rent and operating expenses, sale of remaining inventory, and refunds of deposits.

FINANCIAL PERFORMANCE SINCE THE DATE OF THE INITIAL ORDER

19. Attached as Appendix A to this Third Report is a summary of the Applicant's actual receipts and disbursements for the weeks ending October 14 to November 4, 2006 (the "Reporting Period") combined with an analysis of the variances from the cash flow forecast submitted on October 17, 2006 (the "October 17 Forecast") to this Honourable Court. Detailed explanations for the variances are provided in Appendix A with the key items summarized below.
20. Receipts for the Reporting Period totaled approximately US\$8,482,000, which were below the October 17 Forecast by US\$107,000. The variance is primarily attributed to lower than anticipated proceeds on the Property Sale of US\$363,000, net of favourable results when compared to forecast on the sale of the Pool and Equipment divisions assets and collections of accounts receivable. The forecast proceeds on the sale of Accessory division inventory of \$50,000 have also not been received, as the sale has not yet occurred. It is anticipated to be completed at a future date within the Forecast Period.
21. Disbursements for the Reporting Period totaled approximately US\$1,201,000, less than the October 17, 2006 Forecast by approximately US\$341,000. The variance was primarily due to payments being less than forecast for critical payments, overhead, payroll and severance, and professional fees.

LASALLE MINIMUM AMOUNT

22. Pursuant to paragraph 10 of the Initial Order, the Applicant was authorized and directed to pay over to LaSalle or to such party as LaSalle may direct in writing, any and all proceeds until the amount necessary to satisfy certain indebtedness, liabilities and obligations owing to LaSalle and the LaSalle group of lenders in the approximate amount of US\$8.6 million (the "LaSalle Minimum Amount"), save and except for such expenditures approved in advance in writing by LaSalle. Further, the agreement between the LaSalle group of lenders and Polyair / Cantar provided for the Pool Equipment proceeds and the Property Sale proceeds to be paid directly to LaSalle on closing. As part of the restructuring, the Applicant's agreement with LaSalle also provided for the LaSalle Minimum Amount to be paid down to US\$500,000 by November 3, 2006; to US\$250,000 by November 10, 2006; and to be completely paid down by November 17, 2006.

23. Set out below is a table summarizing the pay-down of the LaSalle Minimum Amount to November 3, 2006.

	(in US\$ 000's)	
LaSalle loan obligation effective October 17, 2006		8,270
(Reduced) increased by -		
Proceeds from Property Sale	(5,637)	
Proceeds from sale of Equipment division	(1,957)	
Proceeds from sale of Pool division	<u>(58)</u>	(7,652)
Release on Letter of Credit		(193)
Collection of receivables, net of disbursements		(143)
LaSalle loan obligation, November 3, 2006		<u>\$ 282</u>

CASH FLOW FORECAST THROUGH TO JANUARY 20, 2007

24. A copy of the cash flow forecast (the "Forecast") for the forecast period November 6 to January 20, 2007 (the "Forecast Period") is attached as Appendix B. The Forecast and its supporting assumptions were prepared by Cantar management with the assistance of Prowis Inc. ("Prowis"). Management, and Prowis have prepared the Forecast based on the most current information available.

25. As summarized in the Forecast, for the Forecast Period the Applicant is projecting:

- a) Cash receipts of approximately US\$ 1,260,000;

- b) Cash disbursements of US \$1,475,000 million; and
- c) A net decrease in cash of US \$215,000.

26. Overall a key variable in the Forecast will be the pace and level of accounts receivable collections. The Forecast does not include any provision for realizations from the VTB, nor funds garnished by the Sheriff, City of Toronto as further profiled below.

CLAIMS PROCEDURE AND MEETING ORDER

27. Our review of Cantar's accounts payable records to date indicates there are about 300 creditors, owed approximating \$9 million in total. Not included in the creditor listing is Cantar Polyair Canada Limited and affiliated inter-company payables ("Inter-Company Payables"), which approximate US\$ 15 million. As reported in the Initial Application materials of these CCAA proceedings, significant trade debt was run up by Cantar Polyair Canada Limited to support the Cantar operation. It is however confirmed that the Inter-Company Payables will not participate in the proposed Claims Process.
28. Included in the motion materials to be filed with this report, will be a draft Claims Procedure and Meeting Order and attachments, which Cantar is seeking to have approved by this Honourable Court. The draft order among other matters authorizes and directs the filing of a CCAA Plan of Compromise or Arrangement ("Plan"), establishes a claims process including a claims bar date, as well as a process to call, hold and conduct a meeting of creditors affected to approve the Plan and Court approval thereafter.
29. The overall timetable currently contemplated by the draft Claims Procedure and Meeting Order and related motion materials provide for: the filing of a Plan by no later than November 23, 2006; a Claims Bar Date of December 21, 2006; the convening of a Creditors Meeting to vote on the Plan on January 12, 2007; and a Court sanctioning hearing on or prior to January 18, 2007 or as soon after that date that the matter can be heard.
30. The draft Claims Procedure and Meeting Order can be summarized as follows:
- Creditors with a claim existing at October 17, 2006 who are provided a Notice of Claim by the Monitor ("Known Affected Creditors"), are not required to submit a proof of claim. Where parties disagree, there is a Notice of Dispute process. Where Persons become aware of the proceedings, and assert a claim, they will be required to file a Proof of Claim. Those claims in foreign currencies will be converted at the exchange rate as reported by the Bank of Canada on October 17, 2006. The Canadian / US exchange rate on the date was 1.1380 Canadian dollars to 1 US dollar.

- On or before 5:00 p.m. on November 20, 2006, Cantar shall provide a list of Known Affected Creditors to the Monitor setting out: (i) the amount owed to each Known Affected Creditor and (ii) the last known address of such Known Affected Creditor. Promptly after receiving the list of Known Affected Creditors from Cantar, the Monitor shall send the Claims and Meeting Materials to each Known Affected Creditor to the address for it set out on the list.
- On two consecutive days prior to November 30, 2006, 2006, Cantar shall cause the Notice to Creditors to be published in the *National Post*, while the Monitor shall post a copy of the Claims and Meeting Materials to its website as soon as practicable after the making of this Order, and shall send the Claims and Meeting Materials to each Person who prior to the Claims Bar Date makes a written request for them, within three Business Days of receipt of such request.
- The Claims Bar Date for filing of Proofs of Claim and Notices of Dispute is at 5:00 p.m. on December 21, 2006.
- By no later than 5:00 p.m. on January 2, 2007, the Monitor shall send a Notice of Revision or Disallowance to each Affected Creditor whose Affected Claim the Monitor and Cantar have determined to revise or disallow.
- Any Affected Creditor who wants to dispute the amount of its Affected Claim as set out in a Notice of Revision or Disallowance shall, by no later than 5:00 p.m. on January 10, 2007, advise Cantar and the Monitor in writing with a detailed summary of the reasons for such dispute, and by no later than 5:00 p.m. on January 15, 2007, bring a motion to have the amount of such Affected Claim determined by the Court (by serving on Cantar and the Monitor and filing with the Court a motion record in respect of such Affected Creditor's motion by such date.)
- Cantar and the Monitor are authorized to use reasonable discretion as to adequacy of compliance with respect to the manner in which Proofs of Claim, Notices of Claim, Notices of Revision or Disallowance and Notices of Dispute are completed and executed, and may waive strict compliance with the requirements of the Claims Procedure and Meeting.
- That a creditors' meeting of Affected Creditors is convened on January 12, 2006 and that a Court Sanction hearing is convened on or prior to January 18, 2006 to approve the Plan, or as soon after that date as the matter can be heard.
- In addition, adequate provision is made in the order as drafted to deal with voting of Disputed Claims.

Overall, given the timetable, the Monitor believes the Claims Procedure and Meeting Order timetable and terms are reasonable in the circumstances.

OTHER MATTERS

31. Pursuant to paragraph 38 of the Initial Order, the Monitor worked with the Applicant to provide a notice and a copy of the Initial Order on October 26, 2006 to all of the creditors that appear on the Applicant's books and records with a balance over \$1,000, effective October 17, 2006.
32. On October 10 and 13, 2006 prior to the commencement of these CCAA proceedings, Cantar received two notices from the Sheriff regarding a proposed scheme of distribution to Cantar's execution creditors in respect of monies received by the Sheriff in connection with garnishment proceedings initiated against Cantar on August 31, 2006. The proposed schemes of distribution by the Sheriff in respect of the funds being held in the total amount of \$132,786.99 which comprises two amounts as follows: \$96,438.78 and \$36,348.21 (the "Garnished Funds"), are attached hereto as Appendix C.
33. By letter dated October 18th, 2006, and as profiled in the D'Souza Affidavit, Douglas Burns, a lawyer at Koskie Minsky LLP acting on behalf of Cantar, provided the Sheriff with a copy of the Initial Order and advised the Sheriff that it was subject to the stay of proceedings provided by the Initial Order. A copy of the letter is attached as Appendix D.
34. Also by letter dated October 19, 2006 Aird & Berlis LLP in its capacity as legal counsel for the Monitor notified the Sheriff of these CCAA proceedings and in particular sections 4 and 15 of the Initial Order as well as requesting that the monies be returned to Cantar. A copy of that letter is attached as Appendix E.
35. Attached, as Appendix F is a letter dated October 24, 2006 from Marc MacLean, Manager of Court Operations Case Management for the Ministry of the Attorney General, acknowledging receipt of Mr. Burns' letter of October 18, 2006 and confirming that the Sheriff would not take further action without further direction of the Court.
36. The Garnished Funds are Cantar's property and should be remitted to the Monitor. Subject to the charges created by the Initial Order and the use (if necessary) of the Garnished Funds to pay any claims secured thereby, the Garnished Funds should be dealt with in accordance with the Plan, so that all unsecured creditors can be treated similarly and no unsecured creditor obtains a preference or advantage over others with respect to the Garnished Funds.

THE APPLICANT'S REQUEST FOR AN EXTENSION TO THE STAY PERIOD

37. Pursuant to the Initial Order, the Stay Period as defined in the Initial Order expires at midnight on November 16, 2006. The Applicant is seeking an extension of the Stay Period until, and including January 18, 2007.

38. An extension to the Stay Period is necessary for the following reasons:

- a) To complete the Claims Procedure and Meeting Process as outlined above.
- b) To continue the realization program, the accounts receivable collection efforts and the close down of the business, in the most cost effective and expedient manner.
- c) To continue efforts to formulate and file a CCAA plan.

39. In the Monitor's view, the Applicant is acting in good faith and with due diligence during these CCAA proceedings. The Applicant and its advisors have made good progress since October 17, 2006 to substantially pay down the LaSalle Minimum Amount as well as worked diligently toward formulating and filing a Plan. The Monitor is of the view that the extension to the Stay Period is appropriate in the circumstances and therefore recommends that the Applicant's request for an extension of the Stay Period be granted to, and including January 18, 2007.

40. The Monitor also supports and recommends the Claims Procedure and Meeting Order as drafted be granted.

41. The Monitor also recommends that this Honourable Court issue an Order directing the Sheriff to return the Garnished Funds and any other amounts that it might hold or otherwise come to possess or receive from time to time, also be approved by this Honourable Court.

All of which is respectfully submitted this 10th day of November 2006.

A. FARBER & PARTNERS INC.
In its capacity as the Court-
Appointed Monitor of the
Applicant

A. Farber & Partners Inc.

Tab H



Court File No. 06-CL-6690

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE) THURSDAY, THE 16th DAY OF
)
MR JUSTICE CL CAMPBELL) NOVEMBER, 2006
)
)

**IN THE MATTER OF AN APPLICATION UNDER 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 CANTAR POOL PRODUCTS LIMITED/
PRODUITS DE PISCINES CANTAR LIMITÉE**

Applicant

ORDER

THIS MOTION, made by the Applicant for an order extending the Stay Period provided for in the order of the Honourable Mr. Justice Cumming dated October 17, 2006 (the "Initial Order") until January 18, 2007, was heard this day at 330 University Avenue, Toronto.

ON READING (i) the Notice of Motion, (ii) the Affidavit of Victor D'Souza sworn November 10, 2006, and (iii) the Third Report of the Monitor, A. Farber & Partners Inc., all filed; and on hearing the submissions of counsel for the Applicant, the Monitor and such other counsel as were present.

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record herein is hereby abridged so that the motion is properly returnable today and

further, that any requirement for service of the Notice of Motion and of the Motion Record upon any party not served is hereby dispensed with.

2. THIS COURT ORDERS that the Stay Period (as defined in paragraph 15 of the Initial Order) is hereby extended until January 18, 2007.

↑
11:59 pm *RLC*

RLC
ENTERED AT / INSCRIT A TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO.:
NOV 18 2006
~~00010 00728~~

IN THE MATTER OF AN APPLICATION UNDER 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 CANTAR POOL PRODUCTS
LIMITED/PRODUITS DE PISCINES CANTAR LIMITÉE

Court File No. 06-CL-6690

ONTARIO
SUPERIOR COURT OF JUSTICE
Commercial List
Proceedings commenced in Toronto

ORDER

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Barristers and Solicitors
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Tower
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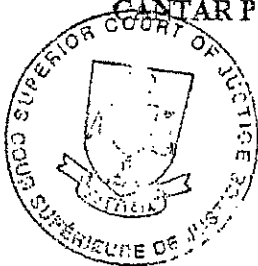
Solicitors for the Applicant
#8707577

Tab I

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE) THURSDAY, THE 18th DAY OF
MR. JUSTICE SPENCE)
)
)
)

IN THE MATTER OF AN APPLICATION UNDER 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
CANTAR POOL PRODUCTS LIMITED / PRODUITS DE PISCINES CANTAR
LIMITÉE



Applicant

SANCTION ORDER

THIS MOTION, made by the Applicant for an order sanctioning the its plan of arrangement pursuant to the *Companies' Creditors Arrangement Act* (Canada) (the "CCAA") dated November 23, 2006, as amended (the "Plan"), a copy of which is attached hereto as Schedule "A", and for an order extending the Stay Period provided for in the order of the Honourable Mr. Justice Cumming dated October 17, 2006 (the "Initial Order") until the earlier of the Effective Date (as defined in the Plan) and February 15, 2007, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING (i) the Notice of Motion, (ii) the Affidavit of Victor D' Souza sworn January 15, 2007, (iii) the First Report, Third Report and Fourth Report of the Monitor, A. Farber & Partners Inc. and (iv) the Monitor's First Report to Creditors dated November 23, 2006,

all filed, and on hearing the submissions of counsel for the Applicant, the Monitor and such other counsel as were present.

Definitions

1. **THIS COURT ORDERS** that capitalized terms not otherwise defined in this Order shall have the meanings ascribed to them in the Plan.

Service and Meeting

2. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record herein is hereby abridged so that the motion is properly returnable today and further, that any requirement for service of the Notice of Motion and of the Motion Record upon any party not served is hereby dispensed with.

3. **THIS COURT ORDERS AND DECLARES** that there has been good and sufficient service and notice of both the Plan and the notice of meeting of Affected Creditors and that the meeting of Affected Creditors was duly called, held and conducted in accordance with the CCAA and the orders of this Honourable Court in these proceedings.

Plan Sanction

4. **THIS COURT ORDERS AND DECLARES** that:

- (a) the Plan has been approved by the requisite majorities of Affected Creditors of the Applicant in conformity with the CCAA;

- (b) the Applicant has complied with the provisions of the CCAA and the orders of this Honourable Court made in these proceedings in all respects;
- (c) this Honourable Court is satisfied that the Applicant has not done nor purported to do anything that is not authorized by the CCAA; and
- (d) the Plan and the transactions contemplated thereby are fair and reasonable.

5. **THIS COURT ORDERS** that the Plan (including, without limitation, the compromises, arrangements and releases set out therein) is hereby sanctioned and approved pursuant to section 6 of the CCAA and, on the Effective Date, shall be effective and shall enure to the benefit of and be binding upon the Applicant, the Affected Creditors and all other Persons.

Plan Implementation

6. **THIS COURT ORDERS** that the Applicant is hereby authorized and directed to take all steps and actions necessary or appropriate (as determined by the Applicant) to implement the Plan and the transactions contemplated thereby in accordance with and subject to its terms and such steps and actions are hereby approved.

7. **THIS COURT ORDERS** that, upon the satisfaction (or, where applicable, waiver) of the conditions set out in section 7.6 of the Plan, the Monitor shall file this Honourable Court a certificate that states that all conditions precedent set out in section 7.6 of the Plan have been satisfied (or, where applicable, waived pursuant to section 7.7).

Effect of Plan Implementation

Claims

8. **THIS COURT ORDERS** that, upon the Effective Date, each Claim, other than Unaffected Claims, shall be settled, compromised, and released in accordance with the Plan, and the ability of the holder of an Affected Claim to proceed against the Applicant or the Property (as defined in the Initial Order) in respect of an Affected Claim shall be forever discharged, released and restrained, and all proceedings with respect to, in connection with, or relating to such Affected Claims are hereby permanently stayed, subject only to the right of the holder of an Affected Claim to receive distributions in accordance with the Plan.

9. **THIS COURT ORDERS AND DECLARES** that all Proven Claims determined in accordance with the Claims Procedure and Meeting Order are final and binding on the Applicant and all Affected Creditors.

10. **THIS COURT ORDERS** that, without limiting the Claims Procedure and Meeting Order, a Creditor (other than a known Affected Creditor) that did not file a Proof of Claim in accordance with the provisions of the Claims Procedure and Meeting Order, whether or not it received notice of the Claims Procedure, shall be and is hereby forever barred from making any Claim (other than an Unaffected Claim) against the Applicant or the Property and shall not be entitled to any distribution under the Plan, and that such Claim is forever extinguished. Any Affected Claims of any other Person that have not been asserted in accordance with the Claims Procedure and Meeting Order, including, without limitation, the Affected Claims of any Known Affected Creditor that have not been indicated in a Notice of Claim or Notice of Dispute, if filed,

or Affected Claims of any other Creditor not set out in a Proof of Claim, as applicable, shall be and are hereby forever barred and extinguished and such Person shall not be entitled to any distribution under the Plan in respect of such Affected Claims.

Role of the Monitor

11. **THIS COURT ORDERS** that the activities and conduct of the Monitor in relation to the Applicant be and they are hereby ratified and approved.

12. **THIS COURT ORDERS** that all claims of any Person (other than the Applicant) whether such claims are direct, indirect, derivative or otherwise, against the Monitor arising from or relating to the services provided to the Applicant prior to the date of this Order shall be and are hereby forever barred from enforcement and extinguished.

13. **THIS COURT ORDERS** that notwithstanding any other terms of this Order or of the Plan, the appointment of A. Farber & Partners Inc. as Monitor pursuant to the terms of the Initial Order shall not expire or terminate on the Effective Date and shall continue for the purposes of the following:

- (a) the completion by the Monitor of all of its duties in connection with the disbursement by the Applicant of the Affected Creditors' Distribution Pool; and
- (b) the completion by the Monitor of all other matters carried out consistent with the terms of the Plan.

14. **THIS COURT ORDERS** that the Monitor shall be discharged of its duties and obligations pursuant to the Plan, this Order, the Initial Order and other orders made in these

CCAA proceedings from time to time, upon the filing with this Honourable Court of a certificate of the Monitor certifying that the matters set out in paragraph 13 above are completed to the best of the Monitor's knowledge.

Charges

15. **THIS COURT ORDERS** that, on the Effective Date, all charges against the Applicant or the Property created by the Initial Order shall be terminated, discharged and released.

16. **THIS COURT ORDERS AND DECLARES** that, notwithstanding any of the terms of the Plan or this Order, the Applicant shall not be released or discharged from its obligations to pay the fees and expenses of the Monitor, the Monitor's counsel or the Applicant's counsel.

Releases

17. **THIS COURT ORDERS** that, upon implementation of the Plan on the Effective Date, the following Persons (each, a "Released Party"): (i) except in respect of the amount owing by Cantar Pool Products Corporation to Cantar, the Related Entities and their respective various legal counsel and financial advisors; (ii) the Monitor and its legal counsel in the CCAA proceedings; (iii) present and former directors, officers and employees of any of the Related Entities in such capacities; and (iv) any Person claimed to be liable derivatively through any or all of the foregoing Persons, shall be released and discharged from any and all demands, claims, actions, causes of action, counterclaims, suits, debts, sums of money, accounts, covenants, damages, judgments, expenses, executions, liens and other recoveries on account of any liability, obligation, demand or cause of action of whatever nature which any Person may be entitled to

assert, including, without limitation, any and all Claims in respect of statutory liabilities of present and former directors, officers, and employees of any of the Related Entities, and any alleged fiduciary or other duty, whether known or unknown, matured or unmatured, foreseen or unforeseen, existing or hereafter arising, based in whole or in part on any act or omission, transaction, duty, responsibility, indebtedness, liability, obligation, dealing or other occurrence existing or taking place on or prior to the Effective Date in any way relating to, arising out of or in connection with Claims, the business and affairs of the Related Entities, this Plan and the CCAA proceedings to the full extent permitted by law, and all claims arising out of such actions or omissions shall be forever waived and released (other than the right to enforce Cantar's obligations under the Plan or any related document), provided that nothing herein:

- (a) shall release or discharge a Released Party from an Unaffected Claim or shall release or discharge the Applicant from or in respect of its obligations under the Plan;
- (b) shall affect the right of any Person:
 - (i) to recover indemnity from any insurance coverage under which that Person is an insured, or
 - (ii) to obtain recovery on a Claim against a Released Party from any insurance coverage pursuant to which that Released Party is an insured, but for certainty, any Claim to which an insurer is or would otherwise be subrogated is released hereunder and the recovery to which such Person shall be entitled shall be limited to the proceeds of insurance actually paid by the insurer with respect to the Claim; or

- (c) shall release or discharge present or former directors of any of the Related Entities with respect to matters set out in section 5.1(2) of the CCAA

and provided further, however, that, notwithstanding the foregoing releases, any Claim shall remain subject to any right of set-off that otherwise would be available to the Person against whom such Claim is asserted.

18. **THIS COURT ORDERS** that the prosecution, whether directly, derivatively or otherwise, of any claim, obligation, suit, judgment, damage, demand, debt, right, cause of action, liability or interest, including, without limitation, any Affected Claim released, discharged or terminated pursuant to the Plan, is hereby enjoined and prohibited.

Extension of Stay Period

19. **THIS COURT ORDERS** that the Stay Period (as defined in paragraph 15 of the Initial Order) is hereby extended until the earlier of the Effective Date and February 15, 2007.

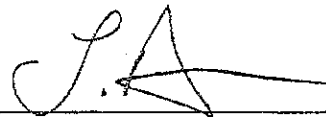
20. **THIS COURT ORDERS** that except to extent that the Initial Order has been varied by or is inconsistent with this Order or any further order in these proceedings, the provisions of the Initial Order shall remain in full force and effect until the earlier of the Effective Date and February 15, 2007.

21. **THIS COURT ORDERS** that all other orders made in these CCAA proceedings shall continue in full force and effect in accordance with their respective terms, except to the extent that such orders are varied or are inconsistent with this Order or any further order of this Honourable Court.

Other Provisions

22. **THIS COURT ORDERS** that each of the Applicant and the Monitor may apply to this Honourable Court for such further advice, directions or assistance as may be necessary to give effect to the terms of the Plan.


23. **THIS COURT ORDERS AND REQUESTS** the aid and recognition of any court or any judicial, regulatory or administrative body in any province or territory of Canada (including, without limitation, the assistance of any court in Canada pursuant to section 17 of the CCAA) and the Federal Court of Canada and any judicial, regulatory or administrative tribunal or other court or any judicial, regulatory or administrative body of the United States of America and of any other nation or state to act in aid of and to be complementary to this Court in carrying out the terms of this Order.



Joseph Doria
Registrar, Superior Court of Justice

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

JAN 18 2007

PER/PAR: 

SCHEDULE "A"

PLAN

**AMENDED
PLAN OF COMPROMISE OR ARRANGEMENT**

PURSUANT TO THE
COMPANIES' CREDITORS ARRANGEMENT ACT
R.S.C. 1985, c. C-36, AS AMENDED

IN RESPECT OF

CANTAR POOL PRODUCTS LIMITED/PRODUITS DE PISCINES CANTAR LIMITÉE

November 23, 2006

PLAN OF COMPROMISE OR ARRANGEMENT

ARTICLE 1 INTERPRETATION

1.1 Definitions

In this Plan, unless otherwise stated or the context otherwise requires:

"Affected Claim" means any Claim except for an Unaffected Claim;

"Affected Creditor" means any Creditor with an Affected Claim, but only with respect to and to the extent of such Affected Claim;

"Affected Creditors Class" means the class of Affected Creditors entitled to vote on this Plan at the Creditors' Meeting;

"Affected Creditors' Distribution Pool" means the cash pool from which distributions are to be made to Affected Creditors with Proven Claims pursuant to this Plan, as more particularly described in Article 5 hereof;

"Affiliate" means any affiliated body corporate, as that term is defined in the OBCA;

"Business Day" means a day, other than Saturday, Sunday or a statutory holiday, on which banks are generally open for business in Toronto, Ontario;

"Cantar" means Cantar Pool Products Limited/Produits de Piscines Cantar Limitée;

"CCAA" means the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36;

"CCAA Proceedings" means the proceedings commenced by Cantar under the CCAA pursuant to the Initial Order;

"Claim" means any right or claim of any Person that may be made in whole or in part against Cantar, whether or not asserted, in connection with any indebtedness, liability or obligation of any kind, which indebtedness, liability or obligation is in existence or which is based on an event, act or omission which occurred in whole or in part prior to the Commencement Date or arising after the Commencement Date as a result of or in connection with the repudiation of any Contract and any interest that may accrue thereon up to the Commencement Date (or to the date of the repudiation of such Contract, where applicable) for which there is an obligation to pay, and amounts which such Person would be entitled to receive, pursuant to the terms of any Contract with such Person at law or in equity, by reason of the commission of a tort (intentional or unintentional), any breach of duty (including, without limitation, any legal, statutory, equitable or fiduciary duty), any right of ownership of or title to property or assets or to a trust or deemed trust (statutory, express, implied, resulting, constructive or otherwise) or for any other reason whatsoever against any property

or assets, whether or not reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, perfected, unperfected, present, future, known, or unknown, by guarantee, surety or otherwise, and whether or not such right is executory or anticipatory in nature, or any right or ability of any Person to advance a claim for contribution or indemnity or otherwise with respect to any matter, action, cause or chose in action, whether existing at present or commenced in the future, based in whole or in part on facts which existed prior to the Commencement Date (or to the date of the repudiation of such Contract, where applicable), together with any other rights or claims not referred to above that, in whole or part, would have been claims provable in bankruptcy had Cantar become bankrupt at the Commencement Date (or the date of the repudiation of such Contract, if applicable), together with any other rights or claims, whether or not asserted, made after the Commencement Date in any way, directly or indirectly related to any action taken or power exercised prior to the Commencement Date;

"Claims Bar Date" means 5:00 p.m. (Toronto time) on December 21, 2006;

"Claims Procedure" means the claims procedure set out in the Claims Procedure and Meeting Order and in the schedules and appendix thereto;

"Claims Procedure and Meeting Order" means the Order of the Court dated November 16, 2006 setting out the Claims Procedure and calling the Creditors' Meeting to consider and vote on this Plan and setting out, *inter alia*, the voting process for the Affected Creditors;

"Commencement Date" means October 17, 2006, being the date that the Initial Order was issued by the Court pursuant to the CCAA;

"Confirmation Date" means the date that the Sanction Order is made;

"Contract" means any contract, agreement, lease (including any lease of personal, real, movable or immovable property), permit, license or arrangement;

"Court" means the Ontario Superior Court of Justice (Commercial List);

"CRA" means Canada Revenue Agency;

"Creditor" means any Person having a Claim and may, where the context requires, include the assignee of a Claim or a trustee, interim receiver, receiver, receiver and manager, liquidator or other Person acting on behalf of such Person;

"Creditors' Meeting" means the meeting of the Affected Creditors called for the purpose of considering and approving this Plan and includes any adjournment of such meeting;

"Disputed Claim" of a Creditor means the amount of the Claim of such Creditor which has not been finally determined as a Proven Claim at or before the Creditors' Meeting in accordance with the Claims Procedure or by the time distributions take place in accordance with this Plan, but that has not been extinguished or barred pursuant to the Claims Procedure;

"Distribution Assets" means Cantar's remaining cash, inventory, equipment, tax refunds and receivables arising from sales of inventory, real property (including the VTB Mortgage) and equipment after the Commencement Date;

"Effective Date" means the Business Day on which this Plan becomes effective, which shall be the Business Day on which the Monitor has filed with the Court a certificate pursuant to Section 7.8 confirming that all conditions to implementation of this Plan as set forth in Section 7.6 have been satisfied or, where applicable, waived, as provided in Section 7.7;

"Election to Reduce Claim" means the form of election attached as Appendix 1 to this Plan;

"Initial Order" means the Order made by the Court pursuant to the CCAA on October 17, 2006 in respect of Cantar;

"Inspectors" means the inspectors appointed pursuant to Section 5.6 to consider and, if deemed appropriate, approve any final agreement or arrangement to monetize the VTB Mortgage in accordance with Section 5.5;

"Intercompany Claim" means any Claim of an Affiliate of Cantar, including, without limitation, any and all Claims of Polyair Inter Pack Inc. and Polyair Canada Limited;

"Known Affected Creditor" means an Affected Creditor whose Affected Claim is identified in Cantar's books and records on the Commencement Date and to whom the Monitor sent a Notice of Claim in accordance with the Claims Procedure and Meeting Order;

"LaSalle Group Lenders" means, collectively, (a) LaSalle Business Credit LLC, as agent for the U.S. lenders (collectively the "U.S. Lenders") and the Canadian lender (the "Canadian Lender") to Cantar and its affiliates, (b) the U.S. Lenders and (c) the Canadian Lender;

"Monitor" means A. Farber & Partners Inc., in its capacity as Monitor of Cantar, as appointed by the Initial Order, and any successor thereto appointed by any further Order;

"Notice of Claim" shall have the meaning ascribed to it in the Claims Procedure;

"Notice of Dispute" shall have the meaning ascribed to it in the Claims Procedure;

"OBCA" means the *Business Corporations Act*, Ontario, R.S.O. 1990 c. B. 16;

"Order" means any order of the Court made in connection with the CCAA Proceedings;

"Person" means any individual, firm, corporation, limited or unlimited liability company, general or limited partnership, association, trust, unincorporated organization, joint venture, government or any agency, officer or instrumentality thereof or any other entity, wherever situate or domiciled;

"Plan" means this Plan of Compromise or Arrangement filed by Cantar under the CCAA, as such Plan may be amended, varied or supplemented by Cantar from time to time in accordance with the terms hereof and the Claims Procedure and Meeting Order;

"Proof of Claim" means a proof of claim of an Affected Creditor (other than a Known Affected Creditor) delivered in accordance with the Claims Procedure;

"Proven Claim" of a Creditor means the amount of the Affected Claim of such Creditor as finally determined and accepted for voting and distribution purposes in accordance with the Claims Procedure;

"Related Entities" means Cantar and each and every one of its Affiliates wherever situated, including, without limitation, Polyair Inter Pack, Inc., Polyair Crosslinked Technologies, Inc. FXL Crosslinked Foam Corporation, Polyair Investments Inc., P.S.C. Moulding Corp., GPCP, Inc., Cantar/Polyair Corporation, Foam In Place Co. Ltd., Performa Corp., C/P International Corp. Inc., Cantar Pool Products Corporation, Polyair Canada Limited, Mabex Universal Corporation, Polyair MachTech, Inc. and Faircove Investments Inc.;

"Required Majorities" means a majority in number of Affected Creditors with Proven Claims (and, if applicable, Disputed Claims) representing two-thirds in value of such Affected Creditors' Proven Claims (and, if applicable, Disputed Claims) with respect to the Affected Creditors Class, in each case present and voting in person or by proxy at the Creditors' Meeting;

"Sanction Order" means the Order of the Court sanctioning and approving this Plan in a form and substance satisfactory to Cantar;

"Secured Claim" means: (i) Claims of Her Majesty the Queen in Right of Canada or of any Province or Territory or any other taxation authority for: (a) any statutory deemed trust amounts which are required to be deducted from employees' wages, including amounts in respect of employment insurance, Canada Pension Plan, Quebec Pension Plan and income taxes; and (b) goods and services or other applicable sales taxes accruing from and after the Commencement Date payable by Cantar or its customers in connection with the sale of goods and services by Cantar to such customers; and (ii) any Claim or portion thereof which is secured by a validly attached and existing security interest on the property of Cantar which was duly and properly perfected under the *Personal Property Security Act* (Ontario) at the Commencement Date, to the extent, and only to the extent, of the lesser of: (a) the amount of such Claim as agreed to by Cantar or as finally determined by a court of competent jurisdiction, and (b) the realizable value of the remaining property of Cantar subject to such security interest having regard to, among other things, the priority of such security;

"Tax" or "Taxes" shall mean any and all federal, provincial, municipal, local and foreign taxes, assessments, reassessments and other governmental charges, duties, impositions and liabilities including for greater certainty taxes based upon or measured by reference to gross receipts, income, profits, sales, capital, use and occupation, goods and services, and value added, *ad valorem*, transfer, franchise, withholding, custom duties, payroll, recapture, employment, excise and property taxes, together with all interest, penalties, fines and additions with respect to such amounts;

"Unaffected Claim" means only the following Claims and such other Claims as may be designated in this Plan (or any amendments thereto) as not being affected by this Plan and

which are listed in the books and records of Cantar or of which Cantar and the Monitor have received actual notice:

- (i) claims for amounts due for goods or services actually supplied to Cantar after the Commencement Date;
- (ii) Secured Claims (but for greater certainty, excluding any Claim or portion thereof of a Creditor in respect of which the Creditor holds or claims to hold security but such Claim or portion thereof does not constitute a Secured Claim as defined herein);
- (iii) Claims of the Monitor and its counsel, and Claims of Cantar's counsel and financial advisors;
- (iv) Claims of the LaSalle Group Lenders; and
- (v) Intercompany Claims.

"Unaffected Creditor" means a Creditor who has an Unaffected Claim, but only in respect of and to the extent of such Unaffected Claim;

"VTB Mortgage" means the charge/mortgage in the principal amount of \$1.6 million registered on October 24, 2006 in favour of Cantar as mortgagee against property situated at 330 Humberline Drive, Toronto, Ontario.

1.2 Interpretation, etc.

For purposes of this Plan:

- (a) any reference to a contract, instrument, release, indenture, or other agreement or document as being in a particular form or on particular terms and conditions means that such document shall be substantially in such form or substantially on such terms and conditions;
- (b) any reference to an Order or to an existing document or exhibit filed or to be filed means such Order, document or exhibit as it may have been or may be amended, modified or supplemented from time to time;
- (c) any reference to a statute includes all regulations made thereunder and all amendments to such statute or regulations in force from time to time;
- (d) the division of this Plan into Articles and Sections and the use of headings are for convenience of reference only and do not affect the construction or interpretation of this Plan;
- (e) the words "hereunder", "hereof", "hereto" and similar expressions refer to this Plan and not to any particular Article or Section and references to "Articles" or "Sections" are to Articles and Sections of this Plan;

- (f) captions and headings to Articles and Sections are inserted for convenience of reference only and are not intended to be a part of or to affect the interpretation of this Plan;
- (g) where the context requires, a word or words importing the singular shall include the plural and vice versa; and a word or words importing the masculine gender shall include the feminine and neuter genders and vice versa;
- (h) the words "includes" and "including" are not limiting;
- (i) the phrase "may not" is prohibitive and not permissive; and
- (j) the word "or" is not exclusive.

1.3 Date for any Action

In the event that any date on which any action is required to be taken under this Plan by any of the parties is not a Business Day, that action shall be required to be taken by 5:00 p.m. on the next succeeding day which is a Business Day.

1.4 Time

All times expressed in this Plan are local time Toronto, Ontario, Canada unless otherwise stipulated.

ARTICLE 2 PURPOSE

2.1 Purpose

The purpose of this Plan is to effect a compromise of all Claims against Cantar other than Unaffected Claims, and to provide for the orderly and timely distribution of the proceeds of the Distribution Assets, in the expectation that all Persons with an interest in Cantar will derive a greater benefit from the provisions of this Plan than would otherwise result in the context of a bankruptcy of Cantar.

2.2 Affected Claims

This Plan will be implemented under the CCAA and will become effective and binding on and after the Effective Date, and shall be binding on Cantar and all Persons with Affected Claims, and their respective heirs, administrators, executors, legal personal representatives, successors, and assigns.

2.3 Unaffected Claims

This Plan does not affect Unaffected Creditors with respect to and to the extent of their Unaffected Claims. Nothing in this Plan shall affect anyone's rights and defenses, both legal and equitable, with respect to any Unaffected Claims, including, but not limited to, all rights with respect

to legal and equitable defences or entitlements to set-offs or recoupments against such Unaffected Claims.

ARTICLE 3 CREDITORS AND CLAIMS

3.1 Classification of Creditors

For the purposes of receiving distributions or other treatment under the Plan, there shall be one class of Affected Creditors, being the Affected Creditors Class.

3.2 Different Capacities

Persons who are affected by this Plan may be affected in more than one capacity. Unless expressly provided herein to the contrary, a Person will be entitled to participate hereunder in each such capacity. Any action taken by a Person in one capacity will not affect such Person in any other capacity, unless expressly agreed by the Person in writing or unless its Claims overlap or are otherwise duplicative.

3.3 Creditors' Meeting

The Creditors' Meeting shall be held in accordance with this Plan.

3.4 Approval by Creditors

Cantar will seek approval of this Plan by the affirmative vote of the Required Majorities of Creditors in the Affected Creditors Class, in order that, subject to the sanctioning of this Plan pursuant to the CCAA and the terms hereof, this Plan becomes binding on Cantar and all Persons with Affected Claims as of the Effective Date.

3.5 Unaffected Claims

Any Creditor with an Unaffected Claim shall not be entitled to vote at the Creditors' Meeting nor to receive any distributions under this Plan in respect of such Unaffected Claim.

3.6 Crown Priority Claims

Within six months after the Confirmation Date, Cantar shall pay in full to Her Majesty in Right of Canada or of a province all amounts of a kind that could be subject to a demand under subsection 224(1.2) of the *Income Tax Act* (Canada) or under any substantially similar provision of any provincial legislation and that were outstanding on the Commencement Date.

ARTICLE 4 TREATMENT OF AND DISTRIBUTIONS TO AFFECTED CREDITORS

For purposes of this Plan, Affected Creditors shall receive the treatment provided in this Article on account of their Affected Claims in full and final satisfaction of their Affected Claims.

4.1 Distribution

All Affected Creditors shall constitute a single class under the Plan for all purposes and, subject to Section 7.6 and Section 7.7, shall be treated as follows:

- (a) Each Affected Creditor who, on the Effective Date, holds Affected Claims in an aggregate amount of \$5,000 or less or an Affected Creditor who, on the Effective Date, holds Affected Claims in an aggregate amount in excess of \$5,000 and who, by providing an Election to Reduce Claim to the Monitor on or before the Claims Bar Date, reduced the aggregate amount of all such Person's Affected Claims to \$5,000, in either case, will receive in respect of its Proven Claims, within 6 months of the Effective Date, in full and final satisfaction of its Affected Claims, an amount from the Affected Creditors Distribution Pool (subject to the reserves set out in Sections 5.1(b)(i), (ii), (iii) and (iv)) equivalent to 25% of the lessor of:
- (i) \$5,000; and
 - (ii) the aggregate amount of such Affected Creditor's Proven Claims.

A Person who receives payment in accordance with this Section 4.1(a) shall not be entitled to any other payment or consideration with respect to such Person's Affected Claims and such Person's Affected Claims shall be discharged and extinguished on the Effective Date, and thereafter, the only obligation of Cantar in respect of such Affected Claims of such Person shall be to make the payment set out above in this Section 4.1(a); and

- (b) Each Affected Creditor who, on the Effective Date, holds Affected Claims in an aggregate amount in excess of \$5,000 and who does not provide the Monitor with an Election to Reduce Claim prior to the Claims Bar Date will receive, in full and final satisfaction of its Affected Claims, payment of its *pro rata* share of the Affected Creditors' Distribution Pool in respect of its Proven Claims in accordance with Article 5 hereof.

4.2 Value of Claims for Distribution Purposes

The value of a Proven Claim for distribution purposes shall be determined in accordance with the provisions of the Claims Procedure.

4.3 Loss of Right to Receive Distributions

Any Creditor (other than a Known Affected Creditor) who has not submitted a Proof of Claim in respect of an Affected Claim prior to the Claims Bar Date shall not be entitled to receive any distributions under this Plan in respect of such unsubmitted Affected Claim and on the Effective Date, such Affected Claims of such Creditor shall be released and discharged pursuant to the terms of this Plan and the Claims Procedure and Meeting Order, and any such Creditor shall have no recourse thereafter in respect thereof. Any Known Affected Creditor that has been sent a Notice of Claim and that has not submitted a Notice of Dispute in accordance with the Claims Procedure shall be entitled to receive distributions under this Plan only in respect of its Affected Claims as set out in the Notice of Claim and the balance of its Affected

Claims, if any, shall be released and discharged pursuant to the terms of this Plan and the Claims Procedure and Meeting Order, and any such Creditor shall have no recourse thereafter in respect thereof.

4.4 Interest on Claims

Interest shall not accrue or be paid on any Affected Claims after the Commencement Date, and holders of Affected Claims shall only be entitled to interest accruing on or before the Commencement Date on any such Affected Claims. All Claims in respect of interest on Affected Claims after the Commencement Date shall be discharged and extinguished on the Effective Date.

4.5 Distributions by Cantar

Cantar shall make all distributions required under this Plan (subject to the provisions of Article 3 and Article 4), provided however, that it is expected the Monitor will provide Cantar with any administrative assistance it requires with respect to such distributions, including, without limitation, the sending of the physical distributions to holders of Proven Claims from the Affected Creditors' Distribution Pool.

4.6 Delivery of Distributions

Distributions to holders of Proven Claims who are entitled to receive distributions pursuant to this Plan shall be made by cheque sent by prepaid ordinary mail by or on behalf of Cantar: (i) to the address set forth in Cantar's records for Known Affected Creditors or on the Proof of Claim filed by other Affected Creditors with Proven Claims, or (ii) to the addresses set forth in any written notices of address change delivered to Cantar and the Monitor after the date of any related Notice of Claim or Proof of Claim, as applicable. If any Affected Creditor's distribution is returned as undeliverable, no further distributions to such Affected Creditor shall be made unless and until Cantar and the Monitor are notified of such Affected Creditor's then current address, at which time all missed distributions shall be made to such Affected Creditor without interest. All claims for undeliverable distributions in respect of Proven Claims must be made on or before the expiration of twelve (12) months following the Effective Date, after which date the Proven Claim of any Affected Creditor or successor of such Affected Creditor with respect to such unclaimed distributions shall be discharged and forever barred, notwithstanding any federal or provincial laws to the contrary, and any such undeliverable distributions shall be returned to Cantar. Any such returned undeliverable distributions may be used for the purpose of making further distributions in accordance with Section 5.1 from time to time if Cantar and the Monitor deem it economically feasible to do so. Nothing contained in this Plan shall require Cantar or the Monitor to attempt to locate any holder of a Proven Claim.

Where a Creditor transfers or assigns ownership of any Proven Claim or part thereof after the Creditors' Meeting, Cantar shall not be obliged to pay monies to any such transferee or otherwise deal with such transferee in respect thereof unless and until actual notice of the transfer or assignment, together with satisfactory evidence of such transfer or assignment, have been received by Cantar and the Monitor by 5:00 p.m. (Toronto time) five Business Days immediately prior to the day on which the first distribution to Creditors with Proven Claims is made. Thereafter, such transferee or assignee shall, for all purposes in accordance with the Claims Procedure constitute a

Creditor with a Proven Claim in respect of such Claim as a whole, and shall be bound by notices given and steps in respect of such Proven Claim.

4.7 Withholding and Reporting Requirements

In connection with this Plan and all distributions hereunder, Cantar shall, to the extent applicable, comply with all tax withholding and reporting requirements imposed by any federal or provincial taxing authority, with respect to distributions hereunder, if any. Cantar shall be authorized to take any and all actions that may be necessary or appropriate to comply with such withholding and reporting requirements. Notwithstanding any other provision of this Plan: (i) each holder of a Proven Claim that is to receive a distribution pursuant to this Plan shall have sole and exclusive responsibility for the satisfaction and payment of any Tax obligations imposed by any governmental authority, including income, withholding and other Tax obligations, on account of such distribution, and (ii) no distribution shall be made to or on behalf of such holder pursuant to this Plan unless and until such holder has made, arrangements satisfactory to Cantar and the Monitor for the payment and satisfaction of such Tax obligations. Any distributions to be distributed pursuant to this Plan shall, pending the implementation of such arrangements, be treated as an undeliverable distribution pursuant to Section 4.7. It is Cantar's intent that distributions under this Plan to holders of Proven Claims are in respect of, and to be applied to, principal first and then interest.

ARTICLE 5
PAYMENT OF DISTRIBUTIONS TO CREDITORS

5.1 Composition and Distribution of Affected Creditors' Distribution Pool

Subject to Section 7.6 and Section 7.7, Cantar shall distribute from time to time in accordance with the provisions of this Plan to each holder of a Proven Claim with aggregate Affected Claims exceeding \$5,000 who has not filed an Election to Reduce Claim with the Monitor in accordance with this Plan, its *pro rata* share of the remaining Affected Creditors' Distribution Pool which shall comprise:

- (a) the aggregate of cash and cash equivalents on hand as at the date of such distribution, resulting from the realization of the Distribution Assets;

less:

- (b) the aggregate of the following amounts:
 - (i) the amount owing in respect of the Claims of the LaSalle Group Lenders, or such lesser amount in respect thereof as the LaSalle Group Lenders may agree;
 - (ii) the amount owing to the holders of Secured Claims with valid and enforceable security over the Distribution Assets as may be reduced from time to time by agreement of the holders of such Secured Claims;
 - (iii) a reasonable reserve, in an amount determined by Cantar and the Monitor, on account of costs and expenses to be incurred by Cantar or the Monitor in carrying out the provisions of this Plan and the Sanction Order, including, without limitation, the fees and disbursements of the Monitor and its counsel and Cantar's counsel and financial advisors;
 - (iv) a reasonable reserve, in an amount to be determined by Cantar and the Monitor, on account of goods or services actually supplied to Cantar after the Commencement Date; and
 - (v) the amount to be distributed pursuant to Section 4.1(a) to Affected Creditors with aggregate Affected Claims of \$5,000 or less and to Affected Creditors with Affected Claims exceeding \$5,000 who have filed a Notice of Election with the Monitor pursuant to Section 4.1(a) which, for greater certainty, shall be paid out of the Affected Creditors' Distribution Pool only after sufficient funds have been reserved to pay the amounts set out in Sections 5.1(b)(i), (ii), (iii) and (iv) above.

Cantar will only make distributions from the Affected Creditors' Distribution Pool if the amount available to be distributed makes such distribution economically practical, as determined by Cantar,

acting reasonably and in consultation with the Monitor (having regard to, among any other considerations that Cantar or the Monitor considers appropriate, the amount of liquid funds available to be distributed, any reserves or prior claims, the number of Persons to whom the distribution is to be made and the time at which further funds are expected to become available for distribution), which determination will be final and non-reviewable.

5.2 Disputed Claims

In the case of any Disputed Claim that has not become a Proven Claim on the date of any distribution to Affected Creditors pursuant to this Plan, Cantar will reserve sufficient cash from the Affected Creditors' Distribution Pool to distribute to the Affected Creditor its pro-rata share in respect of such Disputed Claim in the event that such Disputed Claim becomes a Proven Claim. If the Disputed Claim becomes a Proven Claim in whole or in part in accordance with the Claims Procedure after the applicable distribution date, the cash reserved in respect of such Disputed Claim (or an appropriate portion thereof) will be distributed to such Affected Creditor. If the Disputed Claim is ultimately disallowed in whole or in part in accordance with the Claims Procedure after such distribution date, any cash reserved in respect of such Disputed Claim (or the appropriate portion thereof) will become available again for distribution from the Affected Creditors' Distribution Pool.

5.3 Condition re: Arrangements with Secured Creditors

This Plan shall only be implemented if the amount referred to in Section 5.1(b)(ii) is less than \$100,000 or if holders of Secured Claims otherwise agree to release their liens and security interests against the Distribution Assets or other arrangements to the extent necessary to permit payment under the Plan from the Affected Creditors' Distribution Pool of (i) the full amount payable in accordance with Section 4.1(a) of the Plan to Affected Creditors to which Section 4.1(a) applies, and (ii) a maximum of 25 cents for each dollar of Affected Claims not dealt with in Section 4.1(a), in accordance with Section 4.1(b).

5.4 Intercompany Claims

In order to maximize distributions to Affected Creditors of Cantar, Affiliates of Cantar have agreed to forego any distributions under this Plan in respect of their Claims against Cantar. Accordingly, no distributions shall be made pursuant to this Plan in respect of Intercompany Claims and all such Intercompany Claims shall be treated as Unaffected Claims and shall be fully preserved and not released, discharged nor extinguished pursuant to Section 6.1 hereof. Notwithstanding that Intercompany Claims are to be treated as Unaffected Claims pursuant to this Plan, since the purpose of such treatment of Intercompany Claims is to maximize distributions to Affected Creditors who are not Affiliates, Cantar and the Monitor shall not reserve any amount in respect of Intercompany Claims pursuant to Sections 5.1 or 5.2.

5.5 Monetization of VTB Mortgage

Cantar and the Monitor are authorized to enter into negotiations and arrangements to attempt to monetize the VTB Mortgage in order to attempt to provide more immediate recoveries to Creditors pursuant to this plan, provided that any final arrangement or agreement to monetize the VTB Mortgage must be approved by a majority of the Inspectors, failing which the VTB Mortgage

payments will be collected in the ordinary course pursuant to the terms of the VTB Mortgage by Cantar and the Monitor. All proceeds (net of reasonable legal and professional fees and costs) resulting from the monetization of the VTB Mortgage (if approved by the Inspectors), or otherwise collected under the VTB Mortgage pursuant to its terms if such monetization does not occur, shall form part of the Affected Creditors' Distribution Pool, subject to the reserves set out in Section 5.1(b) of this plan.

5.6 Appointment of Inspectors

Up to five Inspectors, who need not be Affected Creditors (but who agree to act as such), shall be appointed by simple majority vote (according to amount of Affected Claims) at the Creditors' Meeting of Affected Creditors present at the Creditors' Meeting in person or by proxy. The Inspectors shall be authorized to consider and approve or reject any final arrangement or agreement in respect of monetization of the VTB Mortgage in accordance with Section 5.5. The Inspectors shall have no other power or authority with respect to any other matter unless they are specifically asked by the Monitor to assist with such other matter or matters. Cantar and the Monitor shall be entitled to rely upon the decision of a majority in number of the Inspectors with respect to approval or rejection of any arrangement or agreement with respect to monetization of the VTB Mortgage and neither Cantar nor the Monitor nor their respective legal counsel shall have any liability for acting in accordance with the decision of the Inspectors in respect thereof.

ARTICLE 6 RELEASES AND EXTINGUISHMENT OF CLAIMS

6.1 Plan Releases

Upon the implementation of this Plan on the Effective Date, the following Persons (being herein referred to individually as a "Released Party"): (i) except in respect of the amount owing by Cantar Pool Products Corporation to Cantar, the Related Entities and their respective various legal counsel and financial advisors; (ii) the Monitor and its legal counsel in the CCAA Proceedings; (iii) present and former directors, officers and employees of any of the Related Entities in such capacities; and (iv) any Person claimed to be liable derivatively through any or all of the foregoing Persons; shall be released and discharged from any and all demands, claims, actions, causes of action, counterclaims, suits, debts, sums of money, accounts, covenants, damages, judgments, expenses, executions, liens and other recoveries on account of any liability, obligation, demand or cause of action of whatever nature which any Person may be entitled to assert, including without limitation, any and all Claims in respect of statutory liabilities of present and former directors, officers and employees of any of the Related Entities, and any alleged fiduciary or other duty, whether known or unknown, matured or unmatured, foreseen or unforeseen, existing or hereafter arising, based in whole or in part on any act or omission, transaction, duty, responsibility, indebtedness, liability, obligation, dealing or other occurrence existing or taking place on or prior to the Effective Date in any way relating to, arising out of or in connection with Claims, the business and affairs of the Related Entities, this Plan and the CCAA Proceedings to the full extent permitted by law, and all claims arising out of such actions or omissions shall be forever waived and released (other than the right to enforce Cantar's obligations under the Plan or any related document), provided that nothing herein:

- (a) shall release or discharge a Released Party from an Unaffected Claim or shall release or discharge Cantar from or in respect of its obligations under this Plan;
- (b) shall affect the right of any Person:
 - (i) to recover indemnity from any insurance coverage under which that Person is an insured, or
 - (ii) to obtain recovery on a Claim against a Released Party from any insurance coverage pursuant to which that Released Party is an insured, but, for certainty, any Claim to which an insurer is or would otherwise be subrogated is released hereunder and the recovery to which such Person shall be entitled shall be limited to the proceeds of insurance actually paid by the insurer with respect to the Claim; or
- (c) shall release or discharge present or former directors of any of the Related Entities with respect to matters set out in section 5.1(2) of the CCAA;

and provided further, however, that, notwithstanding the foregoing releases under the Plan, any Claim shall remain subject to any right of set-off that otherwise would be available to the Person against whom such Claim is asserted.

6.2 Injunction Related to Releases

The Sanction Order will enjoin the prosecution, whether directly, derivatively or otherwise, of any claim, obligation, suit, judgment, damage, demand, debt, right, cause of action, liability or interest, including, without limitation, any Affected Claim released, discharged or terminated pursuant to this Plan.

6.3 Extinguishment of Claims

As and from the Effective Date, the treatment of Affected Claims under this Plan shall be final and binding on all Persons affected by this Plan (and their respective heirs, executors, administrators, legal personal representatives, successors and assigns), and, upon implementation of this Plan on the Effective Date, all Affected Claims shall be forever discharged and released, excepting only the obligations to make distributions in respect of such Affected Claims in the manner and to the extent provided for in this Plan.

ARTICLE 7 MISCELLANEOUS

7.1 Confirmation of Plan

- (a) provided that this Plan is approved by the Required Majorities of the Creditors with Proven Claims (and, if applicable, Disputed Claims), of the Affected Creditors Class, Cantar will seek the Sanction Order for the sanction and approval of this Plan; and

- (b) subject only to the satisfaction of those conditions precedent to the implementation of this Plan described in Section 7.6, as may be waived in accordance with Section 7.7, this Plan will be implemented by Cantar and will be binding upon Cantar in respect of all Affected Claims.

7.2 Paramourncy

Subject to the last sentence of this Section 7.2, from and after the Effective Date, any conflict between this Plan and the covenants, warranties, representations, terms, conditions, provisions or obligations, expressed or implied, of any contract, mortgage, security agreement, loan agreement, by-laws of Cantar, lease or other agreement, written or oral and any and all amendments or supplements thereto existing between one or more of the Creditors and Cantar as at the Effective Date will be deemed to be governed by the terms, conditions and provisions of this Plan and the Sanction Order, which shall take precedence and priority. All Affected Creditors shall be deemed to consent to all transactions and steps contemplated in this Plan.

7.3 Compromise Effective for all Purposes

The payment, compromise or other satisfaction of any Affected Claim under this Plan, if sanctioned and approved by the Court, shall be binding upon Affected Creditors, their heirs, executors, administrators, legal personal representatives, successors and assigns.

7.4 Modification of Plan

Cantar reserves the right, at any time and from time to time, but subject to the consent of the LaSalle Group Lenders (to the extent such amendment affects the LaSalle Group Lenders), to amend, modify and/or supplement this Plan, provided that any such amendment, modification or supplement must be contained in a written document which is filed with the Court and (i) if made prior to the Creditors' Meeting, communicated to the Affected Creditors at the Creditors' Meeting or as otherwise required by the Court (if so required); and (ii) if made following the Creditors' Meeting, approved by the Court.

Any amendment, modification, or supplement may be made following the Sanction Order by Cantar with the consent of the Monitor, provided that if it concerns a matter which, in the opinion of Cantar and the Monitor, acting reasonably, is of an administrative nature required to better give effect to the implementation of this Plan and the Sanction Order and is not adverse to the financial or economic interests of the Creditors; provided, however, that any such amendment, modification, or supplement must be filed with the Court within ten days after its implementation.

Any supplementary plan or plans of compromise or arrangement filed with the Court and, if required by this Section 7.4, approved by the Court, shall, for all purposes, be and be deemed to be a part of and incorporated in this Plan.

7.5 Consents, Waivers and Agreements

As at 12:01 a.m. on the Effective Date, each Affected Creditor shall be deemed to have consented and to have agreed to all of the provisions of this Plan as an entirety. In particular, each such Creditor shall be deemed:

- (a) to have executed and delivered to Cantar all consents, releases, assignments and waivers, statutory or otherwise, required to implement and carry out this Plan as an entirety;
- (b) to have waived any and all defaults then existing or previously committed by Cantar in any covenant, warranty, representation, term, provision, condition or obligation, expressed or implied, in any contract, agreement, mortgage, security agreement, indenture, trust indenture, loan agreement, commitment letter, agreement for sale, lease or other agreement, written or oral and any and all amendments or supplements thereto, existing between any such Creditor and Cantar and any and all notices of default and demands for payment under any instrument, including, without limitation any guarantee, shall be deemed to have been rescinded; and
- (c) to have agreed that, if there is any conflict between the provisions, express or implied, of any agreement or other arrangement, written or oral, existing between such Creditor and Cantar as at such time (other than those entered into by Cantar on, or with effect from, such time) and the provisions of this Plan, then the provisions of this Plan take precedence and priority and the provisions of such agreement or other arrangement are amended accordingly.

In this Plan, the deeming provisions are not rebuttable and are conclusive and irrevocable.

7.6 Conditions Precedent to Implementation of Plan

The implementation of this Plan is subject to the following conditions precedent, certain of which may be waived by Cantar in accordance with Section 7.7 hereof:

- (a) approval of this Plan by the Required Majorities of Affected Creditors;
- (b) all applicable governmental, regulatory and judicial consents, orders (including the Sanction Order) and any and all filings with all governmental authorities and other regulatory authorities having jurisdiction, in each case to the effect deemed necessary or desirable for the completion of the transactions contemplated by this Plan or any aspect thereof, shall have been obtained or received;
- (c) the aggregate of the amounts referred to in Section 5.1(b)(ii) hereof being less than \$100,000 or the holders of Secured Claims otherwise agreeing to such arrangements as are necessary to permit payment under the Plan from the Affected Creditors' Distribution Pool of (i) the full amount payable in accordance with Section 4.1(a) of the Plan to Affected Creditors to which Section 4.1(a) applies, and (ii) a maximum of 25 cents for each dollar of Affected Claims not dealt with in Section 4.1(a), in accordance with Section 4.1(b).
- (d) execution and delivery of all such agreements, resolutions, documents and other instruments which are necessary to be executed and delivered by Cantar to implement this Plan and perform Cantar's obligations hereunder; and

- (e) all documents, agreements, approvals, consents and releases necessary to give effect to all material provisions of this Plan shall have been executed and delivered by all relevant Persons in form and with content satisfactory to Cantar.

7.7 Waiver of Conditions

Each of the conditions set forth in Section 7.6 (except those provided for in Sections 7.6 (a) or (b)) may be waived in whole or in part by Cantar, without any other notice to parties in interest or the Court and without a hearing. The failure of Cantar to exercise any of the foregoing rights shall not be deemed a waiver of any other rights, and each such right shall be deemed an ongoing right that may be asserted at any time.

7.8 Monitor's Certificate

Upon the satisfaction (or, where applicable, waiver) of the conditions set out in Section 7.6 the Monitor shall file with the Court a certificate which states that all conditions precedent set out in Section 7.6 of this Plan have been satisfied (or, where applicable, waived pursuant to Section 7.7), and that the Effective Date has occurred. In so certifying that the conditions precedent set out in Section 7.6 of this Plan have been satisfied (or, where applicable, waived pursuant to Section 7.7), the Monitor shall be entitled to rely upon representations and confirmations from Cantar.

7.9 Notices

Any notices or communications to be made or given hereunder shall be in writing and shall refer to, this Plan and may, subject as hereinafter provided, be made or given by personal delivery, by courier, by prepaid ordinary mail or by telecopier addressed to the respective parties as follows:

(a) if to Cantar:

McCarthy Tétrault LLP
Suite 4700, Toronto Dominion Bank Tower
PO Box 48
Toronto, ON M5K 1E6

Attention: James D. Gage
Telephone: (416) 601-7539
Fax: (416) 868-0673
E-mail: jgage@mccarthy.ca

(b) if to a Creditor:

- (i) to the address for such Creditor specified in Cantar's records in the case of Known Affected Creditors or in the Proof of Claim filed by a Creditor or,
- (ii) at the address set forth in any written notice of address changes delivered to the Monitor after the date of delivery of any related Notice of Claim or Proof of Claim.

(c) if to the Monitor:

A. Farber & Partners Inc.
150 York Street
Suite 1600
Toronto, ON M5H 3S5

Attention: Paul Denton
Telephone: (416) 496-3773
Fax: (416) 496-3839
E-mail: pdenton@afarber.com

or to such other address as any party may from time to time notify the others in accordance with this Section 7.9. In the event of any strike, lock-out or other event which interrupts postal service in any part of Canada, all notices and communications during such interruption may only be given or made by personal delivery or by telecopier and any notice or other communication given or made by prepaid mail within the five (5) Business Day period immediately preceding the commencement of

such interruption, unless actually received, shall be deemed not to have been given or made. All such notices and communications shall be deemed to have been received, in the case of notice by telecopier or by delivery prior to 5:00 p.m. (local time) on a Business Day, at the time of delivery or, if delivered after 5:00 p.m. (local time) on a Business Day or at any time on a non-Business Day, on the next following Business Day and, in the case of notice mailed as aforesaid, on the fourth Business Day following the date on which such notice or other communication is mailed. The unintentional failure by Cantar to give notice contemplated hereunder to any particular Creditor shall not invalidate this Plan or any action taken by any Person pursuant to this Plan.

7.10 Severability of Plan Provisions

If, prior to the Confirmation Date, any term or provision of this Plan is held by the Court to be invalid, void or unenforceable, the Court, at the request of Cantar, shall have the power to either (i) sever such term or provision from the balance of this Plan and provide Cantar with the option to proceed with the implementation of the balance of this Plan as of and with effect from the Effective Date, or (ii) alter or interpret such term or provision to make it valid and enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to be invalid, void or unenforceable, and such term or provision shall then be applicable as altered or interpreted. Notwithstanding any such severing, holding, alteration or interpretation, and provided Cantar proceeds with the implementation of this Plan, the remainder of the terms and provisions of this Plan shall remain in full force and effect and shall in no way be affected, impaired or invalidated by such severing, holding, alteration or interpretation.

7.11 Revocation, Withdrawal, or Non-Consummation

Cantar reserves the right to revoke or withdraw this Plan at any time prior to the Confirmation Date or to file subsequent or amended plans of compromise or arrangement. If Cantar revokes or withdraws this Plan, or if the Sanction Order is not issued, (i) this Plan shall be null and void in all respects, (ii) any settlement or compromise embodied in this Plan (including the fixing or limiting to an amount certain any Claim or Claims), or any assumption, termination or repudiation of executory contracts or leases effected by this Plan, and any document or agreement executed pursuant to this Plan shall be deemed null and void, and (iii) nothing contained in this Plan, and no acts taken in preparation for consummation of this Plan, shall (a) constitute or be deemed to constitute a waiver or release of any Claims by or against Cantar or any other Person; (b) prejudice in any manner the rights of Cantar or any other Person in any further proceedings involving Cantar; or (c) constitute an admission of any sort Cantar or any other Person.

7.12 Further Assurances

Notwithstanding that the transactions and events set out in this Plan shall occur and be deemed to occur in the order set out herein without any additional act or formality, each of the Persons affected hereby shall make, do and execute, or cause to be made, done and executed at the cost of the requesting party, all such further acts, deeds, agreements, transfers, assurances, instruments or, documents as may reasonably be required by Cantar in order to better implement this Plan.

7.13 Governing Law

This Plan shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein. Any questions as to the interpretation or application of this Plan and all proceedings taken in connection with this Plan and its provisions shall be subject to the exclusive jurisdiction of the Court.

APPENDIX I

ELECTION TO REDUCE CLAIM

TO: CANTAR POOL PRODUCTS LIMITED/PRODUITS DE PISCINES CANTAR
LIMITÉE ("Cantar")

RE: CANTAR'S PLAN OF COMPROMISE AND REORGANIZATION PURSUANT TO THE
COMPANIES' CREDITORS ARRANGEMENT ACT (the "CCAA Plan")

For Use by Affected Creditors of Cantar Pool Products/Produits de Piscines Cantar Limitée with
total Affected Claims in excess of \$5,000 who wish to reduce their total Affected Claims to \$5,000
and receive cash.

THE UNDERSIGNED AFFECTED CREDITOR of Cantar acknowledges that the total amount of its
Affected Claim exceeds \$5,000 and hereby:

- (a) reduces the undersigned's total amount of Affected Claims to \$5,000;
- (b) releases all other Affected Claims of the undersigned; and
- (c) elects to receive by cheque, instead of any distribution from the Affected Creditors'
Distribution Pool pursuant to the CCAA Plan, an amount (payable within 6 months of the
Effective Date of the Plan, in accordance with the terms thereof) equivalent to 25% of the
lesser of:
 - (i) the total amount of the undersigned's Proven Claims; and
 - (ii) \$5,000

Dated this _____ day of _____, 2006.

Print Name of Affected Creditor

Phone Number of Affected Creditor

Signature of Affected Creditor or, if the Affected
Creditor is a corporation, signature of an authorized
signing officer of the corporation and such officer's title

THIS ELECTION MUST BE PROVIDED TO THE MONITOR SO THAT IT IS RECEIVED BY
THE MONITOR AT THE FOLLOWING ADDRESS ON OR BEFORE THE CLAIMS BAR DATE
OF 5:00 P.M. (TORONTO TIME) ON DECEMBER 21, 2006

A. Farber & Partners Inc.
(In its capacity as Monitor of
Cantar Pool Products Limited)
150 York Street, Suite 1600
Toronto, ON M5H 3S5

Attention: Paul Denton
Telephone: (416) 496-3773
Fax: (416) 496-3839
E-mail: pdenton@farber.com

DMSTORLegal05666800001469463v1

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 CANTAR POOL PRODUCTS LIMITED/PRODUITS DE PISCINES CANTAR LIMITÉE

Court file no. 06-CL-6690

ONTARIO
SUPERIOR COURT OF JUSTICE
Proceedings commenced in Toronto

**PLAN OF COMPROMISE OR
ARRANGEMENT**

McCarthy Tétrault LLP
Barristers and Solicitors
Suite 4700, Toronto Dominion Bank
Tower
Toronto ON M5K 1E6

Geoff R. Hall LSUC #347010
(416) 601-7856
Fax: (416) 868-0673

James D. Gage LSUC #346761
Tel: (416) 601-7539
Fax: (416) 868-0673

Solicitors for the Applicant

IN THE MATTER OF AN APPLICATION UNDER 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 CANTAR POOL PRODUCTS LIMITED / PRODUITS DE
PISCINES CANTAR LIMITÉE

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST
Proceeding commenced at TORONTO

SANCTION ORDER

McCarthy Tétrault LLP
Barristers and Solicitors
Suite 4700, Toronto Dominion Bank Tower
Toronto ON M5K 1E6

Geoff R. Hall LSUC #347010
Tel: (416) 601-7856
Fax: (416) 868-0673

James D. Gage LSUC #346761
Tel: (416) 601-7539
Fax: (416) 868-0673

Solicitors for the Applicants
TDO-TIE #3710177 v.5

Tab J

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

**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 CANTAR POOL PRODUCTS LIMITED / PRODUITS DE
PISCINES CANTAR LIMITEE (the "Applicant" or "Cantar")**

FOURTH REPORT OF THE MONITOR

INTRODUCTION

1. On October 17, 2006, the Applicant filed for and obtained protection from its creditors under the *Companies' Creditors Arrangement Act*, R.S.C. 1985 c. C-36, as amended (the "CCAA"), pursuant to an order of this Honourable Court dated October 17, 2006 (the "Initial Order").
2. Pursuant to the Initial Order, A. Farber & Partners Inc. was appointed monitor of the Applicant during its CCAA proceedings (the "Monitor").
3. Coincident with the granting of the Initial Order on October 17, 2006, First and Second Approval and Vesting Orders were granted by this Honourable Court, in connection with the sale of Cantar's assets relating to the Cantar Pool Equipment division and residual assets of the Above Ground Pool division, not sold by the Applicant as part of an earlier transaction in August 2006. The First Approval and Vesting Order relates to the sale of assets to 662671 Canada Inc., while the Second Approval and Vesting Order relates to sale of assets to Northern Light Recreation Co, which entity had previously purchased the majority of the Above Ground Pool assets in a transaction in August 2006.
4. On October 19, 2006, this Honourable Court authorized and approved among other matters, the sale of the property (Property Sale") known municipally as 330 Humberline Drive, Toronto, Ontario (the "Property") to Strathallen Acquisitions Inc. ("Strathallen"), and vesting the right, title and interest of the Property in and

to Strathallen (the "Property Sale Approval and Vesting Order"), and the payment of the proceeds of the Property Sale to LaSalle Business Credit LLC ("LaSalle").

5. By Order of this Honourable Court dated November 16, 2006, the Claims Procedure and Meeting Order was granted to establish the value of Affected Creditors claims against Cantar, for the purpose of voting on a CCAA Plan ("Plan") and distribution thereafter, as well as granting authority to convene a meeting of creditors on January 12, 2007 (hereinafter referred to as the "Creditors' Meeting"), to vote on the Plan. The Applicant filed a Plan with this Honourable Court on November 23, 2006.
6. The purpose of this fourth report of the Monitor (the "Fourth Report") is to provide this Honourable Court with a report on the following:
 - Completion of pay-down of the LaSalle Minimum Amount
 - Report on the Claims Procedure and results of same
 - Provide an Overview of the Plan
 - That the Plan has been accepted by the requisite majority of Affected Creditors at the Creditors' Meeting
 - The conduct of the Creditors' Meeting
 - The merits of the Plan and the Monitor's Recommendations on same, with respect to the granting of a Sanction Order
 - Obtain an extension to the Stay
 - Obtain approval for the activities of the Monitor

TERMS OF REFERENCE

7. In preparing this Fourth Report, the Monitor has relied upon unaudited, internally prepared financial information, Applicant's records and discussions with management of the Applicant. The Monitor has not performed an audit, review or other verification of such information. An examination of the financial forecast as outlined in the Canadian Institute of Chartered Accountants ("CICA") Handbook has not been performed. Future oriented financial information relied upon in this report is based on Cantar management's assumptions regarding future events and actual results achieved will vary from this information and the variations may be material.

Unless otherwise stated, dollars referenced in these materials are in Canadian funds.

LASALLE MINIMUM AMOUNT

8. Pursuant to paragraph 10 of the Initial Order, the Applicant was authorized and directed to pay over to LaSalle or to such party as LaSalle may direct in writing, any and all proceeds necessary to satisfy certain indebtedness, liabilities and obligations owing to LaSalle and the LaSalle group of lenders in the approximate amount of US\$ 8.6 million (the "LaSalle Minimum Amount"). As part of the restructuring, the Applicant's agreement with LaSalle also provided for the LaSalle Minimum Amount to be paid down completely by November 17, 2006.
9. Set out below is a table summarizing the pay-down of the LaSalle Minimum Amount; which was completed on November 17, 2006.

	(in US\$ 000's)	
LaSalle Minimum Amount at October 17, 2006		8,370
(Reduced) increased by -		
Proceeds from Property Sale	(5,637)	
Proceeds from sale of Equipment division	(1,957)	
Proceeds from sale of Pool division	<u>(58)</u>	(7,652)
Release on Letter of Credit		(193)
Collection of receivables, other realizations, net of disbursements		(525)
LaSalle Minimum Amount, November 17, 2006		<u>\$ Nil</u>

CANTAR CLAIMS PROCESS

10. Since the granting of the Claims Procedure and Meeting Order on November 16, 2006 and the filing of the Plan on November 23, 2006, the Cantar claims process has been carried out in accordance with the timetable set out therein. The Claims Process timetable can be summarized as follows:
- Creditors with a claim existing at October 17, 2006 who were provided a Notice of Claim by the Monitor ("Known Affected Creditors") were not required to submit a Proof of Claim. Where parties disagreed, a Notice of Dispute was required to be filed. Where Persons become aware of the proceedings and had not received a Notice of Claim, they were required to file a Proof of Claim by 5:00pm on December 21, 2006. Those claims in foreign currencies were to be converted at the exchange rate as reported by the Bank of Canada on October 17, 2006. The Canadian / US exchange rate on the date was 1.1380 Canadian dollars to 1 US dollar.

- The Claims Bar Date for filing of Notices of Dispute, Proofs of Claim as well as Elections to Reduce Claims pursuant to the Plan, was at 5:00 p.m. on December 21, 2006 (hereinafter defined as "Claims Bar Date").
 - By no later than 5:00 p.m. on January 2, 2007, the Monitor was to send a Notice of Revision or Disallowance to each Affected Creditor who has provided a Notice of Dispute or Proof of Claim, where the Monitor and Cantar have determined to revise or disallow such claim.
 - Any Affected Creditor who wanted to dispute the amount of its Affected Claim as set out in a Notice of Revision or Disallowance was, by no later than 5:00 p.m. on January 10, 2007, to advise Cantar and the Monitor in writing with a detailed summary of the reasons for such dispute, and by no later than 5:00 p.m. on January 15, 2007, bring a motion to have the amount of such Affected Claim determined by the Court.
11. We can report that immediately on filing of the Plan with the Court on November 23, 2006, the Monitor sent packages to all Known Affected Creditors, which package included a copy of the Claims Procedure and Meeting Order, a copy of the Plan itself, along with a copy of the Monitor's First Report to Creditors. In addition, and pursuant to the Claims Procedure Order, Cantar caused the Notice to Creditors to be published in the National Post on November 28 and 29, 2006. The Claims Procedure Order was also posted on the Monitor's web site soon after it had been issued. In concert with Cantar, the Monitor attended to supplementary mailings to parties who could potentially have a claim, as well as parties who contacted either Cantar or the Monitor directly.
12. The results of the Claims Process effective the close of business on January 11, 2007, the day preceding the Creditors' Meeting, are summarized below:

Cantar Pool Products Limited Claims Process Summary Effective January 11, 2007		
	#	\$
Large Claims	130	9,707,714.68
Elections to Reduce to \$5,000	16	80,000.00
Claims \$5,000 and less	151	192,026.88
Total Claims	297	9,979,741.56

13. With respect to this Claims Process, 33 Notices of Dispute received were accepted, 11 proofs of claim were received and accepted for parties, who were not Known Affected Creditors in Cantar's records and 10 Notices of Revision or Disallowance were mailed. There was one Dispute Notice received from an Affected Creditor which the Monitor is dealing with.

THE PLAN OVERVIEW

This description of the Plan is a summary only and is provided for the assistance of the Court. The governing document is the Plan, which was filed with this Honourable Court on November 23, 2006.

14. The Plan required extensive negotiations with Cantar's primary secured creditor LaSalle, which first required pay-down of its Minimum Amount in the approximate amount of US\$ 8.6 million by November 17, 2006, which as reported above was achieved by that date. Subject to the approval of the Plan by the Affected Creditors and Court, LaSalle agreed to release security over the remaining assets to provide a prospect of a meaningful recovery to the Affected Creditors, but only to the extent to allow a 25% distribution.
15. Key factors in providing improved prospects for a meaningful recovery to the Affected Creditors are:
 - the agreement and concessions provided by LaSalle to cap the level of debt to be satisfied from the Cantar asset realizations to approximately US\$ 8.6 million, (subject to certain realization thresholds set out below), which is well below Cantar's direct debt and guarantee obligations, which stood at US\$ 27 million at the commencement of the CCAA proceedings and,
 - The non-participation of Inter-Company Payables, which effective October 31, 2006 stood at US\$ 15.6 million.
16. Key elements of the Plan are summarized below:
 - There is one single class of Affected Creditors under the Plan.
 - The Plan is structured such that creditors with certain size claims, or those who elect to reduce their claim, can be paid subject to a formula and be paid in a specific time-frame, and creditors with larger claims can participate in a payout of net realizations over a potentially longer term, after provision for certain costs and prior charges. Specifically, the Plan provides for distribution to those types of creditors as follows:
 - Pursuant to Article 4.1(a) of the Plan, Affected Creditors with aggregate Claims of \$5,000 or less are paid 25 cents on the dollar. In addition, Affected Creditors with Affected Claims exceeding \$5,000 who elect to reduce their Affected Claims to \$5,000, will be paid 25 cents on the dollar on the reduced amount. Under the terms of the Plan, this would be paid within 6 months of the Effective Date. By way of example, an Affected Creditor with an Affected Claim of \$4,000 would receive a \$1,000 payout; an Affected

Creditor with an Affected Claim of \$5,000 would receive a payout of \$1,250; and, an Affected Creditor with an Affected Claim of \$10,000 in respect of which an Election to reduce the Affected Claim to \$5,000 is filed, would receive a payout of \$1,250.

- Pursuant to Article 4.1(b) of the Plan, those Affected Claims greater than \$5,000 in respect of which no election is made as referred to above, would participate in realizations from the Affected Creditors Distribution Pool as set out in Section 5 of the Plan. Distributions from this pool of funds would occur from time to time as cash flows permit. Cantar will only make distributions from the Affected Creditors Distribution Pool if the amount available is economically practical, as determined by Cantar, acting reasonably in consultation with the Monitor.
- The Monitor has been provided a final form of agreement by the LaSalle Group Lenders that provides that when the Plan is accepted by the requisite majorities of creditors and approved by the Court, the LaSalle Group Lenders will be prepared to release their liens and security interests against the Distribution Assets, to the extent necessary to permit payment under the Plan from the Affected Creditors' Distribution Pool of the full amount payable in accordance with Section 4.1(a) of the Plan to Affected Creditors to which Section 4.1(a) applies, and to a maximum of 25 cents for each dollar of Affected Claims in accordance with Section 4.1(b). The effect of this agreement, once executed, is to allow the Affected Creditors to share in the Distribution Assets free and clear of the prior secured claims of the LaSalle Group Lenders, to the point at which the realizations forming the Affected Creditors' Distribution Pool reach an amount sufficient, pursuant to the terms of the Plan, to provide a recovery in excess of 25% on Affected Claims pursuant to Section 4.1(b). For amounts above that level of recovery from the Distribution Assets, the LaSalle Group Lenders would be entitled to assert their security rights. However, in the opinion of the Monitor, a recovery over 25% is unlikely.
- There is provision in Section 5.4 of the Plan, authorizing Cantar and the Monitor to enter into negotiations and arrangements to attempt to monetize the \$1.6 million VTB Mortgage, in order to attempt to provide more immediate recoveries to the Creditors. The Plan contemplates the appointment of up to five Inspectors, to be appointed at the Creditors' Meeting by a vote of the Affected Creditors, who will be authorized to consider and approve or reject any final arrangement or agreement in respect of monetization of the VTB Mortgage. If an arrangement or agreement with respect to the monetization of the VTB Mortgage is not finalized and approved by a majority of the Inspectors, the proceeds of the VTB Mortgage will be collected in the ordinary course in accordance with its terms.

17. For the Plan to become effective, there are a number of Conditions Precedent to implementation of the Plan as set out in section 7.6, including, without limitation:
- that the Plan be approved by the Required Majorities of Affected Creditors which means a majority in number of Creditors with Proven Claims (and, if applicable, Disputed Claims) representing two-thirds in value of such Creditors' Proven Claims (and, if applicable, Disputed Claims) with respect to the Affected Creditors Class, in each case present and voting in person or by proxy at the Creditors' Meeting;
 - that a Sanction Order is obtained from the Court approving the Plan;
 - that Secured Creditors agree to reduce the aggregate amount of Secured Claims for which funds must be reserved from the Affected Creditors Distribution Pool to less than \$100,000 or that Secured Creditors otherwise agree to such arrangements as are necessary to permit payment under the Plan from the Affected Creditors' Distribution Pool of (i) the full amount payable in accordance with Section 4.1(a) of the Plan to Affected Creditors to which Section 4.1(a) applies, and (ii) a maximum of 25 cents for each dollar of Affected Claims not dealt with in Section 4.1(a), in accordance with Section 4.1(b).
18. As and from the Effective Date, the treatment of Affected Claims under the Plan shall be final and binding on all Persons affected by the Plan (and their respective heirs, executors, administrators, legal personal representatives, successors and assigns), and, upon implementation of the Plan on the Effective Date, all Affected Claims shall be discharged and the releases set out in the Plan will become effective in accordance with the terms of the Plan, excepting only the obligations to make distributions in respect of such Affected Claims in the manner and to the extent provided for in the Plan.

CREDITORS' MEETING

19. The Creditors' Meeting was held January 12, 2006. There was one class of creditor participating in the vote, pursuant to the Plan.
20. As a result of discussions that took place at the Meeting, it was agreed that the Plan as filed be amended (for clarification purposes only and not a substantive amendment), with the Chair having discretion to direct a vote on the Plan or an amendment thereto under paragraph 39 of the Claims Procedure Order. This was to clarify the treatment of the account owing by Cantar Pool Products Corporation ("CPPC") to Cantar. CPPC is an affiliate of Cantar, and pursuant to financial statements CPPC owed Cantar Cdn\$ 6.357 million at August 26, 2006 [US\$ 5.8 million].

CONDUCT OF THE CREDITORS' MEETING

21. Pursuant to the Claims Procedure Order, the Monitor acted as Chair of the Meeting. The Monitor's legal counsel was designated as secretary of the meeting. Representatives of the Monitor administered the proxies and assisted with the tabulation of the votes at the meeting. Certain Affected Creditors in attendance and their advisor (s) did, during an adjournment after the commencement of the meeting but prior to the vote on the Plan, take the opportunity to review all of proxies as filed.
22. Consistent with the approach generally adopted by the Courts in connection with the voting at Creditors' meetings, the Monitor approached the meeting from the point of view that the decision of the creditors should be placed largely in the hands of the business people affected and that technical objections would not be given effect beyond what was necessary or fair to record the true intent of the relevant Affected Creditor. The Monitor excused minor defects in proxies where it, in good faith, had satisfied itself that the subject proxy had in fact been executed on behalf of the Affected Creditor and the voting intention of such party was clearly expressed either for or against.
23. Certain proxies were executed and in each case a voting intention either "For" or "Against" had been completed, but the naming of the individual proxy-holder was not done. For example, in some, the name of the specific individual at A. Farber & Partners Inc. was not inserted so that the proxy was given to "_____ of A. Farber & Partners Inc." In such cases, as long as the voting intention was clearly set out by the marking of the "For" or "Against" box, the Monitor exercised its discretion pursuant to the Court Order as Chair of the meeting to accept the proxy and its authority to have its representative in attendance, vote the proxy either for or against in accordance with the voting intention reflected by the document. In most cases the Monitor had direct communication prior to the meeting with the creditor involved to confirm voting intentions.
24. The result of the voting on the Plan by the Affected Creditors with Proven claims, is summarized in the table below:

	#	%	\$ value	%
Voted FOR the Plan	85	88.54%	6,045,977.78	68.30%
Voted AGAINST the Plan	11	11.46%	2,805,864.50	31.70%
Total	96	100.00%	8,851,842.28	100.00%

25. This confirms the Plan was approved by the requisite majorities required by the CCAA.

26. Overall, a large number of creditors in number supported the Plan at 88.5% (85), while 11 voted against, including the largest creditor being Commercial Roll Formed, with a Proven Claim of \$1.941 million, or 21.9% of the Proven Claims that voted. If one eliminates from the tally the votes of those creditors whose claims either were or were reduced to \$5,000 (per Article 4.1(a) of the Plan), a substantial majority (84.9%) in number still voted in favour of the Plan.
27. Had the Monitor taken the position that it would disallow all proxies containing technical deficiencies, whether indicated as being for or against the plan, the result of the vote would have been as follows: For 91.5% in number and 85.9% in value Even on this basis the Plan would have been approved by the requisite majorities under the CCAA.
28. We can also confirm that pursuant to paragraph 5.6 of the Plan regarding a mechanism to assess and if appropriate monetize the VTB, one inspector was appointed at the Creditors' Meeting.

PLAN REASONABLENESS AND PAYOUT PROSPECTS

29. As mentioned above, the Plan is structured to provide two types of payout
 - First for **smaller claims**: \$5,000 or less, or those who elect to reduce their claims to \$5,000, there is provision [per Article 4.1(a) of the Plan] to pay 25 cents on the \$ of these claim within 6 months of the Effective Date of the Plan
 - Second, creditors with **larger claims**, can participate in a payout of net realizations over a potentially longer term [per Article 4.1(b)]
30. Subject to approval of the Plan, the smaller claims payout and timing is known at 25 cents on the dollar. Larger creditors will look to the realizations from remaining assets, divided by remaining Proven Claims, that is those Proven claims not paid out as small claims. In essence, the payout prospects are as follows:
 - The claims amount for the larger claims is \$9.7 million, which is the total claims less the smaller claims per Article 4.1 (a). of the Plan
 - The numerator is represented by the Distribution Assets, which when realized become the Affected Creditors Distribution Pool. These assets are represented by: a vendor take back mortgage (VTB), with a face value of \$1.6 million, this having already been reported on extensively in these proceedings; as well as potential recoveries from remaining accounts receivable and the CPPC receivable, with a further estimated net recovery of \$100,000 to \$200,000 from these two items. These were referred to in

the Monitor's Third Report. These Distribution Assets are referred to in further detail below.

31. Based on this, if the VTB goes its full five year term with an annual interest income of in excess of \$100,000 per annum (6.5% interest rate), combined with potential net recoveries from accounts receivable and the CPPC receivable, the payout to larger creditors is estimated to range between 15% to 20% (\$1.6 million/\$9.7 million = 16.5% to \$2.0 million/\$9.7 million = 20.6% .).

VTB Mortgage

32. It is clear to the Monitor that most of the remaining value for the larger creditors will come from the VTB mortgage. It can be summarized as follow:

- It is a \$1.6 million second mortgage secured on 330 Humberline Drive, Toronto, a 250,000 square foot facility, recently acquired by a third parties, Canada Mortgage and Housing Corporation as administrator for the CMHC Pension Plan and Humberline (Industrial) Realty Inc. It was acquired at in excess of \$9.4 million.
- A first mortgage for \$5.6 million, is held by First National Financial. The First National Financial mortgage is interest only for 2 1/2 years
- It has been confirmed to us that the purchaser is implementing a remediation plan, which should make the property more valuable and provide more of an equity cushion for the VTB.
- The tenant is Polyair Canada Limited, which continues to operate and is not part of these proceedings. There is a right of set off against VTB for missed rentals, however we wish to point out that the lease obligations are guaranteed by its overall parent, Polyair Interpack Inc. a publicly traded company.
- The VTB mortgage has a five-year term, bearing a 6.5% interest rate payable at the end of 5 years, which would provide in excess of \$2 million, if it went the full term.

33. Accordingly, there is a substantial asset remaining on a property that should increase in value over time with remediation. As reported, there is provision for the appointment of upto five inspectors from the creditors group, to approve any arrangement to monetize the VTB to provide more immediate recoveries to creditors. As reported above, one inspector was appointed at the Creditors' Meeting to fulfill this role.

Accounts Receivable

34. Cantar accounts receivable (net book value \$1.5 million effective the date of filing), are continuing to prove to be a challenge to collect given warranty and accounting disputes, as well as customers refusing to pay because of the non continuance of the business, as well as the CCAA proceedings itself. Collections

of these proceeds are also being used to pay the CCAA wind-down costs, as well as the costs of the CCAA proceeding.

CPPC Intercompany Receivable

35. As described above, this CPPC receivable was recorded at a balance of \$6.357 million on Cantar's books effective August 26, 2006. As with Cantar, this business based in the US, has been shut down and no longer operates. LaSalle has first ranking security over its assets. The CPPC advance is a Distribution Asset under the Plan as filed. According to information provided to the Monitor, CPPC's apparent liabilities currently exceed its assets. Efforts are currently under way to try and settle its liabilities, which may result in some net value being available to pay its debts to Cantar.

BENEFITS OF THE PLAN AND MONITOR RECOMMENDATION

36. If the Plan is not approved by this Honourable Court, the outcome is that LaSalle will enforce its security and there would be no recovery for the unsecured creditors. LaSalle's debt position was approximately US\$ 21.5 million at January 12, 2006. In addition, Inter-Company Payables, which are valued at US\$ 15.6 million effective October 31, 2006, would also be entitled to participate in the unlikely event any proceeds were available for unsecured creditors, further diluting any recoveries to the arms length/unsecured creditors.
37. Accordingly, Affected Creditors will have a meaningful recovery of up to 15% to 20% on the dollar under the Plan. In bankruptcy, it is our view there would be no recovery for Affected Creditors. In addition, given the Affected Creditors have provided the requisite approval of the Plan at the Creditors' Meeting on January 12, 2006, the Monitor recommends this Honourable Court approve the Plan as filed and amended and grant the Sanction Order.
38. The Monitor confirms that the Applicant has complied with all of the provisions of the CCAA and the orders of this Honourable Court.

OTHER MATTERS

39. Although we have not done a detailed preferences review, we do not believe there has been any material or intentional preferences in the three months preceding the CCAA filing for the following reasons: Cantar was largely on COD terms with most suppliers for in excess of three months leading up to the CCAA and; Cantar's cash flow, both receipts and disbursements, were subject to very close supervision and scrutiny from its asset based lender LaSalle, because it was at that time in breach of its credit agreement.

EXTENSION TO THE STAY

40. Subject to this Honourable Courts approval of the Plan and granting of a Sanction Order, the Monitor supports and recommends the extension of the Stay to the earlier of the Effective Date as defined in the Plan and February 15, 2007.

CONCLUSION

- The Monitor seeks the Court's approval of its activities as set out in this Fourth Report and the Third Report.
- Monitor recommends the Court's approval of the Plan as filed and the granting of the form of Sanction Order.
- The Monitor recommends the Court's approval of the Stay Extension until the earlier of the Effective Date (as defined in the Plan) and February 15, 2007.

All of which is respectfully submitted this 16th day of January, 2007.

A. FARBER & PARTNERS INC.
In its capacity as the Court-Appointed
Monitor of the Applicant

A. Farber & Partners Inc.

Tab K

IN THE MATTER OF AN APPLICATION UNDER 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
CANTAR POOL PRODUCTS LIMITED/PRODUITS DE PISCINES CANTAR LIMITEE

CERTIFICATE OF COMPLIANCE

A. Farber & Partners Inc., in its capacity as Court Appointed Monitor of Cantar Pool Products Limited/Produits De Piscines Cantar Limitee and pursuant to the Sanction Order issued by the Ontario Superior Court of Justice (Commercial List) dated January 18, 2007 and Plan of Compromise or Arrangement dated November 23, 2006, as amended (the "**Plan**"), hereby certifies that:

- (1) On January 12, 2007, the Plan was approved by the Required Majorities of Affected Creditors (as those terms are defined in the Plan);
- (2) all other conditions precedent set out in Section 7.6 of the Plan have been satisfied; and
- (3) the Effective Date has occurred as of the date of this Certificate.

DATED at Toronto, this *30th* day of January, 2007.

A. FARBER & PARTNERS INC.
in its capacity as the Court-Appointed Monitor
of Cantar Pool Products Limited/Produits De
Piscines Cantar Limitee



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 CANTAR POOL PRODUCTS LIMITED/PRODUITS DE PISCINES CANTAR LIMITEE

Court file no. 06-CL-6690

**ONTARIO
SUPERIOR COURT OF JUSTICE**

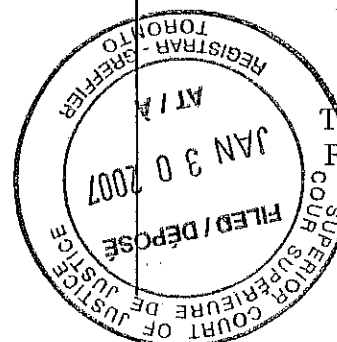
Proceedings commenced in Toronto

CERTIFICATE OF COMPLIANCE

A. FARBER & PARTNERS INC.
150 York Street
Suite 1600
Toronto, ON M5H 3S5

PAUL DENTON

Telephone: (416) 496-3773
Facsimile: (416) 496-3839



Tab L

Properties

PIN 07368 - 0040 LT *Interest/Estate* Fee Simple
Description PT LT 38 CON 4 FRDNTING THE HUMBER, PT 2, 64R11839. ETOBICOKE, CITY OF TORONTO
Address 00330 HUMBERLINE DRIVE
TORONTO

Chargor(s)

The chargor(s) hereby charges the land to the chargee(s). The chargor(s) acknowledges the receipt of the charge and the standard charge terms, if any.

Name HUMBERLINE (INDUSTRIAL) REALTY INC.
Address for Service c/o Strathallen Capital Corporation
2 Bloor Street West
Suite 2000
Toronto, Ontario
M4W 3E2

I, BRIAN SPENCE, Secretary-Treasurer, have the authority to bind the corporation.
This document is not authorized under Power of Attorney by this party.

Name CANADA MORTGAGE AND HOUSING CORPORATION
Address for Service 700 Montreal Road, C-5, 116
Ottawa, Ontario
K1A 0P7

I, GARY MILANI, Manager, Real Estate Portfolio, and I, KAREN BAILEY, Director, Investments and Pension Fund, have the authority to bind the corporation.
This document is not authorized under Power of Attorney by this party.

Chargee(s)

Capacity

Share

Name CANTAR POOL PRODUCTS LIMITED/PRODUITS DE PISCINES CANTAR LIMITEE
Address for Service 330 Humberline Drive
Toronto, Ontario
M9W 1R5

Provisions

Principal \$1,600,000.00 *Currency* CDN
Calculation Period Interest accrues upon maturity.
Balance Due Date 2011/10/23
Interest Rate 6.5% per annum
Payments
Interest Adjustment Date 2006 10 23
Payment Date October 23, 2011
First Payment Date 2011 10 23
Last Payment Date 2011 10 23
Standard Charge Terms 200033
Insurance Amount full insurable value
Guarantor

Additional Provisions

1. In the event the Chargee desires to sell or assign this Charge, the Chargor covenants and agrees that upon 3 business days written notice, it shall execute and deliver to the Chargee a written Charge Statement setting out the status of this Charge, in such detail as the Chargee may require, acting reasonably.

Additional Provisions

2. The Chargee covenants and agrees to subordinate this Charge to a first Charge in a principal amount not to exceed \$6,000,000.00 at any time or times.
3. The Chargee acknowledges that the Chargor and Polyair Canada Limited (the "Tenant") have entered into a lease dated October 23, 2006 (the "Lease") wherein the Tenant has leased from the Chargor the lands, buildings and improvements located on the lands that are the subject of this Charge. In addition, the Chargee has provided to the Chargor an Indemnity Agreement dated October 23, 2006 with respect to the Tenant's obligations under the Lease (the "Indemnity Agreement"). The Chargee's obligations under the Indemnity Agreement shall be secured by a right of set off in favour of the Chargor, enabling the Chargor to set off from the monies due and payable under this Charge, any amounts owed by the Chargee or for which the Chargee is liable under the Indemnity Agreement.
4. Notwithstanding that the Chargor is shown as Canada Mortgage and Housing Corporation ("CMHC") as to an undivided ninety (90) percent interest and Humberline (Industrial) Realty Inc. as to an undivided ten (10) percent interest, the Chargee acknowledges herein that CMHC is and shall be acting solely in its capacity as administrator of the Canada Mortgage and Housing Corporation Pension Fund and that there shall be no recourse against CMHC as a result thereof and that the recourse shall be to the assets of Canada Mortgage and Housing Pension Fund (the "Non-recourse Acknowledgement").
- Save and except for an assignment of this Charge to Lasalle Business Credit LLC, to the extent that the Chargee assigns its interest in the subject charge, it shall provide written notice to its assignee of the foregoing Non-recourse Acknowledgment and shall cause its assignee to provide a similar acknowledgement and to be bound by the same terms hereof.
5. Notwithstanding Section 14 of Standard Charge Terms 200033, this Charge shall not become due and payable upon the sale or transfer of the property, provided the purchaser or transferee assumes the Chargor's obligations under the Lease and under this Charge and provided further that the purchaser or transferee acknowledges in writing to the Chargee and its assignees its obligation to be bound by such obligations and by the Chargor's obligations under any assignment agreement or other security related to this Charge.
6. The parties agree that interest under the subject Charge shall accrue to the date of maturity at the rate set out herein but shall not be compounded during the term of the Charge.

Signed By

Larry Fischer	700-40 Sheppard Ave. W. North York M2N 6K9	acting for Chargor(s)	Signed	2006 10 24
Tel	4162259400			
Fax	4162254805			

Submitted By

GOLDMAN, SPRING, KICHLER & SANDERS LLP	700-40 Sheppard Ave. W. North York M2N 6K9			2006 10 24
Tel	4162259400			
Fax	4162254805			

Fees/Taxes/Payment

Statutory Registration Fee	\$60.00
Total Paid	\$60.00

Properties

PIN 07368 - 0040 LT
 Description PT LT 38 CON 4 FRONTING THE HUMBER, PT 2, 64R11839. ETOBICOKE, CITY OF TORONTO
 Address 00330 HUMBERLINE DRIVE
 TORONTO

Source Instruments

Registration No.	Date	Type of Instrument
AT1287953	2006 10 24	Charge/Mortgage

Transferor(s)

This transfer of charge affects all lands that the charge is against which are outstanding.

Name CANTAR POOL PRODUCTS LIMITED/PRODUITS DE PISCINES CANTAR LIMITEE
 Address for Service 330 Humberline Drive
 Toronto, Ontario
 M9W 1R5

I, VICTOR D'SOUZA, Authorized Signing Officer, have the authority to bind the corporation.

This document is not authorized under Power of Attorney by this party.

Transferee(s)

Capacity

Share

Name LASALLE BUSINESS CREDIT, LLC
 Address for Service 400 - 135 South LaSalle Street
 Chicago, Illinois 60603-5802

Statements

The chargee transfers the selected charge for \$2.00

Schedule: The Chargee transfers the selected Charge to the Transferee.

Signed By

Larry Fischer	700-40 Sheppard Ave. W. North York M2N 6K9	acting for Transferor(s)	Signed	2006 10 24
Tel 4162259400				
Fax 4162254805				
Larry Fischer	700-40 Sheppard Ave. W. North York M2N 6K9	acting for Transferee(s)	Signed	2006 10 24
Tel 4162259400				
Fax 4162254805				

Submitted By

GOLDMAN, SPRING, KICHLER & SANDERS LLP 700-40 Sheppard Ave. W. 2006 10 24
 North York M2N 6K9
 Tel 4162259400
 Fax 4162254805

Fees/Taxes/Payment

Statutory Registration Fee	\$60.00
Total Paid	\$60.00

Tab M

AGREEMENT REGARDING RELEASE OF LIENS (RE: CANTAR POOL CANADA)

January 25, 2007

Re: Amended and restated credit agreement dated as of May 8, 2003 among, *inter alia*, ABN AMRO Bank N.V., Canada Branch (the "**Canadian Lender**"), Cantar Pool Products Limited ("**Cantar Pool Canada**") and Polyair Canada Limited (formerly Cantar/Polyair Canada Limited) (collectively, the "**Canadian Borrowers**") (as same has been or may hereafter be supplemented, amended, replaced, renewed, restated or otherwise modified from time to time, the "**Canadian Credit Agreement**")

And Re: Amended and restated loan and security agreement dated as of May 8, 2003 among, *inter alia*, LaSalle Business Credit LLC, as agent (the "**U.S. Agent**"), Cantar/Polyair Corporation, Cantar Pool Products Corporation ("**Cantar Pool U.S.**"), Mabex Universal Corporation and Performa Corp., as borrowers, (collectively, the "**U.S. Borrowers**"), the other parties thereto as Guarantors, and the lenders party thereto from time to time (collectively, the "**U.S. Lenders**") (as same has been or may hereafter be supplemented, amended, replaced, renewed, restated or otherwise modified from time to time, the "**U.S. Credit Agreement**") (the U.S. Credit Agreement and the Canadian Credit Agreement are hereinafter collectively called the "**Credit Agreements**")

Reference is made to the letter agreement entered into between the parties hereto dated October 16, 2006, as amended by Side Letter Amendment #1 between the parties hereto dated November 18, 2006 (collectively, the "**Letter Agreement**").

The Obligors have requested that Lenders agree to release certain liens, mortgages, security interests, hypothecs and other encumbrances (collectively, "**Liens**" and individually a "**Lien**") granted in favour of the Agent over certain property and assets of Cantar Pool Canada on the terms and conditions set out in this Agreement.

In furtherance of the foregoing and for good and valuable consideration now paid by each of the parties hereto to the others (the receipt and sufficiency of which consideration are hereby acknowledged by each of the undersigned), the parties hereto hereby confirm and agree as follows:

1. Agreement Regarding Release of Liens. (a) Subject to the terms and conditions contained in this Agreement (including without limitation the conditions and limitations below in this paragraph 1), the Lenders and the Agent agree that the Agent's Lien in and to any Distribution Assets shall automatically be released concurrently upon, but not before, the Effective Date (as defined in the Plan) (the "**Effective Date**"), provided that

each and every of the following conditions precedent is and continues to be satisfied as of the Effective Date:

- (i) no LaSalle Event of Default or "Default" (as that term is defined in each of the Canadian Credit Agreement and the U.S. Credit Agreement) has occurred, other than the Cantar Pool Canada CCAA Filing Event of Default;
- (ii) no Obligor has breached or defaulted in complying with or performing any term, condition or covenant contained in the Loan Documents or the Letter Agreement;
- (iii) the LaSalle Minimum Amount is \$0;
- (iv) a meeting of the creditors of Cantar Pool Canada has been held in respect of the Plan in accordance with the CCAA and the applicable orders of the Ontario Court regarding the Plan, and the requisite majority of each class of creditors of Cantar Pool Canada has approved the Plan in accordance with the provisions of the CCAA on or before January 12, 2007, or such later date as may be agreed to by the Lenders in their discretion;
- (v) the Plan has been approved and sanctioned by the Ontario Court on or before January 18, 2007, or such later date as may be agreed to by the Lenders in their discretion, and no appeal of such approval and sanction order shall have been threatened or filed;
- (vi) the Effective Date occurs on or before January 25, 2007, or such later date as may be agreed to by the Lenders in their discretion; and
- (vii) the representations and warranties of the Obligors contained in the Loan Documents and the Letter Agreement shall be true and correct in all material respects except (A) with regard to the CCAA Proceeding and (B) those representations and warranties that specifically relate only to an earlier date.

(b) The agreement contained in this paragraph 1 regarding the release of the Agent's Lien in and to the Distribution Assets is and shall in all respects be limited solely to the extent necessary to permit payment under the Plan from the Affected Creditors' Distribution Pool of (i) the full amount payable in accordance with Section 4.1(a) of the Plan to Affected Creditors to which such Section 4.1(a) applies and (ii) a maximum of 25 cents for each dollar of Affected Claims not dealt with in Section 4.1(a), in accordance with Section 4.1(b) of the Plan (the amounts being required to make the payments contemplated in clauses (i) and (ii) collectively referred to as the "**Aggregate Permitted CCAA Plan Payment Amount**"). The agreement contained in this paragraph 1 shall have no application to and be of no force or effect with respect to any of the Distribution Assets which are not required to permit the payments contemplated in this paragraph 1(b) of this Agreement (for greater certainty, the release of the Agent's Lien shall only apply up to the amount of the Aggregate Permitted CCAA Plan Payment Amount, and any Distribution Assets in excess of such Aggregate Permitted CCAA Plan Payment Amount shall at all times and for all purposes be and remain subject to and charged by the Agent's Lien, and no distribution of the Distribution Assets or from the Affected Creditors'

Distribution Pool in excess of the Aggregate Permitted CCAA Plan Payment Amount shall be permitted to be made by Cantar Pool Canada). Furthermore, all parties hereto acknowledge and agree that no agreement is being made herein with respect to any release of any Lien granted in favour of the Agent by any Obligor except for Cantar Pool Canada.

(c) In the event that all of the conditions precedent listed in paragraph 1(a) above have not been or are not satisfied on or before the Effective Date, then the agreement made above by the Lenders shall be of no force or effect whatsoever and the Lenders shall have no obligation whatsoever to cause the Agent to deliver a release of any Lien granted in favour of the Agent over any of Cantar Pool Canada's property, assets or undertaking (including without limitation the Distribution Assets), to the same extent as if this agreement had never been made by the Lenders.

(d) Capitalized words and phrases used in this paragraph 1 and not otherwise defined in the Letter Agreement shall have the same meanings ascribed thereto in the Plan.

(e) Each of the Obligors hereby irrevocably consents to the release of the Agent's Lien as contemplated in paragraph 1 of this Agreement and each of the Obligors covenants, confirms and agrees that (i) its present and future indebtedness, liabilities and obligations to the Lenders under the Loan Documents shall in no way be affected or released in any manner whatsoever as a result of such release of Lien by the Agent and (ii) the delivery of the release by the Agent shall not be used by any of the Obligors as a defence to the payment or performance of any of such indebtedness, liabilities or obligations owing by any Obligor or in any action which may be commenced by the Agent or the Lenders against any such Obligor. The Obligors refer to the mortgage (the "VTB Mortgage") granted in favour of Cantar Pool Canada in connection with the sale of the property municipality known as 330 Humberline Drive, Toronto, Ontario, such VTB Mortgage registered against title as Instrument No. AT1287953 and as transferred to the Agent; the Obligors confirm their consent to the VTB Mortgage having been postponed in favour of the new first mortgage and supporting security delivered by the purchasers of such real property in favour of The Equitable Trust Company.

(f) Not less than ten (10) days prior to a proposed distribution to creditors under the Plan, Cantar Pool Canada shall deliver to the Agent notice of such proposed distribution, with particulars of the proposed distribution date, the amount of the proposed distribution, and reasonable evidence to the satisfaction of the Agent that the proposed distribution will not result in the aggregate amount of prior distributions and the proposed distribution exceeding the Aggregate Permitted CCAA Plan Payment Amount. In the event that the Agent, acting reasonably, determines that such proposed distribution, together with past distributions will result in the aggregate of all distributions to exceed the Aggregate Permitted CCAA Plan Payment Amount, then in such case, the Agent shall be entitled to send a notice to Cantar Pool Canada (a "**Distribution Objection Notice**") during such ten (10) day period to the effect that Cantar Pool Canada is not permitted to make such proposed distribution, in which case Cantar shall not make the proposed distribution unless and until the Agent subsequently delivers to Cantar Pool Canada a written consent to the proposed distribution or, if applicable, a distribution in a lesser

amount such that the aggregate of past distributions and the (reduced) proposed distribution will not exceed the Aggregate Permitted CCAA Plan Payment Amount. The Agent agrees to act reasonably in conferring with Cantar and reviewing supporting material to be provided by Cantar in assessing whether or not a proposed distribution will result in the aggregate of Plan distributions exceeding the Aggregate Permitted CCAA Plan Payment Amount.

(g) For greater certainty, the Lenders and the Agent consent to distributions to creditors under the Plan by Cantar Pool Canada up to the Aggregate Permitted CCAA Plan Payment Amount, notwithstanding the provisions of Section 5.1(b)(i) of the Plan, subject to the terms, conditions and restrictions contained in paragraph 1 of this Agreement.

2. No Waiver. Except for the agreement regarding the release of the Agent's Lien in accordance with and subject to the restrictions set out in paragraph 1 above, nothing herein is in any way intended to be and nothing herein does or shall be deemed to constitute a waiver (temporary or otherwise) of any LaSalle Event of Default and nothing herein does or shall be deemed to constitute a custom or course of dealing among the Obligors, on the one hand, and the Lenders, on the other hand, and the Lenders reserve all of their respective rights and remedies under the Loan Documents, and the Letter Agreement and at law and in equity in connection therewith.
3. Representations and Warranties. Each of the undersigned "Obligors" hereby confirms to the Lenders that the representations and warranties set forth in the Loan Documents are true and correct in all material respects as of the date hereof (except (i) with regard to the CCAA Proceeding and (ii) those representations and warranties that specifically relate only to an earlier date), which representations and warranties shall be deemed to be remade as of the date hereof. Each Obligor represents and warrants to the Lenders that: (i) it has full power and authority to execute and deliver this Agreement and to perform its obligations hereunder; (ii) upon the execution and delivery hereof, this Agreement will be valid, binding and enforceable against such Obligor in accordance with its terms; (iii) the execution and delivery of this Agreement does not and will not contravene, conflict with, violate or constitute a default under the articles of incorporation or by-laws of such Obligor or any applicable law, rule, regulation, judgment, decree or order or any agreement, indenture or instrument to which such Obligor is a party or is bound or which is binding upon or applicable to all or any portion of such Obligor's property; and (iv) no Default or Event of Default presently exists.
4. Reaffirmation. The Obligors expressly reaffirm and assume all of their obligations and liabilities to the Lenders under the Loan Documents and the Letter Agreement, and in each case agree to be bound by and abide by and operate and perform under and pursuant to and comply fully with all of the terms, conditions, provisions, agreements, representations, undertakings, warranties, indemnities, grants of Liens and covenants contained in the Loan Documents and the Letter Agreement (including without limitation all guarantee obligations), as though such documents were being re-executed on the date hereof, except to the extent that such terms expressly relate to an earlier date. The Obligors ratify, confirm and affirm without condition, all Liens, granted to the Agent

pursuant to the Loan Documents, and agree that such Liens shall continue to secure the obligations secured thereby, including but not limited to, all advances made by the Canadian Lender or the Agent and/or the U.S. Lenders (and/or any one or more of them) to any one or more of the Obligors under the Loan Documents, and all extensions renewals, refinancings, amendments or modifications of any of the foregoing.

5. Release. In consideration of the agreements of the Lenders contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, each Obligor, on behalf of itself and its successors, assigns, and other legal representatives, hereby absolutely, unconditionally and irrevocably releases, remises and forever discharges each Lender, and its successors and assigns, and its present and former shareholders, affiliates, subsidiaries, divisions, predecessors, directors, officers, attorneys, employees, agents and other representatives (the Lenders and all such other Persons being hereinafter referred to collectively as the "Releasees" and individually as a "Releasee"), of and from all demands, actions, causes of action, suits, covenants, contracts, controversies, agreements, promises, sums of money, accounts, bills, reckonings, damages and any and all other claims, counterclaims, defences, rights of set off, demands and liabilities whatsoever (individually, a "Claim" and collectively, "Claims") of every name and nature, known or unknown, suspected or unsuspected, both at law and in equity, which it or any of its successors, assigns, or other legal representatives may now or hereafter own, hold, have or claim to have against the Releasees or any of them for, upon, or by reason of any circumstance, action, cause or thing whatsoever which arises at any time on or prior to or after the date of this Agreement including, without limitation, for or on account of, or in relation to, or in any way in connection with any of the Loan Documents, the Letter Agreement or transactions hereunder or thereunder or related thereto.
6. Costs and Expenses. Each Obligor hereby jointly and severally agrees to reimburse the Agent for all reasonable costs, fees and expenses incurred in the preparation, negotiation and execution of this Agreement and the consummation of the transactions contemplated hereby, including, without limitation, the reasonable costs, fees and expenses of the professionals (including without limitation legal counsel) retained by the Lenders.
7. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, and all of which, when taken together, shall constitute one and the same instrument. Facsimile or other electronic versions of signatures hereto shall be deemed original signatures, which may be relied upon by all parties hereby and shall be binding on the respective signor.
8. Severability. If any term or provision of this Agreement or the application thereof to any party or circumstance shall be held to be invalid, illegal or unenforceable in any respect by a court of competent jurisdiction, the validity, legality and enforceability of the remaining terms and provisions of this Agreement shall not in any way be affected or impaired thereby, and the affected term or provision shall be modified to the minimum extent permitted by law so as to achieve most fully the intention of this Agreement.

9. Successors and Assigns. This Agreement shall enure to the benefit, and shall be binding upon each of the parties hereto and their respective successors and permitted assigns. None of the Obligors shall be entitled to assign any of their rights or obligations hereunder.
10. Governing Law. This Agreement shall be governed by the laws of the Province of Ontario and the federal laws of Canada applicable therein.
11. Defined Terms. Unless otherwise defined herein, all capitalized words and phrases shall have the meanings ascribed thereto in the Letter Agreement.
12. Notices. Any notice, direction, consent or other document contemplated or required to be delivered hereunder shall be in writing and shall be made by personal delivery or by facsimile or other electronic transmission on a "Business Day" before 5:00 p.m. (such time of delivery being the time of delivery or receipt in the city in which the recipient is located), failing which delivery shall be deemed to have been made on the next following Business Day. In this Agreement, a "Business Day" shall mean any day other than (a) a Saturday, Sunday or statutory holiday in the Province of Ontario or the State of Illinois or (b) any day that banks in Toronto, Ontario or Chicago, Illinois are required or permitted to close.

Credit Parties to the Canadian Credit Agreement:

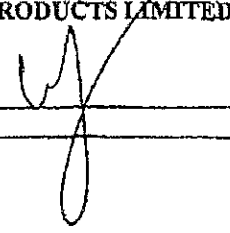
Borrowers:

POLYAIR CANADA LIMITED
(formerly Cantar/Polyair Canada Limited)
CANTAR POOL PRODUCTS LIMITED

Address: 325 Humber College Dr.
Toronto, ON M9W 7C3

Attention: Victor D'Souza
Fax: (416) 488-7984

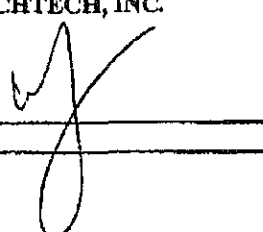
Each by _____
Its _____



Guarantors:

CANTAR POLYAIR CORPORATION
CANTAR POOL PRODUCTS CORPORATION
(formerly known as Atlantic Pool Products
Corporation and Cantar/Polyair of Illinois, Inc.)
MABEX UNIVERSAL CORPORATION
PERFORMA CORP.
C/P INTERNATIONAL CORP., INC.
POLYAIR INVESTMENTS INC.
(formerly Cantar/Polyair Inc.)
FAIRCOVE INVESTMENTS INC.
POLYAIR MACHTECH, INC.

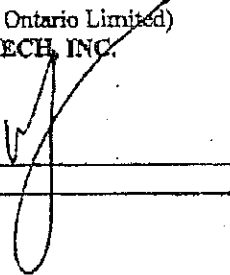
Each by _____
Its _____



Credit Parties to the U.S. Credit Agreement:

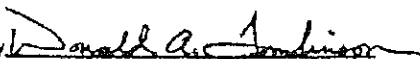
CANTAR/POLYAIR CORPORATION
CANTAR POOL PRODUCTS
CORPORATION (formerly Atlantic
Pool Products Corporation and Cantar/Polyair of
Illinois, Inc.)
MABEX UNIVERSAL CORPORATION
PERFORMA CORP.
POLYAIR CANADA LIMITED
(formerly Cantar/Polyair Canada Limited)
C/P INTERNATIONAL CORP., INC.
POLYAIR INVESTMENTS INC.
(formerly Cantar/Polyair Inc.)
FAIRCOVE INVESTMENTS INC.
CANTAR POOL PRODUCTS LIMITED
(formerly Atlantic Pool Products
Limited and 1566783 Ontario Limited)
POLYAIR MACHTECH, INC.

Each by _____
Its _____

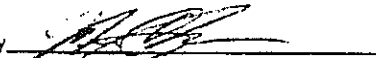


LASALLE BUSINESS CREDIT, LLC,
in its capacity as (a) the U.S. Agent for and on
behalf of the U.S. Lenders under the U.S.
Credit Agreement, (b) a U.S. Lender and
(c) the Agent for the U.S. Agent, the U.S.
Lenders and the Canadian Lender

Address: LaSalle Business Credit LLC,
as Agent
400-135 South LaSalle Street
Chicago, Illinois
60603-4105
Attention: Don Tomlinson (re: Cantar)
Fax: 312-904-0291

By 
Its FVP

PNC BANK, NATIONAL ASSOCIATION,
as a U.S. Lender

By 
Its VP

ABN AMRO BANK N.V., CANADA BRANCH,
as the Canadian Lender

By _____
Its _____

By _____
Its _____

LASALLE BUSINESS CREDIT, LLC,
in its capacity as (a) the U.S. Agent for and on
behalf of the U.S. Lenders under the U.S.
Credit Agreement, (b) a U.S. Lender and
(c) the Agent for the U.S. Agent, the U.S.
Lenders and the Canadian Lender

Address: LaSalle Business Credit LLC,
as Agent
400-135 South LaSalle Street
Chicago, Illinois
60603-4105
Attention: Don Tomlinson (re: Cantar)
Fax: 312-904-0291

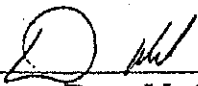
By _____
Its _____

PNC BANK, NATIONAL ASSOCIATION,
as a U.S. Lender

By _____
Its _____

ABN AMRO BANK N.V., CANADA BRANCH,
as the Canadian Lender

By  _____
Its **Aston Turner**
First Vice President

By  _____
Its **Darcy Mack**
First Vice President

Tab N



Comptroller of the Currency
Administrator of National Banks

Large Bank Licensing
Mail Stop 7-13
250 E Street, SW
Washington, DC 20219

October 17, 2008

Ms. Rhadi Thayu
Assistant General Counsel
Bank of America, National Association
40 W. 57th Street
New York, New York 10019

Re: Applications to merge LaSalle Business Credit, LLC, Chicago, Illinois with and into LaSalle Bank National Association, Chicago, Illinois, and upon consummation of that transaction, to merge LaSalle Bank National Association and LaSalle Bank Midwest National Association, Troy, Michigan, with and into Bank of America, National Association, Charlotte, North Carolina.

Application Control Numbers: 2008-ML-02-0006 and 2008-ML-12-0171

Dear Ms. Thayu:

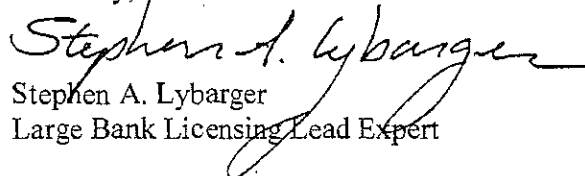
This letter is the official certification of the Office of the Comptroller of the Currency for LaSalle Business Credit, LLC, Chicago, Illinois to merge with and into LaSalle Bank National Association, Chicago, Illinois, effective October 16, 2008.

This is also the official certification of the Office of the Comptroller of the Currency for LaSalle Bank National Association, Chicago, Illinois, and LaSalle Bank Midwest National Association, Troy, Michigan to merge with and into Bank of America, National Association, Charlotte, North Carolina, effective October 17, 2008.

This letter is also the official authorization for Bank of America, National Association to operate the former main and branch offices of LaSalle Bank, National Association and LaSalle Bank, Midwest, National Association as branches of Bank of America, National Association.

If you have questions regarding this letter, please contact me at (202) 874-5294. Please reference the application control number in any correspondence.

Sincerely,


Stephen A. Lybarger
Large Bank Licensing Lead Expert

Delaware

PAGE 1

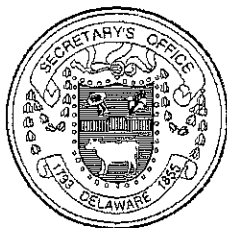
The First State

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF MERGER, WHICH MERGES:

"LASALLE BUSINESS CREDIT, LLC", A DELAWARE LIMITED LIABILITY COMPANY,

WITH AND INTO "LASALLE BANK NATIONAL ASSOCIATION" UNDER THE NAME OF "LASALLE BANK NATIONAL ASSOCIATION", A CORPORATION ORGANIZED AND EXISTING UNDER THE LAWS OF THE COUNTRY OF UNITED STATES, AS RECEIVED AND FILED IN THIS OFFICE THE FOURTEENTH DAY OF OCTOBER, A.D. 2008, AT 7:52 O'CLOCK P.M.

AND I DO HEREBY FURTHER CERTIFY THAT THE EFFECTIVE DATE OF THE AFORESAID CERTIFICATE OF MERGER IS THE SIXTEENTH DAY OF OCTOBER, A.D. 2008.



4611960 8100M

081037505

You may verify this certificate online
at corp.delaware.gov/authver.shtml

Harriet Smith Windsor

Harriet Smith Windsor, Secretary of State

AUTHENTICATION: 6912746

DATE: 10-15-08

CERTIFICATE OF MERGER

OF

LASALLE BUSINESS CREDIT, LLC,
a Delaware limited liability company

AND

LASALLE BANK NATIONAL ASSOCIATION,
a national banking association

Pursuant to Title 6, Section 18-209 of the Delaware Limited Liability Company Act, the undersigned limited liability company executed the following Certificate of Merger:

FIRST: The name of the surviving entity is LaSalle Bank National Association, a national banking association organized under the laws of the United States. The name of the limited liability company being merged into the surviving entity is LaSalle Business Credit, LLC, a Delaware limited liability company.

SECOND: The Agreement of Merger has been approved and executed by each party to this merger.

THIRD: The merger is to become effective October 16, 2008.

FOURTH: The executed Agreement of Merger is on file at 135 South LaSalle Street, Chicago, Illinois 60603, the principal place of business of the surviving entity.

FIFTH: A copy of the Agreement of Merger will be furnished by the surviving entity, on request and without cost, to any member of the domestic limited liability company or any person holding an interest in any other business entity which is to merge or consolidate.

SIXTH: The surviving entity agrees that it may be served with process in the State of Delaware in any action, suit or proceeding for the enforcement of any obligation of the limited liability company which is to merge, irrevocably appointing the Secretary of State as its agent to accept service of process in any action, suit or proceeding and the address to which a copy of such process shall be mailed to by the Secretary of State is c/o 555 California St., 8th Floor, San Francisco, California 94104.

IN WITNESS WHEREOF, said surviving entity has caused this certificate to be signed by an authorized person as of this 14th day of October, 2008.

LASALLE BANK NATIONAL ASSOCIATION

By: Merrily S. Gerrish
Merrily S. Gerrish, Assistant Secretary

Tab O

Request ID: 013696216
 Transaction ID: 45927690
 Category ID: UN/E

Province of Ontario
 Ministry of Government Services

Date Report Produced: 2011/11/10
 Time Report Produced: 08:38:18
 Page: 1

CORPORATION PROFILE REPORT

Ontario Corp Number	Corporation Name	Incorporation Date
1566783	CANTAR POOL PRODUCTS LIMITED/PRODUITS DE PISCINES CANTAR LIMITEE	2003/03/24
		Jurisdiction
		ONTARIO
Corporation Type	Corporation Status	Former Jurisdiction
ONTARIO BUSINESS CORP.	CANC FOR CAUSE	NOT AVAILABLE
Registered Office Address		Date Amalgamated
		NOT APPLICABLE
330 HUMBERLINE DRIVE		Amalgamation Ind.
		NOT APPLICABLE
		New Amal. Number
		NOT APPLICABLE
TORONTO		Notice Date
ONTARIO		NOT APPLICABLE
CANADA M9W 1R5		Letter Date
Mailing Address		NOT APPLICABLE
		Revival Date
		NOT APPLICABLE
330 HUMBERLINE DRIVE		Continuation Date
		NOT AVAILABLE
		Transferred Out Date
TORONTO		NOT APPLICABLE
ONTARIO		Cancel/Inactive Date
CANADA M9W 1R5		2009/03/17
		EP Licence Eff. Date
		NOT APPLICABLE
		EP Licence Term. Date
		NOT APPLICABLE
	Number of Directors	Date Commenced in Ontario
	Minimum Maximum	NOT APPLICABLE
	00001 00010	Date Ceased in Ontario
Activity Classification		NOT APPLICABLE
NOT AVAILABLE		

Request ID: 013696216
Transaction ID: 4592769D
Category ID: UN/E

Province of Ontario
Ministry of Government Services

Date Report Produced: 2011/11/10
Time Report Produced: 08:38:18
Page: 2

CORPORATION PROFILE REPORT

Ontario Corp Number	Corporation Name
1566783	CANTAR POOL PRODUCTS LIMITEO/PRODUITS DE PISCINES CANTAR LIMITEE

Corporate Name History	Effective Date
CANTAR POOL PRODUCTS LIMITED/PRODUITS DE PISCINES CANTAR LIMITEE	2004/11/25
ATLANTIC POOL PRODUCTS LTD./PRODUITS DE PISCINES ATLANTIC LTEE.	2003/05/09
1566783 ONTARIO LIMITED	2003/03/24

Current Business Name(s) Exist: NO

Expired Business Name(s) Exist: NO

Last Document Recorded Act/Code Description	Form	Date
BCA CANCELLATION ORDER	2400	2009/03/17

THIS REPORT SETS OUT THE MOST RECENT INFORMATION FILED BY THE CORPORATION ON OR AFTER JUNE 27, 1992, AND RECORDED IN THE ONTARIO BUSINESS INFORMATION SYSTEM AS AT THE DATE AND TIME OF PRINTING. ALL PERSONS WHO ARE RECORDED AS CURRENT DIRECTORS OR OFFICERS ARE INCLUDED IN THE LIST OF ADMINISTRATORS.

ADDITIONAL HISTORICAL INFORMATION MAY EXIST ON MICROFICHE.

The issuance of this report in electronic form is authorized by the Ministry of Government Services.

Tab P

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

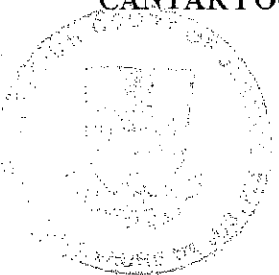
THE HONOURABLE MR.) WEDNESDAY, THE 25TH DAY
)
JUSTICE MORAWETZ) OF JANUARY, 2012

**IN THE MATTER OF AN APPLICATION UNDER 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
CANTAR POOL PRODUCTS LIMITED / PRODUITS DE PISCINES CANTAR
LIMITÉE**

Applicant

ORDER



THIS MOTION, made by A. Farber & Partners Inc., in its capacity as the Court-appointed monitor of Cantar Pool Products Limited/Produits de Piscines Cantar Limitée (in such capacity, the "Monitor"), for an order substantially in the form appended to the Monitor's Notice of Motion was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Fifth Report of the Monitor dated December 9, 2011 (the "Fifth Report"), and on hearing the submissions of counsel for the Monitor, no one appearing for any other person on the service list, although duly served as appears from the affidavit of Eunice Baltkois sworn December 12, 2011, filed,

1. **THIS COURT ORDERS** that that the time for service and filing of the notice of motion and the motion record is hereby abridged and validated so that this motion is properly returnable today and hereby dispenses with further service thereof.

2. **THIS COURT AUTHORIZES AND DIRECTS** the Monitor ^{AB} to ~~send the required notice pursuant to the agreement executed by, among others, LaSalle Business Credit, LLC on or about January 25, 2007 if the funds from the VTB Mortgage (as defined below) are to be distributed to the Applicant's creditors in accordance with the Plan of Compromise or Arrangement of the Applicant dated November 23, 2006, as amended,~~ ^{JD} to receive the funds from the Charge/Mortgage registered on October 24, 2006 as Instrument Number AT1287953 on title to the premises known municipally as 330 Humberline Drive, Toronto, Ontario and legally described in PIN 07368-0040 (LT) (the "**Property**"), which Charge/Mortgage was transferred to LaSalle Business Credit, LLC on October 24, 2006 as Instrument Number AT1287954 (the "**VTB Mortgage**"), to endorse any cheque in payment of such funds on behalf of the Applicant and to deposit such funds in an account to be established by the Monitor on behalf of the Applicant.

3. **THIS COURT ORDERS** that the VTB Mortgage be and is hereby discharged effective upon the Monitor filing a certificate (the "**Monitor's Certificate**"), in substantially the form attached as **Schedule "A"** to this Order, certifying that it has received the funds from the VTB Mortgage.

4. **THIS COURT ORDERS** that upon the registration in the Land Registry Office for the Land Titles Division of Toronto of an Application to Amend Based on Court Order in the form prescribed by the *Land Titles Act* and/or the *Land Registration Reform Act*, executed by the Monitor on behalf of the Applicant, attaching thereto a copy of this Order and the Monitor's Certificate, the Land Registrar is hereby directed to discharge and delete the VTB Mortgage from title to the Property.

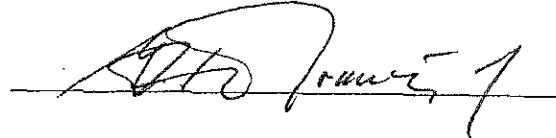
5. **THIS COURT ORDERS AND DECLARES** that from and after the discharge of the VTB Mortgage any and all claims in and to the VTB Mortgage shall attach to the funds from the VTB Mortgage with the same priority as such claims had immediately prior to the discharge of the VTB Mortgage as if the VTB Mortgage had not been discharged.

6. **THIS COURT ORDERS** that the Monitor is hereby granted leave to apply to this Court for such advice, directions or assistance as may be necessary to give effect to the terms of this Order.

7. **THIS COURT ORDERS** that this Order and any other Order in this proceeding shall have full force and effect in all provinces and territories in Canada and abroad and as against all persons against whom they may otherwise be enforceable.

8. **THIS COURT HEREBY REQUESTS** the aid and recognition (including assistance pursuant to section 17 of the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended, as applicable) of any court or any judicial, regulatory or administrative body in any province or territory of Canada and any judicial, regulatory or administrative tribunal or other court constituted pursuant to the Parliament of Canada or the legislature of any province or any court or any judicial, regulatory or administrative body of the United States and of any other nation or state to act in aid of and to be complementary to this Court in carrying out the terms of this Order.

9. THIS COURT ORDERS that this Order shall be posted on the website maintained by the Monitor (www.farberfinancial.com) and shall only be required to be served upon those parties who have either formally entered an appearance in these proceedings or those parties who appeared at the hearing of the motion for this Order.

A handwritten signature in black ink, appearing to read "J. J. Power", written over a horizontal line.

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

JAN 25 2012

SCHEDULE "A" – FORM OF MONITOR'S CERTIFICATE

Court File No. 06-CL-6690

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

IN THE MATTER OF AN APPLICATION UNDER 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
CANTAR POOL PRODUCTS LIMITED / PRODUITS DE PISCINES CANTAR
LIMITÉE

Applicant

MONITOR'S CERTIFICATE

RECITALS

- A. Pursuant to an Order of this Honourable Court dated October 17, 2006 (the "CCAA Initial Order"), Cantar Pool Products Limited/Produits de Piscines Cantar Limitée (the "Applicant") filed for and obtained protection from its creditors under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended;
- B. Pursuant to the CCAA Initial Order, A. Farber & Partners Inc. was appointed as the Court-appointed monitor of the Applicant (in such capacity, the "Monitor") with the powers, duties and obligations set out in the CCAA Initial Order; and
- C. Pursuant to an Order of this Honourable Court dated January 25, 2012 (the "Order"), the VTB Mortgage was discharged to be effective upon the filing by the Monitor with this Honourable Court of a certificate confirming that the Monitor has received the funds from the VTB Mortgage.

THE MONITOR HEREBY CERTIFIES that it has received the funds from the VTB Mortgage.

DATED at Toronto, Ontario, this ____ day of _____, 2012.

A. FARBER & PARTNERS INC., in its capacity as the Court-appointed Monitor of Cantar Pool Products Limited/Produits de Piscines Cantar Limitée

By: _____
Name: Paul Denton
Title: Vice President

IN THE MATTER OF AN APPLICATION UNDER 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 CANTAR POOL PRODUCTS LIMITED /
PRODUITS DE PISCINES CANTAR LIMITÉE

Court File No. 06-CL-6690

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceedings commenced at Toronto

ORDER

AIRD & BERLIS LLP
Barristers and Solicitors
Brookfield Place
181 Bay Street, Suite 1800
Toronto, Ontario M5J 2T9

D. Robb English (LSUC # 19862F1B)
Tel: 416.865.4748
Fax: 416.863.1515
Email: renglish@airdberlis.com

Ian E. Aversa (LSUC # 55449N)
Tel: 416.865.3082
Fax: 416.863.1515
Email: iaversa@airdberlis.com

*Lawyers for A. Farber & Partners Inc., in its capacity as
the Court-appointed monitor of Cantar Pool Products
Limited/Produits de Piscines Cantar Limitée*

Tab Q

Properties

PIN 07368 - 0040 LT
 Description PT LT 38 CON 4 FRONTING THE HUMBER, PT 2, 64R11839, ETOBICOKE, CITY OF TORONTO
 Address 00330 HUMBERLINE DRIVE
 TORONTO

Source Instruments

Registration No.	Date	Type of Instrument
AT1287953	2006 10 24	Charge/Mortgage

Transferor(s)

This transfer of charge affects all lands that the charge is against which are outstanding.

Name CANTAR POOL PRODUCTS LIMITED/PRODUITS DE PISCINES CANTAR LIMITEE
 Address for Service 330 Humberline Drive
 Toronto, Ontario
 M9W 1R5

I, VICTOR D'SOUZA, Authorized Signing Officer, have the authority to bind the corporation.

This document is not authorized under Power of Attorney by this party.

Transferee(s)

Capacity

Share

Name LASALLE BUSINESS CREDIT, LLC
 Address for Service 400 - 135 South LaSalle Street
 Chicago, Illinois 60603-5802

Statements

The chargee transfers the selected charge for \$2.00

Schedule: The Chargee transfers the selected Charge to the Transferee.

Signed By

Larry Fischer	700-40 Sheppard Ave. W. North York M2N 6K9	acting for Transferor(s)	Signed	2006 10 24
Tel 4162259400				
Fax 4162254805				
Larry Fischer	700-40 Sheppard Ave. W. North York M2N 6K9	acting for Transferee(s)	Signed	2006 10 24
Tel 4162259400				
Fax 4162254805				

Submitted By

GOLDMAN, SPRING, KICHLER & SANDERS LLP	700-40 Sheppard Ave. W. North York M2N 6K9	2006 10 24
Tel 4162259400		
Fax 4162254605		

Fees/Taxes/Payment

Statutory Registration Fee	\$60.00
Total Paid	\$60.00

Tab R



ServiceOntario

PARCEL REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIER

LAND
REGISTRY
OFFICE #66

07368-0040 (LT)

PAGE 1 OF 3
PREPARED FOR SBrown01
ON 2011/11/03 AT 13:33:59

* CERTIFIED BY LAND REGISTRAR IN ACCORDANCE WITH LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

PROPERTY DESCRIPTION: PT LT 38 CON 4 FRONTING THE HUMBER, PT 2, 64R11839, ETOBICOKE, CITY OF TORONTO

PROPERTY REMARKS:

ESTATE/QUALIFIER:
FEE SIMPLE
LT CONVERSION QUALIFIED

RECENTLY:
FIRST CONVERSION FROM BOOK 1665

PIN CREATION DATE:
1993/08/09

OWNERS' NAMES
HUMBERLINE (INDUSTRIAL) REALTY INC.
CANADA MORTGAGE AND HOUSING CORPORATION

CAPACITY SHARE
TCOM 10% INTEREST
TCOM 90% INTEREST

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
<p>**EFFECTIVE 2000/07/29 THE NOTATION OF THE "BLOCK IMPLEMENTATION DATE" OF 1993/08/09 ON THIS PIN**</p> <p>**WAS REPLACED WITH THE "PIN CREATION DATE" OF 1993/08/09**</p> <p>** PRINTOUT INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE: 1993/07/13 **</p> <p>**SUBJECT, ON FIRST REGISTRATION UNDER THE LAND TITLES ACT, TO:</p> <p>** SUBSECTION 44(1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPH 11, PARAGRAPH 14, PROVINCIAL SUCCESSION DUTIES * AND ESCHEATS OR FORFEITURE TO THE CROWN.</p> <p>** THE RIGHTS OF ANY PERSON WHO WOULD, BUT FOR THE LAND TITLES ACT, BE ENTITLED TO THE LAND OR ANY PART OF IT THROUGH LENGTH OF ADVERSE POSSESSION, PRESCRIPTION, MISDESCRIPTION OR BOUNDARIES SETTLED BY CONVENTION.</p> <p>** ANY LEASES TO WHICH THE SUBSECTION 70(2) OF THE REGISTRY ACT APPLIES.</p> <p>**DATE OF CONVERSION TO LAND TITLES: 1993/08/09 **</p>						
64R2980	1973/08/15	PLAN REFERENCE				C
EB426257	1973/11/19	AGREEMENT			BDROUGH OF ETOBICOKE	C
64R11839	1988/04/26	PLAN REFERENCE				C
TB606810	1989/05/31	TRANSFER		*** COMPLETELY DELETED ***	HANSON KIDDE CANADA INC.	
E79346	1997/05/05	APL CH NAME OWNER		*** COMPLETELY DELETED *** HANSON KIDDE CANADA INC.	USI CANADA INC.	
E90013	1997/06/17	CONSTRUCTION LIEN		*** COMPLETELY DELETED *** MAGNA FIRE PROTECTION & SECURITY LTD.		

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.



ServiceOntario

LAND
REGISTRY
OFFICE #66

PARCEL REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIER

07368-0040 (LT)

PAGE 2 OF 3
PREPARED FOR SBrown01
ON 2011/11/03 AT 13:33:59

* CERTIFIED BY LAND REGISTRAR IN ACCORDANCE WITH LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
E105483	1997/08/14	CERTIFICATE		*** COMPLETELY DELETED *** MAGNA FIRE PROTECTION & SECURITY LTD.		
		REMARKS: E090013				
E130560	1997/11/24	APL (GENERAL)		*** COMPLETELY DELETED *** ACTIVE FIRE & SAFETY SUPPLIES INC.		
		REMARKS: E90013 & E105483				
E317117	2000/03/27	NOTICE		HER MAJESTY THE QUEEN IN RIGHT OF THE DEPARTMENT OF TRANSPORT CANADA		C
		REMARKS: PEARSON AIRPDRT ZONING REGULATION				
AT19601	2002/10/21	CHARGE		*** COMPLETELY DELETED *** USI CANADA INC.	WILMINGTON TRUST COMPANY VANASKEY, DAVID	
AT41821	2002/11/20	NO ASSGN RENT GEN		*** COMPLETELY DELETED *** USI CANADA INC.	VENASKEY, DAVID WILMINGTON TRUST COMPANY	
		REMARKS: RENTS, RE: CHARGE NO. AT19601				
AT163995	2003/05/08	DISCH OF CHARGE		*** COMPLETELY DELETED *** WILMINGTON TRUST COMPANY VANASKEY, DAVID		
		REMARKS: RE: AT19601				
AT164131	2003/05/08	TRANSFER		*** COMPLETELY DELETED *** USI CANADA INC.	FAIRCOVE INVESTMENTS INC.	
		REMARKS: PLANNING ACT STATEMENTS				
AT721683	2005/02/01	CHARGE		*** COMPLETELY DELETED *** FAIRCOVE INVESTMENTS INC.	LASALLE BUSINESS CREDIT, LLC	
AT977153	2005/11/14	LR'S ORDER		LAND REGISTRAR		C
		REMARKS: AMEND DESCRIPTION WITH REGARD TO REFERENCE PLAN TO READ AS 64R-11839.				
AT1185927	2006/06/30	NO OPTION PURCHASE	\$3,000,000	HAWKLANE DEVELOPMENTS INC.	HAWKLANE DEVELOPMENTS INC.	C
		REMARKS: OPTION IS FOR AN INDETERMINATE PERIOD				
AT1284615	2006/10/19	TRANSFER		*** COMPLETELY DELETED *** FAIRCOVE INVESTMENTS INC.	CANTAR POOL PRODUCTS LIMITED	

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.



ServiceOntario

PARCEL REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIER

LAND
REGISTRY
OFFICE #66

07368-0040 (LT)

PAGE 3 OF 3
PREPARED FOR SBrown01
DN 2011/11/03 AT 13:33:59

* CERTIFIED BY LAND REGISTRAR IN ACCORDANCE WITH LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
AT1287952	2006/10/24	APL VESTING ORDER	\$9,441,660	ONTARIO SUPERIOR COURT OF JUSTICE	HUMBERLINE (INDUSTRIAL) REALTY INC. CANADA MORTGAGE AND HOUSING CORPORATION	C
AT1287953	2006/10/24	CHARGE	\$1,600,000	HUMBERLINE (INDUSTRIAL) REALTY INC. CANADA MORTGAGE AND HOUSING CORPORATION	CANTAR POOL PRODUCTS LIMITED/PRODUITS DE PISCINES CANTAR LIMITEE	C
AT1287954	2006/10/24	TRANSFER OF CHARGE		CANTAR POOL PRODUCTS LIMITED/PRODUITS DE PISCINES CANTAR LIMITEE	LASALLE BUSINESS CREDIT, LLC	C
		REMARKS: AT1287953				
AT1320737	2006/11/30	NOTICE OF LEASE		HUMBERLINE (INDUSTRIAL) REALTY INC. CANADA MORTGAGE AND HOUSING CORPORATION	POLYAIR CANADA LIMITED	C
AT1321451	2006/12/01	CHARGE	\$5,650,000	CANADA MORTGAGE AND HOUSING CORPORATION HUMBERLINE (INDUSTRIAL) REALTY INC.	THE EQUITABLE TRUST COMPANY	C
AT1321452	2006/12/01	NO ASSGN RENT GEN		CANADA MORTGAGE AND HOUSING CORPORATION HUMBERLINE (INDUSTRIAL) REALTY INC.	THE EQUITABLE TRUST COMPANY	C
		REMARKS: RENTS - AT1321451.				
AT1321491	2006/12/01	NO ASSG LESSOR INT		CANADA MORTGAGE AND HOUSING CORPORATION HUMBERLINE (INDUSTRIAL) REALTY INC.	THE EQUITABLE TRUST COMPANY	C
		REMARKS: AT1320737 & AT1321451				
AT1321932	2006/12/01	POSTPONEMENT		LASALLE BUSINESS CREDIT, LLC	THE EQUITABLE TRUST COMPANY	C
		REMARKS: AT1287953, AT1287954 & AT1321451				
AT1321933	2006/12/01	POSTPONEMENT		LASALLE BUSINESS CREDIT, LLC	THE EQUITABLE TRUST COMPANY	C
		REMARKS: AT1287953, AT1287954 & AT1321452				
AT1321934	2006/12/01	POSTPONEMENT		LASALLE BUSINESS CREDIT, LLC	THE EQUITABLE TRUST COMPANY	C
		REMARKS: AT1287953, AT1287954 & AT1321491.				
AT1321935	2006/12/01	DISCH OF CHARGE		*** COMPLETELY DELETED *** LASALLE BUSINESS CREDIT, LLC		
		REMARKS: RE: AT721683				

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Tab S

A. Farber & Partners Inc.

Claims Register

In the matter of the liquidation of
CANTAR POOL PRODUCTS LTD.

<i>Creditor Name</i>	<i>Proof of Claim?</i>	<i>Claim Status</i>	<i>Rank/ Class</i>	<i>SOA Amount</i>	<i>Amount Filed</i>	<i>Admitted for Dividend</i>	<u>ONTARIO</u>	OTHER
Preferred creditors								
1. A.O. Smith Electrical Products P.O. Box 74440 CLEVELAND OH 44194-4440 USA	Yes	Admitted	J		770,877.95	770,877.95		770,877.95
2. Accountemps P.O. Box 57349, Station A Toronto ON M5W 5M5	Yes	Admitted	J		7,681.44	7,681.44	7,681.44	
3. Accurate Fasteners Ltd. 550 Applewood Crescent, Building #1 Concord ON L4K 4B4	Yes	Admitted	J		6,323.10	6,323.10	6,323.10	
4. Afras Industries Inc. 766 Hampshire Road, Unit A Westlake Village CA 91361 USA	Yes	Admitted	J		75,704.55	75,704.55		75,704.55
5. Alcor Pallets Ltd. 7913 Essa Road Innisfil ON L9S 3J5	Yes	Admitted	J		93,084.21	93,084.21	93,084.21	
6. Algood Casters Ltd. 605 Fenmar Drive Toronto ON M9L 2R6	Yes	Admitted	J		9,470.57	9,470.57	9,470.57	
7. American Stitchoo Inc. 4662 Hwy. 62 West Mountain Home AR 72653 USA	Yes	Admitted	J		9,772.58	9,772.58		9,772.58
8. Amherst Container Limited Postal Station A, Po Box 2688 Toronto ON M5W 2N7	Yes	Admitted	J		5,489.19	5,489.19	5,489.19	
9. Anchor Plastics 730 St-Etienne L'Assomption QC J5W 1Z1	Yes	Admitted	J		183,768.05	183,768.05		183,768.05
10. Apex Motor Express Ltd. P.O. Box 1107 Winnipeg MB R3C 2Y4	Yes	Admitted	J		35,689.50	35,689.50		35,689.50
11. Apple One Services Ltd. 50 Paxman Road, Unit 8 Etobicoke ON M9C 1B7	Yes	Admitted	J		13,994.42	13,994.42	13,994.42	
12. Aquabiotech Inc. 936, Route 141 North, R.R. #6 Coaticook QC J1A 2S5	Yes	Admitted	J		9,224.48	9,224.48		9,224.48
13. Barmik Industries Ltd.	Yes	Admitted	J		18,074.63	18,074.63	18,074.63	

	5035 Timberlea Blvd., Unit #7 Mississauga ON L4W 2W9						
14.	Bereskin & Parr 40 King Street West, 40th Floor, Scotia Plaza Toronto ON M5H 3Y2	Yes	Admitted	J	21,815.63	21,815.63	21,815.63
15.	Brampton Nameplate 218 Wilkinson Road, Unit #4 Brampton ON L6T 4M4	Yes	Admitted	J	10,050.52	10,050.52	10,050.52
16.	Cameron Advertising Displays 12 Nantucket Blvd. Scarborough ON M1P 2N4	Yes	Admitted	J	19,746.85	19,746.85	19,746.85
17.	Canada Revenue Agency 5800 Hurontario St. Mississauga ON L5A 4E9 89450 3705 RT0001	Yes	Admitted	J	157,077.43	157,077.43	157,077.43
18.	Cardinal Fasteners 120 Venture Drive Scarborough ON M1B 3L6	Yes	Admitted	J	155,143.17	155,143.17	155,143.17
19.	CBSC Capital Inc. 1235 North Service Road West, Suite 100 Oakville ON L6M 2W2	Yes	Admitted	J	126,603.30	126,603.30	126,603.30
20.	CFM 4849 South Austin Avenue Chicago IL 60638 USA	Yes	Admitted	J	32,169.12	32,169.12	32,169.12
21.	Clayson Steel Inc. 133 East Drive Brampton ON L6T 1B5	Yes	Admitted	J	100,234.52	100,234.52	100,234.52
22.	Commercial Roll Formed Product 225 Parkhurst Square Brampton ON L6T 5H5	Yes	Admitted	J	1,941,506.02	1,941,506.02	1,941,506.02
23.	Confer Plastics Inc. 97 Witmer Road North Tonawanda NY 14120-2421 USA	Yes	Admitted	J	81,777.31	81,777.31	81,777.31
24.	Corr-A-Box Packaging Ltd. 274 Humberline Drive Etobicoke ON M9W 5S2	Yes	Admitted	J	77,089.54	77,089.54	77,089.54
25.	CSA Transportation 1 Valleybrook Dr., Suite 305 Toronto ON M3B 2S7	Yes	Admitted	J	27,532.50	27,532.50	27,532.50
26.	Demand Management Inc. Po Box 933099 Atlanta GA 31193-3099 USA	Yes	Admitted	J	7,969.98	7,969.98	7,969.98
27.	DVL 587 Avenue Delmar Pointe-Claire QC H9R 4A9	Yes	Admitted	J	11,465.59	11,465.59	11,465.59
28.	E.M.G.S.R.L. Via Croce Gambugliano (Vi) Italy 36050 USA	Yes	Admitted	J	184,652.14	184,652.14	184,652.14
29.	Emerson Motor Company - Canada	Yes	Admitted	J	46,969.37	46,969.37	46,969.37

	P.O. Box 203508 Station A Toronto ON M5W 3G4						
30.	Extrudex Aluminum 411 Chrislea Road Woodbridge ON L4L 8N4	Yes	Admitted	J	195,738.70	195,738.70	195,738.70
31.	Fastenal 145 City View Drive, Unit #1 Etobicoke ON M9W 5B1	Yes	Admitted	J	6,198.20	6,198.20	6,198.20
32.	Filbur Manufacturing 6635 Caballero Blvd. Buena Park CA 90620 USA	Yes	Admitted	J	50,384.15	50,384.15	50,384.15
33.	Filmar Mfg Company Ltd. 40 Bradwick Drive, Unit #7 Concord ON L4K 1K9	Yes	Admitted	J	45,316.88	45,316.88	45,316.88
34.	Flowserve Fsd Corporation 7342 Collection Center Drive Chicago IL 60693 USA	Yes	Admitted	J	7,536.56	7,536.56	7,536.56
35.	Forbes-Hewlett Transport Inc. 156 Glidden Road Brampton ON L6W 3L2	Yes	Admitted	J	144,832.94	144,832.94	144,832.94
36.	Front Line Work Force Inc. 20 Adelaide Street East, Suite 1201 Toronto ON M5C 2T6	Yes	Admitted	J	167,258.79	167,258.79	167,258.79
37.	Gamma Foundries Company 123 Newkirk Road Richmond Hill ON L4C 3G5	Yes	Admitted	J	56,662.60	56,662.60	56,662.60
38.	Gates Canada Inc. P.O. Box 8853 Postal Stn A Toronto ON M5W 1P8	Yes	Admitted	J	17,819.43	17,819.43	17,819.43
39.	Graybar Ontario Po Box 1000 Kitchener ON N2G 4E8	Yes	Admitted	J	8,394.99	8,394.99	8,394.99
40.	Heartland Shipping Supplies In 6420a Kestrel Road Mississauga ON L5T 1Z7	Yes	Admitted	J	7,974.87	7,974.87	7,974.87
41.	Horizon Plastics Company Ltd. Bldg. #3 Northam Ind Park, Po Box 474 Cobourg ON K9A 4L1	Yes	Admitted	J	100,954.32	100,954.32	100,954.32
42.	Horn Plastics 114 Industrial Drive Whitby ON L1N 5Z8	Yes	Admitted	J	176,885.26	176,885.26	176,885.26
43.	Indalex Aluminum Solutions P.O. Box 7489, Postal Station A Toronto ON M5W 3C1	Yes	Admitted	J	8,641.68	8,641.68	8,641.68
44.	Ipex Inc. 50 Valleybrook Drive Don Mills ON M3B 2S9	Yes	Admitted	J	36,348.21	36,348.21	36,348.21
45.	Irwin Commercial Finance Suite 300 Park Place, 666 Burrard Street	Yes	Admitted	J	35,324.88	35,324.88	35,324.88

	Vancouver BC V6C 2X8							
46.	ISECO 2640 Argentia Road Mississauga ON L5N 6C5	Yes	Admitted	J	5,859.24	5,859.24	5,859.24	
47.	J Roberts Mfg. Inc. 46 Haist Avenue Woodbridge ON L4L 5V4	Yes	Admitted	J	85,573.25	85,573.25	85,573.25	
48.	J-Mc Industries Inc. P.O. Box 219, 925 Hall Street Ringgold LA 71068 USA	Yes	Admitted	J	73,518.59	73,518.59		73,518.59
49.	Jas Canada Inc. 7687 Bath Road Mississauga ON L4T 3T1	Yes	Admitted	J	45,528.75	45,528.75	45,528.75	
50.	John Crane Canada Inc. 427 Green Road Stoney Creek ON L8E 3A1	Yes	Admitted	J	96,438.78	96,438.78	96,438.78	
51.	John Elliott Sales Agency 42 Chilton Road Toronto ON M4J 3C8	Yes	Admitted	J	37,348.12	37,348.12	37,348.12	
52.	Kennerley-Spratling Inc. 2116 Farallon Drive San Leandro CA 94577-6604 USA	Yes	Admitted	J	6,877.50	6,877.50		6,877.50
53.	Kopp Glass Inc. Po Box 642889 Pittsburgh PA 15264-2889 USA	Yes	Admitted	J	6,777.31	6,777.31		6,777.31
54.	Kuri Tec Corporation Box 21052, Lpmpo, 140 Roy Boulevard Brantford ON N3R 7W9	Yes	Admitted	J	23,485.64	23,485.64	23,485.64	
55.	Label Tech 7505 Bath Road Mississauga ON L4T 4C1	Yes	Admitted	J	11,652.43	11,652.43	11,652.43	
56.	Leader Pumps Inc. 3226 Benchmark Drive Ladson SC 29456 USA	Yes	Admitted	J	26,364.46	26,364.46		26,364.46
57.	Magic Plastics 25215 Ave. Stanford Valencia CA 91355 USA	Yes	Admitted	J	39,576.43	39,576.43		39,576.43
58.	Marjen Business Systems 76 Brookshire Circle Thornhill ON L3T 7B2	Yes	Admitted	J	41,864.73	41,864.73	41,864.73	
59.	McGill Transportation Box 2484 Orillia ON L3V 6K8	Yes	Admitted	J	7,372.86	7,372.86	7,372.86	
60.	Meissner Mfg. Co. 21701 Prairie Street Chatsworth CA 91311-5835 USA	Yes	Admitted	J	190,726.29	190,726.29		190,726.29
61.	Metal Koting Ltd. 1430 Martin Grove Road	Yes	Admitted	J	15,285.14	15,285.14	15,285.14	

	Rexdale ON M9W 4Y1							
62.	Minister Of Revenue - Quebec Cp 4000 Succursale Desjardins Montréal QC H5B 1A5	Yes	Admitted	J	9,001.89	9,001.89		9,001.89
63.	Newcomb Spring Of Texas Po Box 847184 Dallas TX 75284 USA	Yes	Admitted	J	5,533.41	5,533.41		5,533.41
64.	Norampac 450 Evans Avenue Toronto ON M8W 2T5	Yes	Admitted	J	58,734.79	58,734.79	58,734.79	
65.	Norampac Belleville Division 2755 Rue Viau Montréal QC H1V 3J4	Yes	Admitted	J	28,223.97	28,223.97		28,223.97
66.	Norampac Inc. 6135 Kennedy Road Mississauga ON L5T 2H7	Yes	Admitted	J	30,173.88	30,173.88	30,173.88	
67.	Norampac Jellico Division 35 Fraser Court Barrie ON L4N 5J5	Yes	Admitted	J	6,159.52	6,159.52	6,159.52	
68.	Norseman Plastics 39 Westmore Drive Rexdale ON M9V 3Y6	Yes	Admitted	J	239,419.20	239,419.20	239,419.20	
69.	Nu Tech Rollforming Inc. 7299 David Hunting Drive Mississauga ON L5S 1W3	Yes	Admitted	J	123,278.36	123,278.36	123,278.36	
70.	Olymbec 5584 Cote De Liesse, Suite 200 Ville Mont Royal QC H4P 1A9	Yes	Admitted	J	298,991.93	298,991.93		298,991.93
71.	Overseas Courier Service Ltd. #250-3600 Viking Way Richmond BC V6V 1N6	Yes	Admitted	J	29,309.89	29,309.89		29,309.89
72.	P & K Forklifts Sales & Rentals 5 Henley Crescent Etobicoke ON M9W 2W8	Yes	Admitted	J	6,385.80	6,385.80	6,385.80	
73.	Pace Marathon Motor Lines Inc. 190 Bovaird Drive West, Unit 35a Brampton ON L7A 1A2	Yes	Admitted	J	56,558.63	56,558.63	56,558.63	
74.	Peel Business Print 31 Goldcrest Rd. Brampton ON L6S 1G4	Yes	Admitted	J	56,390.84	56,390.84	56,390.84	
75.	Peterson Spinning & Stamping 959 E 108th St. Los Angeles CA 90059-1007 Usa	Yes	Admitted	J	61,633.43	61,633.43		61,633.43
76.	Plastic Prescriptions 18 Cherry Blossom Road Cambridge ON N3H 4R7	Yes	Admitted	J	93,349.36	93,349.36	93,349.36	
77.	Pontoon 481 Rue De La Porte Jaune Garches France 92380 USA	Yes	Admitted	J	88,905.86	88,905.86		88,905.86

78.	Praher Canada Products 101 Saunders Road Barrie ON L4N 6E7	Yes	Admitted	J	36,002.30	36,002.30	36,002.30
79.	R & M Plastic Products Ltd. 55 Nuggett Court Brampton ON L6T 5A9	Yes	Admitted	J	156,865.08	156,865.08	156,865.08
80.	R L Hudson & Company 200 West Tacoma Broken Arrow OK 74012 USA	Yes	Admitted	J	33,069.04	33,069.04	33,069.04
81.	Raypack Inc. P.O. Box 601109 Los Angeles CA 90060-1109 USA	Yes	Admitted	J	175,934.80	175,934.80	175,934.80
82.	Regal Plastics Co. 101 Royal Group Crescent Woodbridge ON L4H 1X9	Yes	Admitted	J	134,588.14	134,588.14	134,588.14
83.	Robert Half Management Resource P.O. Box 57349, Station A Toronto ON M5W 5M5	Yes	Admitted	J	9,888.93	9,888.93	9,888.93
84.	Roto Precision Inc. 304 Watline Avenue Mississauga ON L4Z 1P4	Yes	Admitted	J	9,951.00	9,951.00	9,951.00
85.	Royal Containers Ltd. 80 Midair Court Brampton ON L6T 5V1	Yes	Admitted	J	100,991.53	100,991.53	100,991.53
86.	S.L.H. Transport Inc. 1585 Centennial Drive Kingston ON K7L 4V4	Yes	Admitted	J	22,472.49	22,472.49	22,472.49
87.	Samuel Carbon Flat Rolled Attn: Div Of Samuel Son & Co Limited 2360 Dixie Road Mississauga ON L4Y 1Z7	Yes	Admitted	J	88,542.10	88,542.10	88,542.10
88.	Samuel Carbon Flat Rolled (Div. Of Samuel Son & Co. Limited), 2360 Dixie Rd. Mississauga ON L4Y 1Z7	Yes	Admitted	J	310,495.33	310,495.33	310,495.33
89.	Samuel Son & Co. Limited 2360 Dixie Rd. Mississauga ON L4Y 1Z7	Yes	Admitted	J	366,914.96	366,914.96	366,914.96
90.	Scepter Corporation 170 Midwest Road Scarborough ON M1P 3A9	Yes	Admitted	J	75,344.73	75,344.73	75,344.73
91.	Seacor Environmental Inc. 200-1620 West 8th Ave. Vancouver BC V6J 1V4	Yes	Admitted	J	28,861.04	28,861.04	28,861.04
92.	Seal & Design Inc. 4015 Casilio Parkway Clarence NY 14031 USA	Yes	Admitted	J	12,823.55	12,823.55	12,823.55
93.	Sealed Air Canada Ltd. Po Box 6100 Toronto ON M4Y 2Z2	Yes	Admitted	J	13,468.39	13,468.39	13,468.39

94.	Sierra Spray Painting Ltd. 640 Hardwick Road, Unit 3 & 4 Bolton ON L7E 5R1	Yes	Admitted	J	5,063.24	5,063.24	5,063.24
95.	Smurfit-Mbi 2070 Hayden Rd. Mississauga ON L5K 2C9	Yes	Admitted	J	10,242.38	10,242.38	10,242.38
96.	St.Paul Guarantee Insurance Co. C/O Export Development Canada, 151 O'Connor St. Ottawa ON K1A 1K3	Yes	Admitted	J	93,343.06	93,343.06	93,343.06
97.	Stanley Fastening Systems P.O. Obx 7463, Postal Station A Toronto ON M5W 3C1	Yes	Admitted	J	7,870.92	7,870.92	7,870.92
98.	Super Vision International Inc. P.O. Box 536872 Atlanta GA 30353-6872 USA	Yes	Admitted	J	18,504.03	18,504.03	18,504.03
99.	Tangibles Ltd. 55 Baywood Road Etobicoke ON M9V 3Y8	Yes	Admitted	J	24,464.64	24,464.64	24,464.64
100.	The Autumn Group 275 Renfrew Drive, Suite 200 Markham ON L3R 0C8	Yes	Admitted	J	20,626.61	20,626.61	20,626.61
101.	The Green Lawn Professionals 47 Benway Drive Etobicoke ON M9W 1Z2	Yes	Admitted	J	5,620.21	5,620.21	5,620.21
102.	The Right Way Bldg. Maintenance Po Box 79690, 1995 Weston Road Toronto ON M9N 3W9	Yes	Admitted	J	8,260.02	8,260.02	8,260.02
103.	Transport Kingsway (Div. De Transport Tfi 5 S.E.C.), 6700 Ch Saint-Francois Saint Laurent QC H4S 1B7	Yes	Admitted	J	13,403.49	13,403.49	13,403.49
104.	Tru-Moulded Prod (Tor) Ltd. 104 Skyway Avenue Rexdale ON M9W 4Y9	Yes	Admitted	J	41,368.50	41,368.50	41,368.50
105.	True North Printed Plastics In 3130 Pepper Mill Court Mississauga ON L5L 4X4	Yes	Admitted	J	94,504.57	94,504.57	94,504.57
106.	Ultra Jet Canada P.O. Box 700 Brantford ON N3T 5P9	Yes	Admitted	J	7,325.48	7,325.48	7,325.48
107.	United Parcel Service P.O. Box 6163 Moncton NB E1C 0J7	Yes	Admitted	J	153,002.34	153,002.34	153,002.34
108.	Universal Plastic Mold 13245 Los Angeles St. BALDWIN PARK CA 91706-2244 USA	Yes	Admitted	J	57,230.66	57,230.66	57,230.66
109.	VIF Mold & Plastic Ind. Ltd. 4000 Casavant Quest St-Hyacinthe QC J2S 9E3	Yes	Admitted	J	298,601.24	298,601.24	298,601.24

110.	Weir Canada Inc. 2360 Millrace Court Mississauga ON L5N 1W2	Yes	Admitted	J	33,170.00	33,170.00	33,170.00	
111.	Wek South Corp. Po Box 712577 CINCINNATI OH 45271-2577 USA	Yes	Admitted	J	92,526.11	92,526.11		92,526.11
112.	Wes-Garde Components Group Inc. 6740 Davand Drive, #2 Mississauga ON L5T 2K9	Yes	Admitted	J	15,048.82	15,048.82	15,048.82	
113.	Western Spring And Wire Ltd. 55 Keith Road Winnipeg MB R3H 0H7	Yes	Admitted	J	14,932.93	14,932.93		14,932.93
Total Preferred creditors					9,804,853.06	9,804,853.06	6,544,206.03	3,260,647.03

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Tab T

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

IN THE MATTER OF AN APPLICATION UNDER 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
CANTAR POOL PRODUCTS LIMITED / PRODUITS DE PISCINES CANTAR
LIMITEE

Applicant

AFFIDAVIT OF PAUL J. DENTON

I, Paul J. Denton, of the Town of Aurora, in the Province of Ontario, MAKE
OATH AND STATE AS FOLLOWS:

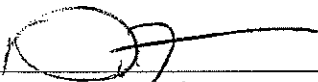
1. I am a Vice President and Trustee at A. Farber & Partners Inc. and, as such, have knowledge of the matters to which I hereinafter depose.
2. A. Farber & Partners Inc. ("Monitor") was appointed Monitor of the Applicant pursuant to an Order of this Court made on October 17, 2006. I make this affidavit as a supplement to the Fifth Report of the Monitor.
3. The Monitor has rendered ten invoices in this matter as set out in the Schedule attached as Exhibit A this Affidavit. In addition, the Monitor has incurred further time to date and expects that said time and costs to complete implementation of the CCAA

Plan, including its anticipated discharge is estimated to be approximately \$50,000. A summary of time is attached herewith as **Exhibit A**. Copies of the ten invoices rendered to date are attached as **Exhibit B**.

4. The total of the Monitor's fees as outlined in Exhibit A is \$237,992.50 together with disbursements of \$14,964.33, GST of \$12,640.93 and HST of \$3,340.03, the sum of which equals \$268,937.79. The average hourly rate in respect of time as outlined in Exhibit A is \$269.13.

5. This Affidavit is made in support of a motion to, *inter alia*, seek approval of the foregoing fees and disbursements as fair and reasonable.

SWORN BEFORE ME at the
City of Toronto, in the
Province of Ontario,
this 5th day of November, 2012



Commissioner for Taking Affidavits

Diane De Silva-Falcione, A Commissioner, etc.,
Province of Ontario, for A. Farber & Partners Inc.
Trustee in Bankruptcy.
Expires: January 16, 2015.



Paul J. Denton

EXHIBIT A

**THIS IS EXHIBIT "A" TO
THE AFFIDAVIT OF PAUL J. DENTON
SWORN BEFORE ME THIS 5th
DAY OF NOVEMBER, 2012**

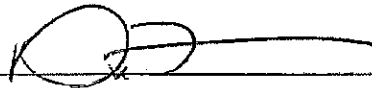


A Commissioner Etc.

*Diane Da Silva-Falcione, A Commissioner, etc.,
Province of Ontario, for A. Farber & Partners Inc.
Trustee in Bankruptcy.
Expires: January 16, 2015.*

EXHIBIT B

**THIS IS EXHIBIT "B" TO
THE AFFIDAVIT OF PAUL J. DENTON
SWORN BEFORE ME THIS 5th
DAY OF NOVEMBER, 2012**



A Commissioner Etc.

**Diane Da Silva-Falcione, A Commissioner, etc.,
Province of Ontario, for A. Farber & Partners Inc.
Trustee in Bankruptcy.
Expires: January 16, 2015.**



**A. Farber
& Partners Inc.**

MEMBER OF FARBER FINANCIAL GROUP

November 1, 2006

Cantar Pool Products Limited
330 Humberline Dr.
Toronto, ON M9W 1R5

Attention: Victor D'Souza

Re: Cantar Pool Products Limited ("Cantar" or the "Company") – CCAA proceedings

Professional fees for services rendered in the Cantar CCAA proceedings for the period September 25 to October 27, 2006, including the following:

- Review and obtain instructions from management and advisors regarding the monitor role.
- Meetings and discussions with management and Prowis Inc. regarding restructuring and orderly wind down of Cantar and review all draft materials related to CCAA filing.
- Review of the current financial position, cash flow, and realization outlook of Cantar Canada, as well as the prospects for collection of Inter-company AR, specifically from Cantar Pool Products Corporation ("Cantar US").
- Review of recent sales of divisions: the Above Ground Pools division; Pool accessories division; and the proposed Pool Equipment sale, as well as a real estate sale of 330 Humberline Drive
- Review of various matters with Aird & Berlis in its capacity as Court-Appointed Monitor's legal counsel and Bennett Jones as Polyair legal counsel
- Preparation for and reporting to Court regarding the initial proceedings and proposed sale of the Pool Equipment division and sale of the Farcove Investments Limited real estate. Attending to set up of website and send notices to creditors
- Attending at Cantar offices to review the current financial position and outlook with the Company and Prowis and establish daily monitoring regime and work plan

Total Fees	40,491.00
GST at 6%	<u>2,429.46</u>

Current Amount Due: 42,920.46

Detailed activity is attached.

150 York Street, Suite 1600
Toronto, ON M5H 3S5

Tel 416.497.0150
Fax 416.496.3839

Invoice No. 6415

DATE	SERVICE	STAFF
9/25/2006	Accounting Office	Sperduti
9/29/2006	Consulting fees - Corporate Numerous previous discussions with Rick Orzy, review draft order and affidavit. Discuss with Paul Denton.	Lifman
10/4/2006	Consulting fees - Corporate Calls re the status and pending materials.	Lifman
10/5/2006	Consulting fees - Corporate Review of motion materials; Review of publicly available info on SEDAR re: Polyair/Cantar; Discussions with Bennett Jones; Discussions with G Lifman	Denton
10/5/2006	Consulting fees - Corporate Call from Rick Orzy to discuss status and report required from prospective monitor. Conference call with Paul Denton, Raj Sahni and Gavin Finlayson to review status and request draft material to review. Call to Victor D'Souza - l/m. Call with Paul Denton, Robb English and Richard Epstein to review status and discuss approach.	Lifman
10/6/2006	Consulting fees - Corporate Review draft order and affidavit. Call to / from Victor D'Souza. Call to Dave Planques to discuss status and information available for our review and report. Review status with Paul Denton.	Lifman
10/9/2006	Consulting fees - Corporate Further review of CCAA materials; Review estimated realization snapshot; Review with GL; Review and discussions with Prowis - Dave Planques	Denton
10/9/2006	Consulting fees - Corporate Calls from to Paul Denton re draft report. Review draft affidavits and motion material.	Lifman
10/10/2006	Consulting fees - Corporate Calls from / to Paul Denton prior to and after meeting with Dave Planques. Call From Robb English to discuss status and comments on draft order.	Lifman
10/10/2006	Consulting fees - Corporate Travel and attend Cantar; Meet Prowis advisors; Obtain update on current financial position, estimated realization, cash flow outlook; Review equipment pool	Denton

sale; Review creditor claims, AR ; Review of real estate sale - Faircove; T/cs with Victor D'Souza; Draft monitors report; Provide to GL for review; T/c with BJ

10/11/2006 Consulting fees - Corporate Denton
F/up particulars of Pool Equipment sales process, including a copy of the LOI; Contact realtors CB Richard Ellis re: the sales process of the property 330 Humberline; Draft monitor report for court filing; Review with GF; Review with legal counsel

10/11/2006 Consulting fees - Corporate Lifman
Call from Rick Orzy to discuss status of various issues. Call to Robb English to discuss. Call from Richard Epstein to discuss further. Call from Robb English to review draft monitor report. Review status with Paul Denton. Other calls from / to Richard Epstein.

10/11/2006 Consulting fees - Corporate Marshall
Amend file documents including report; Dealing with call from Malone re cheque.

10/12/2006 Consulting fees - Corporate Lifman
Meeting at Bennett Jones with Rick Orzy, Kevin Zych, Raj Sahni, Richard Epstein, Paul Denton, Robb English and Jamie Gage to review status of various issues and planned timing.

10/12/2006 Consulting fees - Corporate Denton
Prep for and attend advisors meeting at Bennett Jones

10/15/2006 Consulting fees - Corporate Lifman
Review and respond to various emails during the day re motion material, monitors report and other.

10/16/2006 Consulting fees - Corporate Denton
Finalize monitors report; Review of motion materials with GF and legal counsel

10/16/2006 Consulting fees - Corporate Lifman
Review and respond to various emails. Calls from / to Paul Denton to review progress and documentation for court appearance the following day. Review final material circulated in the evening and respond to same.

10/17/2006 Consulting fees - Corporate Denton
Prep for and attend court having reviewed materials; T/cs with Prowis re: banking; Liaison with VD re: time sensitive matters; Review with legal counsel

10/17/2006 Consulting fees - Corporate Lifman
Calls from / to Robb English and others prior to appearance in court. Attend in court for appointment as

monitor and other matters before the court. Review and discuss action plan with Paul Denton.

10/18/2006 Consulting fees - Corporate Marshall

10/18/2006 Consulting fees - Corporate Lifman
Review and discuss issues with Paul Denton. Conference call with Paul Denton and Robb English re same. Review draft 2nd report of the monitor. Discussion with Robb English and Shayn Kukulowicz re status.

10/18/2006 Consulting fees - Corporate Moreira
Administrative matters

10/18/2006 Consulting fees - Corporate Denton
Review of real estate motion materials; Draft and review Monitors 2nd report; Liaise with legal counsel; Liaise with Cantar and Prowis re: tools and moulds held by vendors and funds held by sheriff; Provide monitors report to McCarthy for distribution

10/18/2006 Consulting fees - Corporate Moreira
Preparation of email requesting website addition

10/19/2006 Consulting fees - Corporate Denton
Attend court for real estate sale motion; Deal with Prowis and legal counsel re: funds held by sheriff and moulds held by vendors and release of same; Deal with Prowis re: cash flow banking issues; Travel and attend Cantar and meet with Prowis

10/19/2006 Consulting fees - Corporate Lifman
Review final motion material. Attend in court re motion for sale of property. Review and discuss status with Paul Denton.

10/20/2006 Consulting fees - Corporate Denton
Dealing with various matters around critical funding and payments; Review of work plan; Update Rob Gallop on requirements; Various t/cs with R Holmes, V D'Souza and M Kotler

10/20/2006 Consulting fees - Corporate Lifman
Review and discuss status of various issues and staffing with Paul Denton.

10/20/2006 Consulting fees - Corporate Marshall
Production of materials related to file.

10/20/2006 Consulting fees - Corporate Gallop
Meeting with Paul Denton, discussion of file and CCAA Initial Order, review of estimated realizations and

approach.

- 10/22/2006 Consulting fees - Corporate Gallop
Review of materials including CCAA Initial Order, Draft wind-down plan, Affidavit of Victor D'Souza, Cash Flow Projection, Balance Sheet and Income Statement, and Bank Debt Reduction Estimate.
- 10/23/2006 Consulting fees - Corporate Denton
Attendance at Cantar to orientate RG; Meeting with Prowis; Review of current financial position, cash flow and work plan; Mtg with Karen Frik; Further t/cs with RG; Liaison with McCarthy Tetrault re: mailing of notices; Coordinate data for AP mailing with office and RG
- 10/23/2006 Consulting fees - Corporate Gallop
Attend at 325 Humber, meet with Michael Kotler, Karen Frick; Discussions on Receivables and payables and retrieval of sub-ledgers; Review of Independent Pool Group (IPG) program and recent correspondence, arrange with IT for A/P dump of creditors over \$1,000; Arrange internet access; Arrangements to obtain cash flow and bank forecasts and reporting. Review of requested payments and closing of existing bank accounts.
- 10/24/2006 Consulting fees - Corporate Denton
Review of Cantar e-mails and matters with RG; Review work plan; Review responsibility for mailing to creditors; Coordinate mtg with Victor D with RG
- 10/24/2006 Consulting fees - Corporate Gallop
Attend at 325 Humber; Review of issues and history with Rob Holmes of Prowis; Review cash flow with Raymond Cheung of Prowis; Further instructions to allow for preparation of creditor notifications; Analysis of budget compared to actual and reasons for variances; Arranging receipt of Receivables trial balances and analysis thereon; Update schedule of estimated realizations; Meeting with Victor D'Souza re A/R, A/P, collections and banking, including requests for Banking Agreement and Retainer Letters, review and response to emails for next day meetings.
- 10/25/2006 Consulting fees - Corporate Gallop
Attend at 325 Humber including discussions and planning with Paul Denton and representatives of Prowis re actions required for realizations on assets, management of cash flows and reporting and collections of Accounts Receivable; Investigation of Enbridge deposit; Attend at 230 Humberline with Victor D'Souza re assets personnel and reporting; Confirmations of creditor pool and provision of creditor

listing for Notices to Creditors.

10/25/2006	Consulting fees - Corporate	Denton	Travel and attend Cantar; Meeting and brief Rob Gallop; Meetings and discussions with Victor D; Meetings and discussions with Prowis on work plan, cash flow outlook, creditors profile, project to collect AR and inter-company receivables; Discussion on prospects, nature and timing of formulating and filing a Plan; T/cs with legal counsel; T/c update to GL		
10/26/2006	Consulting fees - Corporate	Gallop	Attend at 325 Humber, clarify requests for documentation from Prowis; Review of IPG receivable balances and rebate analysis, including meeting with K. Frick and M. Kotler and review of September reconciliation and request for updated analysis; Review and analysis of A/R ageing and trial balance; Discussion of Leslie A/R collection with Prowis and review of recommendation for inter-company recovery; Review of proposed 27 October cheque run; Review of EDC file and requesting EDC A/R insurance policy and certificate.		
10/26/2006	Consulting fees - Corporate	Denton	Travel and attend Cantar; Review matters with RG; Meetings and discussions with Prowis re: action plan; Draft letter to creditors; Coordinate mailing per the initial order; Review of various matters with legal counsel; Review key actions and timing to complete a realization program including inter-company a/r recovery		
10/27/2006	Consulting fees - Corporate	Denton	T/cs with RG re: status of information requests; Review of e-mails re disbursements; Review of e-mail correspondence from B Nelson of Chicago re: pool accessories business; Review of completion of the creditor mailing process re: section 38 of the CCAA		
10/27/2006	Consulting fees - Corporate	Gallop	E-mail Prowis re work plan; Attend at 325 Humber, review and discussion of miscellaneous receivables; Review of revised weekly cheque requisitions; Review revised IPG receivables and incentive schedule, discussion with Karen Frick.		
				Total	\$ 40,491.00
				GST	<u>2,429.46</u>
				Current Amount Due	<u>\$ 42,920.46</u>

GST#136800752RT

A. FARBER & PARTNERS INC.

Cantar Pool Products Limited

SUMMARY OF TIME, CHARGES & DUSBURSEMENTS

To October 28, 2006

Name	Total Hours	Rate Per Hour	Billing
G. Lifman	31.50	450.00	\$14,175.00
R. Gallop	37.00	300.00	\$11,100.00
P. Denton	46.50	320.00	\$14,880.00
S. Sperduti	1.00	120.00	\$120.00
C. Moreira	1.00	90.00	\$90.00
W. Marshall	1.40	90.00	\$126.00
Total	118.40		\$40,491.00

December 4, 2006

Cantar Pool Products Limited
330 Humberline Dr.
Toronto, ON M9W 1R5

Attention: Mr. Victor D'Souza

Re: Cantar Pool Products Limited ("Cantar" or the "Company") –CCAA proceedings

Second invoice to professional fees for services rendered in the Cantar CCAA proceedings for the period October 29, 2006 to December 2, 2006 invoice # 6431, including the following:

- Attendance to review and monitor cash flow and operations including extensive review with Prowis Inc.
- Extensive review of creditor's database to assist in evaluation of the CCAA Plan terms
- Review of draft Claims Procedure Order ("CPM") materials and meeting and draft CCAA Plan
- Drafting and submission of the Third Monitor's Report to the Court for stay extension and approval of the CPM Order and Sheriff funds matter, including extensive consultation with legal counsel and advisors on same
- Attending to draft and completion of Monitor's report to creditors (November 23, 2006) on the claims process and plan terms, including extensive review with advisors
- Attending to creditor queries throughout

Total Fees (248.9 hours)	73,032.30
Total Expenses	711.30
GST @ 6%	<u>4,381.94</u>

Current Amount Due: \$ 78,125.54

Detailed activity is attached.

Invoice No. 6431

DATE	SERVICE	STAFF
11/15/2006	Banking - Personal Review of forklift correspondence; conference call P Denton and V D'Sousa re procedures, review correspondence on lift truck matter; review of proposed payments; update on LaSalle position	Gallop
10/23/2006	Consulting fees - Corporate Review and discuss status of various issues with Paul Denton.	Lifman
10/24/2006	Consulting fees - Corporate Numerous calls and emails re the various issues.	Lifman
10/25/2006	Consulting fees - Corporate Review various emails and discuss status with Paul Denton and Robb English.	Lifman
10/25/2006	Consulting Fees - Trustee Preparation of mailing for tomorrow to creditors	Moreira
10/26/2006	Consulting Fees - Trustee Preparation of cover letter for order; preparation of mailing to creditors	Moreira
10/26/2006	Consulting fees - Corporate Review and discuss various emails.	Lifman
10/27/2006	Consulting fees - Corporate Discussions with Paul Denton and Robb Gallop. Review various emails.	Lifman
10/29/2006	Consulting fees - Corporate Email to Victor D'Sousa requesting documents, receipt of response	Gallop
10/30/2006	Consulting fees - Corporate Calls and discussions with Paul Denton and Rob Gallop. Review numerous emails including draft realization schedule.	Lifman
10/30/2006	Consulting fees - Corporate Attend at 325 Humber; receipt and review of IPG A/R summaries and correspondence; receipt and review of LaSalle / Cantar / Polyair letter of 16 October 2006; receipt and review of revised forecast and schedule of estimated realisations; receipt and review of daily bank balance reporting and implement daily distribution to monitor	Gallop

10/30/2006	Consulting fees - Corporate	Denton	Review La Salle consent standstill letter; review of e-mails form RG and liaison with; coordinate billing; t/up legal counsel billing
10/31/2006	Consulting fees - Corporate	Gallop	Correspondence re lawsuits, telephone call Paul Denton re lawsuits and work-plan, email re request for payroll review and request for payroll details; receive and review daily cash, review with Raymond Chung of Prowis; receipt of work plan, review and email comments for adjustment and clarification
10/31/2006	Consulting fees - Corporate	Lifman	Review and discuss work plan with Paul Denton. Review numerous other emails.
10/31/2006	Consulting fees - Corporate	Moreira	Correspondence to Simcoe SCC
10/31/2006	Consulting fees - Corporate	Denton	Updates from RG on Cantar daily position and realization outlook; respond to creditor queries; invoice for work to date
11/1/2006	Consulting fees - Corporate	Gallop	Meeting and discuss needs for monitor role and work-plan with Paul Denton, receipt and authorisation of rush disbursement; attend 325 Humber, discuss Plan management and expected realisations with R Holmes, update on solicitor involvement and progress; discuss vendor invoicing with M. Malone; review cash flow; emails re vendor applications of debt.; request litigation claims
11/1/2006	Consulting fees - Corporate	Denton	Respond to creditor queries; review work status plan; liaison with RG re: monitoring and the daily cash position, expense review; t/c with JGage McCarthys re status
11/1/2006	Consulting fees - Corporate	Lifman	Review and comment on revised work plan. Review status of draft CCAA plan and Claims Bar Process.
11/2/2006	Consulting fees - Corporate	Denton	T/c with RO; review daily position and work plan with RG; respond to creditor queries
11/2/2006	Consulting fees - Corporate	Gallop	Conference Paul Denton, attend to updated work-plan; telephone calls to Michael Malone and Michael Kotler

re cash requirements; discussion M Kotler re commission programme for A/R collections, review sample commission structure; review and discuss payroll requirements; make arrangements and agenda for next-day meeting with M Kotler; receive and review proposed payments and revised proposed payments and make enquiries; request, receive and review cash position

11/2/2006 Consulting fees - Corporate Lifman
Review and discuss various emails, work plan, estimated realizations and other matters.

11/3/2006 Consulting fees - Corporate Lifman
Review revised work plan, realization schedule and accounts receivable information. Discussed status with Paul Denton.

11/3/2006 Consulting fees - Corporate Denton
Review of work plan, estimated realization with RO; respond to calls from creditors; t/cs with RG to review

11/3/2006 Consulting fees - Corporate Gallop
Attend at 325 Humber, finalisation of work-plan and distribution, receipt and analysis of daily cash position, telephone call from Matt of IPG, arrange Prowis follow-up and confirm Prowis carriage of matter; receipt and review of A/R realisation calculation; review outstanding claims and faxing of Summary, new claim, and info request on Bulk Sale to Paul Denton; receive and review cash position; discussion with M Kotler of new A/R reporting regime

11/3/2006 Consulting fees - Corporate Marshall

11/6/2006 Consulting fees - Corporate Denton
Liaison with RG and Cantar re: current cash position; review of creditors list; liaison with Aird Berlis; scope out monitors next report;

11/6/2006 Consulting fees - Corporate Lifman
Review various emails and discussed status with Paul Denton.

11/6/2006 Consulting fees - Corporate Gallop
Attend at 325 Humber; telephone call Paul Denton re requirements for creditor listing, updated R&D, comparison to forecast and LaSalle balances; receipt and analysis of daily cash position; request rent and sub-tenant particulars; discussion of tenancy and subtenancy arrangements with Michael Kotler; review updated weekly cash summary, analysis, various email and telephone requests for corrections and

clarifications, receipt and review of revised comparison of receipts and disbursements; analysis of opening LaSalle balances and positions and receipt and review of November 3 loan position; discussion of A/P with M Kotler and receipt and review of aged trial balance; receipt and review of rent particulars from M Malone; discussion with M Kotler re inter-company realisations via underlying accounts receivable; various telephone attendances with Paul Denton re events and enquiries and discussions with R Holmes re A/R

- 11/7/2006 Consulting fees - Corporate Denton
Travel and attend Cantar and review current financial position and outlook with RG and Prowis in particular the AR collection outlook; review the creditor claims profile with RG; review the matter of the sheriff funds garnished; Review of info requirements for Court report with RG and efforts to coordinate with Prowis; commence drafting of report; f/up with legal counsel on recent sales transactions including the real estate, Pool Equipment and residual assets of the Pool division;
- 11/7/2006 Consulting fees - Corporate Lifman
Review various emails re claims bar process, monitors report, realizations and other issues.
- 11/7/2006 Consulting fees - Corporate Gallop
Attend 325 Humber, e-mail from D Planques, review and email response on requirements; commence drafting Third Report; review A/P for claims register; review cash flow; analysis and discussion of rental obligations; review prior week comparison of forecast to actual and updated LaSalle balance
- 11/8/2006 Consulting fees - Corporate Lifman
Review and discuss draft claims procedure, meeting order and stay extension material with Paul Denton. Review various emails.
- 11/8/2006 Consulting fees - Corporate Marshall
Preparation of the Monitor's 3rd report
- 11/8/2006 Consulting fees - Corporate Gallop
Attend 325 Humber, conference P Denton re info requests for 3rd Report, call E Cheung to follow up on status of information needs; review expense request and request confirmations, review of A/P sub-ledgers and numerous requests and enquiries, completion of Claims Master; drafting Third Report of the Monitor
- 11/8/2006 Consulting fees - Corporate Denton
Extensive drafting of Third Report; detailed review and discussions with RG on same; review of current cash

position and forecast; review of the initial draft of the Claims Procedure and Meeting Order;

11/9/2006 Consulting fees - Corporate Gallop
Attend 325 Humber, emails, teleconference Paul Denton re Third Report, stratify creditors; revisions and reviews of forecasts and schedule; review Third Report, including observations on accounts receivable; Receive requests for payments and analysis of available cash and cash flow; receive Prowis forecast and actual, request clarification and receipt of revisions

11/9/2006 Consulting fees - Corporate Denton
Detailed review of the draft Claims Procedure and Meeting Order; extensive discussions with legal counsel on same; further drafting of the Monitors Third Report; review of draft comments by advisors; numerous calls to RG to review actual cash flow and forecast with Prowis; review of day to day monitoring matters; provide draft report to advisors and the Company

11/9/2006 Consulting Fees - Trustee Marshall
Further preparation of Monitor's third report.

11/9/2006 Consulting fees - Corporate Lifman
Review and discuss updated claims procedure and meeting order, draft monitors report and claims sort.

11/10/2006 Consulting fees - Corporate Lifman
Review various emails and latest draft of monitors report. Discussed claims, plan, estimated realizations and other issues with Paul Denton.

11/10/2006 Consulting fees - Corporate Denton
Extensive effort to finalize Monitors Third Report with numerous conversations with McCarthy Tetrault, RG and Cantar; finalize report and provide to McCarthys; review matters with RG re creditor profile and LaSalle Minimum Balance and compliance with same; review of the near term funding outlook

11/10/2006 Consulting fees - Corporate Gallop
Attend at 325 Humber, review cash flows and estimate LaSalle balance; review leases for unrecognised creditors; review trial balance and Profit and Loss and Balance Sheet; review and edits to Third Report of the Monitor; conference Paul Denton with adjustments, receive cash flow, discuss week end projection and receive wire request; review wire request for LaSalle pay-down; confirmation of CAD USD exchange rate; discussion re claims process; review requested payments

11/10/2006	Consulting fees - Corporate	Marshall	Further preparation of the 3rd report of the Monitor.
11/12/2006	Consulting fees - Corporate	Gallop	Recalculate LaSalle balances for removal of offset and reconcile to transaction history, email edits
11/13/2006	Consulting fees - Corporate	Denton	Review the final motion materials and Claims Procedure and Meeting Order including attending to and confirming creditors meeting venue Jan 12; exchange e-mails with V D'Souza and RG; t/cs to legal counsel;
11/13/2006	Consulting fees - Corporate	Moreira	Arranging to book room at Ramada Hotel re meeting in January
11/13/2006	Consulting fees - Corporate	Gallop	Attend 325 Humber, cheque requests, t/c Paul Denton re legals and other; discuss claims process; t/c Rich Epstein re Sheriff legals, discussion with new controller for payment ; review Motion materials; call to Michael Kotler regarding forklift rentals; email R Cheung re financial statements; review of cash flow and enquiries; call from Colin re payroll, review and respond; review financial statements; voice mail, call back and receiving advice from Rich Epstein re claim obligations and PPSA results; receive request for release of forklifts, review of lease provided, and queries and instructions to M Kotler
11/13/2006	Consulting fees - Corporate	Marshall	
11/13/2006	Consulting fees - Corporate	Lifman	Review various emails. Discuss claims process and creditors meeting with Paul Denton.
11/14/2006	Consulting fees - Corporate	Lifman	Discuss and review creditor sort, status of plan and other matters with Paul Denton.
11/14/2006	Consulting fees - Corporate	Gallop	Review of creditor pool, attend 325 Humber, discussion with P Denton of client requirements and processes for payments, completion of creditor list, financial statements, LaSalle payments; review of inter-company A/R per general ledger, request and review LaSalle roll balances and components; receive and review Forecast to actual R&D for prior week; review emails from Prowis re collections, reply; request for treatment on various deposits, reply; review Court

filing; update from M Kotler re Montreal office; meet C McLarty and M Kotler and discussion of claims procedure and Cantar requirements

11/14/2006 Consulting fees - Corporate Denton
Run sensitivity on Claims database for convenience clause; liaise with Bennett Jones on same; t/cs with creditors of Cantar; draft revision for web site in anticipation of Claims Procedure Order being granted

11/14/2006 Consulting fees - Corporate Marshall

11/14/2006 Consulting fees - Corporate Blunda
Meeting with Paul Denton to discuss CCAA claims procedure

11/15/2006 Consulting fees - Corporate Denton
Dealing with Irwin Commercial lift trucks and security with legal counsel; reviewing weekly disbursement list with RG; t/c with Victor D re general status

11/15/2006 Consulting fees - Corporate Lifman
Discuss and respond to voice mail and email message re forklifts. Discuss draft plan.

11/15/2006 Consulting fees - Corporate Blunda
Copy Motion Record & Claims Procedure Order, discussion with Paul Denton re: required forms, copy Motion and Order for PD, review Motion Record & Claims Procedure Order, set up claims register on excel

11/16/2006 Consulting fees - Corporate Denton
Prep for and attendance at Court; review of initial plan draft; review convenience clause and run sensitivity; review the claims process with LB; t/c with R Holmes to review the Plan and terms; t/c with Colin McCarty and M Malone at Cantar re: the claims procedure; review of daily monitoring expenses with RG; review and confirm Irwin Commercial Lift trucks secure and provide letter to Pallett Valo

11/16/2006 Consulting fees - Corporate Gallop
Email re Quebec Minister of Revenue and response; review cash flow and queries and responses; receipt and review of A/R transaction summary

11/16/2006 Consulting fees - Corporate Blunda
Meeting with P. Denton to discuss Claims Process/telephone conference with staff at Cantar re: claims process, copy and file documents in client file

11/16/2006 Consulting fees - Corporate Lifman

Review draft CCAA plan. Review endorsement and Robb English comments thereon.

11/17/2006	Consulting fees - Corporate	Moreira
11/17/2006	Consulting fees - Corporate	Moreira
11/17/2006	Consulting fees - Corporate	Denton Review of Plan draft and provide comments to Bennett Jones; review and run convenience clause sensitivity; review with Bennett Jones; t/c to McCarthys to review time table, entered orders including the sheriff moneys; review of Claims Procedure with LB including web site editing; review of Monitor Report parameters
11/17/2006	Consulting fees - Corporate	Blunda Review of CCAA Plan, assist Paul Denton with WebSite and other requests
11/17/2006	Consulting fees - Corporate	Gallop Telephone call with M Kotler re forklifts and premises, email P Denton; communications re rent cheque; review cash flow and confirmation of LaSalle position; emails re vendor threat and direction
11/17/2006	Consulting fees - Corporate	Lifman Review emails re LaSalle being paid off, revisions to draft plan and calculations of dividend to creditors.
11/20/2006	Consulting fees - Corporate	Denton Extensive work on the claims procedure process and all materials to be included in the mailing; draft and prepare cover letter for process; Run claims sensitivity analysis for convenience clause in Plan; provide comments on the Plan to BJ; review of Sheriff draft order vs endorsement wording with legal counsel; commence drafting report to the creditors on Plan.
11/20/2006	Consulting fees - Corporate	Blunda Various matters related to the CCAA procedures and administration, including drafting of time schedule, documents for Web Site, meeting with Paul, discussions with Christine re mailing and postage requirements, advertisement for the National Post, t/c with Colin McLarty re: a/p list received and US \$ balances and reconciliation,
11/20/2006	Consulting fees - Corporate	Gallop Telephone call with M Kotler re forklifts and premises, email P Denton; communications re rent cheque, review cash flow and confirmation of LaSalle position, emails re vendor threat and direction

11/20/2006	Consulting fees - Corporate	Lifman	Review revised CCAA plan and discussed same with Paul Denton. Call from Robb English re endorsement clarification issue. Review with Paul Denton. Call to Raj Shani re same. Review draft monitors report.
11/21/2006	Consulting fees - Corporate	Denton	Extensive day drafting the report to creditors; Review of plan terms with legal counsel; review and f/up estimated realization with Prowis; review with VD; updated cover letter for the creditors claims procedure mailing; run further analysis on claims database of convenience clause
11/21/2006	Consulting fees - Corporate	Lifman	Review and discuss draft monitors report and CCAA plan with Paul Denton.
11/21/2006	Consulting fees - Corporate	Blunda	Meet with Paul, call C. McLarty re: status of a/p list, review same and discuss discrepancies with Colin, Draft time table for mailing to creditors, Approval of Ad by Paul and request Christine to place ad in National Post
11/21/2006	Consulting Fees - Trustee	Moreira	Amending report
11/22/2006	Consulting Fees - Trustee	Moreira	Amending reports; review of advertisement in newspaper; review of creditor list and notice of claim
11/22/2006	Consulting fees - Corporate	Blunda	Assist Paul Denton with the CCAA process
11/22/2006	Consulting fees - Corporate	Denton	Review of Plan terms with legal counsel; review of draft monitors report to creditors with legal counsel; turn and provide revised draft; respond to calls from creditors; review of status of mailing package re: claims process, including the advertisement
11/22/2006	Consulting fees - Corporate	Gallop	Review of cash flows, A/R analyses, landlord and rent query response
11/23/2006	Consulting fees - Corporate	Denton	Final review of Plan terms; update draf report to creditors including review of edit/comments from legal counsel; review mailing status with LB; review of daily monitoring; update of estimated realization based on review with company and RH of Prowis;

11/23/2006	Consulting fees - Corporate	Blunda	CCAA process, including copy Notice of Claim, review and reconcile Notice of Claim to List received from Cantar
11/23/2006	Consulting fees - Corporate	Gallop	Review of cash flows, A/R analyses, landlord and rent query response
11/23/2006	Consulting fees - Corporate	Lifman	Reviewed and discussed draft monitor report and plan with Paul Denton.
11/23/2006	Consulting Fees - Trustee	Moreira	Preparation of mailing and merges; updating creditor lists and preparation of labels; printing notice of claim; collating documents; administrative matters
11/24/2006	Consulting Fees - Trustee	Moreira	Finalizing mailing
11/24/2006	Consulting fees - Corporate	Blunda	CCAA Process including mailing of Notice to Creditors, set up files and filing Copies of Notice of Claim
11/24/2006	Consulting fees - Corporate	Gallop	Receive A/R dump, request change, review cash flow, various emails and telephone calls re payment requests and lease issues
11/24/2006	Consulting fees - Corporate	Lifman	Reviewed and discussed final draft of monitors report with Paul Denton and Richard Epstein.
11/24/2006	Consulting fees - Corporate	Denton	Finalize report to creditors; review of various matters regarding claims procedure materials and mailing; respond to creditor calls; review of e-mails; respond to Competition lien matters and review with legal counsel; attend to filing materials
11/27/2006	Consulting fees - Corporate	Blunda	Various matters related to the process of the CCAA claims procedure, including preparation of Affidavit of Mailing, mailing to supplementary mailing as provided by Cantar, copy documents, filing documents in preparation of the Meeting of Creditors, t/c with numerous creditors and mail out packages with Proof of Claims, set up of claims register/voting schedule, review of proof for publication in National Post
11/27/2006	Consulting fees - Corporate	Denton	Review claims process matter with LB and advt; t/cs

with Cantar/Prowis; draft billing; f/up the sheriff funds matter

11/27/2006 Consulting fees - Corporate Gallop
Email from M Kotler re cheque request, re-request contract, discussions with C Mclarty and P Denton re rent and sheriff funds and distribution; telephone call from C M re payroll, leases, and response; review cash balances; telephone confirmations with P Denton

11/27/2006 Consulting Fees - Trustee Moreira

11/28/2006 Consulting fees - Corporate Blunda
Respond to telephone calls received from re: CCAA queries, fax and send documents requested in the CCAA claims process, update claims register with notes and file documents, request Affidavit of Publication to be issued and request voice message to be recorded on hotline

11/28/2006 Consulting fees - Corporate Marshall
Correspondence.

11/28/2006 Consulting fees - Corporate Gallop
Email from M Malone re Montreal, response; review cash position; lease query M Malone

11/29/2006 Consulting fees - Corporate Blunda
Telephone calls with creditors, update claims register with proxies received and telephone calls, send faxes to creditors requesting Proof of Claims and send out documents, respond to e-mails

11/29/2006 Consulting fees - Corporate Denton
F/up sheriff funds matter; t/cs with R Holmes, M Maloney re: AR, expenses, creditor claims; deal with certain claims procedure matters with LB

11/29/2006 Consulting fees - Corporate Gallop
Confirmation of lease communication, review cash balance; telephone query and email responses re Montreal premises; receive and review leases summary from M Malone

11/29/2006 Consulting Fees - Trustee Moreira
Preparation of affidavit

11/30/2006 Consulting fees - Corporate Blunda
Mail out package to Industrial Accident/respond to creditors telephone calls

11/30/2006 Consulting fees - Corporate Denton
Review of claim matters with LB; t/c with EDC re double

payment; t/c with C McLarty re: CRA; t/c with R Holmes
 re: AR collections settlements; review H Brodie
 e-mails re AR collections; draft cover letter to VdS;

11/30/2006	Consulting fees - Corporate Correspondence.	Marshall
12/1/2006	Consulting fees - Corporate	Marshall
12/1/2006	Consulting fees - Corporate Review of claims matters with LB; f/u of EDC matter; finalize billing	Denton
12/1/2006	Consulting fees - Corporate Return creditors calls, respond to e-mail, draft form to be sent to Cantar for approval of Notice of Dispute and Proof of Claims Received, review same with Paul Denton, record Proxies and Voting, update claims register with new mailing to creditors, and all matters related to the CCAA claims process	Blunda

Total For Services \$ 73,032.30

Miscellaneous costs

Travel

Total For Expenses 711.30

Total 73,743.60

GST 4,381.94

Current Amount Due \$ 78,125.54

GST#136800752RT



**A. Farber
& Partners Inc.**

MEMBER OF FARBER FINANCIAL GROUP

January 10, 2007

Cantar Pool Products Limited
330 Humberline Dr.
Toronto, ON M9W 1R5

Attention: **Mr. Victor D'Souza**

Invoice No. **6449**

TO PROFESSIONAL SERVICES RENDERED in the Cantar CCAA proceedings for the period
December 1, 2006 to December 31, 2006, including the following:

DATE	SERVICE	STAFF
12/1/2006	Consulting fees - Corporate Review A/R subledger, telephone call P Denton, voice mail query to M Kotler; receive cash position; receive and review proposed cheque request	Gallop
12/3/2006	Consulting fees - Corporate Review A/R subledger, telephone call P Denton, voice mail query to M Kotler, receive cash position, receive and review proposed cheque requests	Gallop
12/4/2006	Consulting fees - Corporate Review claims process status and individual claim issues with LB; review e-mail correspondence Kotler/RG; f/up updated court order and release of sheriff funds with legal counsel; review of equipment rental agreements	Denton
12/4/2006	Consulting fees - Corporate Review and report cash position; emails C McLarty re approvals process	Gallop
12/4/2006	Consulting fees - Corporate CCAA Claims Process, including responding to creditors' telephone calls, recording proxies/voting letters received and all other matter related to the CCAA Claims process	Blunda
12/5/2006	Consulting fees - Corporate Review pre-approved payment; various emails on receivables collections and proposed settlements; teleconference P Denton; review cash position; conference call P Denton M Kotler re A/R issue; updates on leases and operating issues, utilities; review action plan and realizations	Gallop

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Toronto, ON M5H 3S5

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12/5/2006	Consulting fees - Corporate	Denton	Attend to collection of funds from sheriff; forward funds to Cantar; deal with e-mail correspondence and queries from MK and RH; review matters with RG
12/5/2006	Consulting fees - Corporate	Marshall	Further correspondence prep.
12/6/2006	Consulting fees - Corporate	Denton	T/c with Victor D on claims status and sheriff funds/billings; review of various claims matters with LB; t/cs with CM re claims process and AR credit balances; revisit status of realizations AR collections with RH; review matters with RG
12/6/2006	Consulting fees - Corporate	Gallop	Attend 325 Humber, review realization schedule and status of accounts receivable; government audit expectations; funds in bank; enquiries of other anticipated realizations; request lease particulars; receive request for removal of thrd-party assets and sending parameters for confirmation before removal; review cash position and report on estimated accounts receivables realizations
12/7/2006	Consulting fees - Corporate	Gallop	Requests for response on related realizations; review cash position and report; further correspondence on forklifts; receivables reporting and analysis; provide summary analysis on realizations; various confirming emails
12/7/2006	Consulting fees - Corporate	Blunda	All matter related to the CCAA claims procedure, including creditors calls, recording proxies, election forms, meet with P. Denton to discuss summary of votes received to date and reporting to R. Orzy, mail out to new potential creditors
12/7/2006	Consulting fees - Corporate	Denton	Review of claims process status with LB; prepare status update to go to advisors; review individual claims issues with LB; review of lease document matters; f/up status of sheriff funds and fee invoices;
12/8/2006	Consulting fees - Corporate	Gallop	Telephone call C McLarty response to cheque request queries; receive and review support for specific requests; email approvals; review and report cash position
12/8/2006	Consulting fees - Corporate	Denton	Prep for and participation in conference call with Victor D, R Holmes re: the status of claims process and planned actions; review leased equipment releases;

12/8/2006	Consulting fees - Corporate	Blunda	T/C with creditors, meet with P. Denton, prepare list of creditors owed \$5K to \$25K, discussions with Colin McLarty
12/11/2006	Consulting fees - Corporate	Blunda	CCAA Claims process including t/c with creditors, calling creditors \$5K to \$25K, update register, send fax to Colin McLarty with Notice of dispute, answer queries
12/12/2006	Consulting fees - Corporate	Blunda	Respond to e-mails received from creditors, Notice of Disputes to Cantar to reconcile, update Claims Register, mailing to potential new creditors, t/c with creditors, update tabulation schedule to include disputed claims
12/12/2006	Consulting fees - Corporate	Denton	Attending to various claims process matters; attending to review of releases for forklifts Irwin/Onset Finance; review of e-mail correspondence; review of claims matters with Louisa B; review of AR claims settlements
12/12/2006	Consulting fees - Corporate	Marshall	Administrative matters
12/12/2006	Consulting fees - Corporate	Gallop	Receive request for payroll approval and response; commissions, approvals process, telephone call C McLarty
12/13/2006	Consulting fees - Corporate	Marshall	Administrative matters
12/13/2006	Consulting fees - Corporate	Gallop	Review payroll and rent payment correspondence, respond
12/13/2006	Consulting fees - Corporate	Blunda	CCAA Claims Procedure, including calling creditors as requested by Paul Denton
12/13/2006	Consulting fees - Corporate	Denton	Prep for and call with Victor D'Souza and R Holmes on Cantar major claims; review and discussion with LB on various claims matters
12/14/2006	Consulting fees - Corporate	Denton	responding to claims matters; t/cs with K Frick and Colin M re: calling large creditors; review claims status with LB;
12/14/2006	Consulting fees - Corporate	Blunda	CCAA Claims process including calling creditors
12/15/2006	Consulting fees - Corporate	Gallop	Review and comment on proposed cash disbursements

12/15/2006	Consulting fees - Corporate	Blunda	CCAA Claims process/ return calls to creditors , call creditors re; proxies, record Notices of Dispute, Election to Reduce Claim and Proxies on Claims Register for tabulation - meeting of creditors, t/c with C. McLarty at Cantar
12/15/2006	Consulting fees - Corporate	Denton	Review and follow up claims matters with LB; log calls with AO Smith re proxy and creditors list Samuel & Son and Commercial Roll Form; t/c up matters with C McLarty
12/18/2006	Consulting fees - Corporate	Gallop	Review and report cash position; receive vendor Cantar/Atlantic query and forward to L Blunda
12/18/2006	Consulting fees - Corporate	Blunda	CCAA claims process including update claims register with Proxies/Election to Reduce Claims/Proof of Claims received. Telephone calls with creditors and any other matter related to the CCAA claims procedure
12/18/2006	Consulting fees - Corporate	Denton	review of various claims matters with LB; respond to calls queries from CM;
12/19/2006	Consulting fees - Corporate	Denton	review claims status with LB; various discussions with LB on individual claims; provide update on claims status to company and advisors;
12/19/2006	Consulting fees - Corporate	Blunda	Telephone Conversation with Colin, call Karen Fieck re: status of calls to creditors over 100K, all other matters related to the CCAA claims process and procedure, telephone calls with creditors
12/19/2006	Consulting fees - Corporate	Gallop	Review cash position, report; request revised R&D; confirmations with R Cheung
12/20/2006	Consulting fees - Corporate	Denton	dealing with CCAA claims matters; prep for and participate in conference call on claims status and those claims with alleged contractual damages; various conversations with LB re claims issues; review of AR collections prospects
12/20/2006	Consulting fees - Corporate	Blunda	CCAA Claims procedure matter, including telephone conference with P.Denton/R.Holmes/V.D'Souza/C.McLarty and K.Frick, telephone calls with creditors, recording notices of disputes/proof of claims/proxy received, numerous t/c with C.McLarty at Cantar re: Notices of disputes

12/20/2006	Consulting fees - Corporate	Gallop	Call from C McLarty re rent, cut off query and enquiry
12/21/2006	Consulting fees - Corporate	Blunda	T/C with creditors, send documents as requested by creditors, all other matters related to the CCAA claim Process and the "Claims Bar Date of December 21, 2006"
12/21/2006	Consulting fees - Corporate	Gallop	Emails from C McLarty re rent and operating costs, reply and direction; receipt of payment request, confirmation of status, call to V D'Sousa and confirmation of rent obligations; receive cash position and call to C McLarty; call from C McLarty re payroll and email request and receipt of confirmatons
12/22/2006	Consulting fees - Corporate	Blunda	CCAA Claims Process
12/22/2006	Consulting fees - Corporate	Denton	Dealing with the various claims matters including Norseman, Commercial RII Form, the Montreal landlord Olympeq; review of AR; t/cs with Colin M; review and discussion with Louisa; responding to matters e-mails of Dec 21;
12/22/2006	Consulting fees - Corporate	Gallop	Review and report cash position; requests for approvals
12/27/2006	Consulting fees - Corporate	Denton	Attend to follow and review of claims; review with CM and LM; attend to follow up and resolution of claims; review of various dispute matters with LM
12/28/2006	Consulting fees - Corporate	Gallop	Email C McLarty for clarifications to requests; receive voice mail and call C McLarty; review and acknowledge payments and confirm that there are funds on hand; email R Cheung re R&D update
12/28/2006	Consulting fees - Corporate	Denton	Attend to f/up of claims: Olympec; Norseman; Irving Commercial Finance; SDM/EDC; various t/cs with CM and discussions with LB
12/28/2006	Consulting fees - Corporate	Blunda	CCAA Claims Process including t/c with C. McLarty and meeting with Paul Denton, send Proxy forms to creditors
12/29/2006	Consulting fees - Corporate	Denton	review and f/up of claims matters including Olympec-Montreal landlord; Norseman claim revision/disallowance; review of notices of revision/disallowance with LB

12/29/2006	Consulting fees - Corporate	Gallop	
	Receive/respond to emails from R Chung re receipts and disbursements		
12/29/2006	Consulting fees - Corporate	Blunda	
	CCAA Claims Process - including preparation of Notices of Disallowance and t/c with creditors		
12/5/2006	Consulting Fees - Trustee	Blunda	
	Telephone calls with creditors re: CCAA claims process		
12/6/2006	Consulting Fees - Trustee	Blunda	
	CCAA Claims process and administration matters related to the process, t/c with creditors, analysis of votes, proxies and other summaries for P.Denton/McCarthy		
12/7/2006	Consulting Fees - Trustee	Moreira	
	Administrative matters		
12/27/2006	Consulting Fees - Trustee	Blunda	
	t/c with C.MLarty/P. Denton - CCAA Claims Process		
		Total For Services	\$25,985.00
Miscellaneous costs			
Telephone			
Travel			
		Total For Expenses	<u>1,994.56</u>
		Total	\$27,979.56
		GST	<u>1,559.10</u>
		Current Amount Due	<u>\$29,538.66</u>

GST#136800752RT

A. FARBER & PARTNERS INC.
CANTAR POOL PRODUCTS LTD.

SUMMARY OF TIME INCURRED
DECEMBER 1, 2006 TO DECEMBER 31, 2006

Name	Total Hours	Rate Per Hour	Billing
R. Gallop	13.00	\$360.00	\$4,680.00
P. Denton	25.00	\$320.00	\$8,000.00
L. Blunda	87.80	\$150.00	\$13,170.00
C. Moreira	0.40	\$90.00	\$36.00
W. Marshall	1.10	\$90.00	\$99.00
Expenses			\$1,994.56
Total	127.30		\$27,979.56



**A. Farber
& Partners Inc.**

MEMBER OF FARBER FINANCIAL GROUP

February 7, 2007

Cantar Pool Products Limited
330 Humberline Drive
Toronto, ON M9W 1R5

Attention: **Mr. Victor D'Souza**

Invoice No. 6467

DATE	SERVICE	STAFF
1/2/2007	Consulting fees - Corporate Discussed and reviewed status with Paul Denton. Reviewed memo re status update.	Lifman
1/2/2007	Consulting fees - Corporate Review revised payments request; review cash position, respond and report	Gallop
1/2/2007	Consulting fees - Corporate t/c with creditors and staff at Cantar. Prepare Notices of Disallowances, obtain approval by P. Denton mail out Notices and update claims register	Blunda
1/2/2007	Consulting fees - Corporate Reviewing and dealing with the claims disputes with CM and LB; review of claims revisions and disallowance notices; draft summary memo to company and advisors on claims and voting; coordinate call for Wednesday; call Commercial Roll Form legal counsel;	Denton
1/3/2007	Consulting fees - Corporate Review claims update	Gallop
1/3/2007	Consulting fees - Corporate Review emails and participated in conference call with the various parties re status of votes, meeting logistics and other matters.	Lifman
1/3/2007	Consulting fees - Corporate prep for and update legal advisors on the claims status; review of claims and voting; various conversations with CM and LB on specific claims and calling to ensure creditors get proxies in	Denton
1/4/2007	Consulting fees - Corporate Conference call with Paul Denton, Victor D'Souza and	Lifman

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others. Call to Shayne Kukulowicz re attending creditors meeting. Call to / from Victor D'Souza re various issues.

1/4/2007 Consulting fees - Corporate Denton
Call with management and advisors re: the creditors meeting and agenda; review claims filed and voting; f/up claims matters with CM and LB; t/c and e-mail Commercial Roll Form

1/4/2007 Consulting fees - Corporate Blunda
t/c with creditors , update claims register with votes/proxies received/provide analysis to P. Denton

1/5/2007 Consulting fees - Corporate Denton
Liaise with advisors re: the status; f/up t/c to steel company

1/5/2007 Consulting fees - Corporate Blunda
CCAA Claims process / t/c with creditors

1/5/2007 Consulting fees - Corporate Gallop
Review payments request, info requests for balances and reporting from R Cheung; receive new requests and follow up

1/8/2007 Consulting fees - Corporate Lifman
Review status with Paul Denton. Calls to/ from Victor D'Souza and others to discuss status and approach.

1/8/2007 Consulting fees - Corporate Blunda
t/c with P Denton re: CCAA Claim Process, update proxies received., t/c with C. McLarty at Cantar, t/c with creditors sending proxy form etc.

1/8/2007 Consulting fees - Corporate Gallop
Various emails and telephone conversations re cash approvals; review payments and enquiry; further cash request; receive and report bank position; review claims update and query

1/9/2007 Consulting fees - Corporate Lifman
Review status of votes and claims. Review various emails re same.

1/9/2007 Consulting fees - Corporate Blunda
CCAA claims process, calling creditors, update register in preparation for meeting of creditors

1/9/2007 Consulting fees - Corporate Moreira
Administrative matters

1/10/2007 Consulting fees - Corporate Lifman
Review status of voting and issues with Paul Denton. Telephone calls to / from Jamie Gage and Victor

D'Souza. Call to Commercial Rollform's counsel.
Follow up calls re same. Conference call with all the
parties to discuss status of voting, action plan, planning
for creditors meeting and other issues.

1/10/2007	Consulting fees - Corporate Finalizing details for meeting	Moreira
1/10/2007	Consulting fees - Corporate full day attending to preparation for creditors meeting Jan 12; draft meeting agenda and script; review claims matters with LB; provide updated claims status to advisors; discussions with creditors re voting intentions; review various matters with the company; participate in call with advisors; f/up financial info; review Q&A	Denton
1/10/2007	Consulting fees - Corporate CCAA claims procedure - including calling creditors, respond to creditors queries and all other matter regarding the meeting of creditors	Blunda
1/11/2007	Consulting fees - Corporate Extensive day finalizing agenda and presentation for creditors meetings; calling creditors re: voting intentions and provide information clarification; various discussions with legal counsel; extensive review and discussions of individual claims with LB; review Q&A; further update of the presentation;	Denton
1/11/2007	Consulting fees - Corporate Numerous calls and discussions amongst the various parties re status of votes, feedback from creditors and preparation for creditors meeting.	Lifman
1/11/2007	Consulting fees - Corporate CCAA claims process / including telephone creditors, update register and votes, run reports, meet with P. Denton re: creditors meeting	Blunda
1/12/2007	Consulting fees - Corporate preparation and attending meeting of creditors,	Blunda
1/12/2007	Consulting fees - Corporate Full day dedicated to preparation for creditors meeting; discussions with company and legal counsel prior to meeting; review of agenda items; travel and attendance at creditors meeting; review of outcome of meeting with company and advisors	Denton
1/12/2007	Consulting fees - Corporate Discussions and preparation prior to creditors meeting. Attendance at creditors meeting. Discussions with Richard Epstein and Robb English following meeting.	Lifman

1/13/2007	Consulting fees - Corporate Attend at office with LB to review proxies and provide data to legal counsel	Denton
1/13/2007	Consulting fees - Corporate present various documents as requested by J. Gage (McCarthy Tétrault) for Court Hearing scheduled Jan 18/07	Blunda
1/14/2007	Consulting fees - Corporate Attend at office to draft 4th monitor report; review e-mails from legal counsel	Denton
1/14/2007	Consulting fees - Corporate Review draft material prepared by Jamie Gage and Paul Denton over the past two days.	Lifman
1/15/2007	Consulting fees - Corporate Meeting with Richard Epstein, Robb English, Paul Denton and Louisa Blunda to review situation and draft Monitor report. Review material re court application, amendments to draft report and other matters.	Lifman
1/15/2007	Consulting fees - Corporate Formatting report	Moreira
1/15/2007	Consulting fees - Corporate attending to drafting and completion of the Monitors Report (4th); review of court motion materials; review and discussion with legal counsel; meeting with legal counsel to review voting results and proxies	Denton
1/15/2007	Consulting fees - Corporate Finalizing fourth report	Moreira
1/15/2007	Consulting fees - Corporate Formatting report	Moreira
1/15/2007	Consulting fees - Corporate attend meeting with Estate Solicitors/G.Lifman/P.Denton - prepare various schedules required and copy documents	Blunda
1/16/2007	Consulting fees - Corporate To preparation of the 4th report of the monitor.	Marshall
1/16/2007	Consulting fees - Corporate Review and discuss amendments to creditors meeting minutes and various revisions to the Monitors 4th report.	Lifman
1/16/2007	Consulting fees - Corporate Review of matters with legal counsel; finalize and issue draft monitors report; review of draft minutes of the meeting; discussion of matters with legal counsel	Denton

1/16/2007	Consulting fees - Corporate Requesting updates for website	Moreira
1/16/2007	Consulting fees - Corporate t/c with creditors/Cantar - preparation of various schedules and reports as requested by P. Denton in preparation of January 18th Sanction Hearing for the CCAA Plan	Blunda
1/17/2007	Consulting fees - Corporate preparation for the court sanction hearing; discussions with Victor D and CM re current cash position and realization outlook; review of final minutes; review of creditor preference info;	Denton
1/17/2007	Consulting fees - Corporate documents and schedules for Sanction Court Hearing as requested by P. Denton, t/c with creditors/Cantar	Blunda
1/17/2007	Consulting fees - Corporate Review amendments to minutes, factum and draft statement of fact and law.	Lifman
1/18/2007	Consulting fees - Corporate t/c with creditor Aquabetic re credit note issued December 15/06	Blunda
1/18/2007	Consulting fees - Corporate Meet with Paul Denton prior to court. Attendance in court for sanction of plan.	Lifman
1/18/2007	Consulting fees - Corporate prep for and attendance at court; review of matters with LB	Denton
1/19/2007	Consulting fees - Corporate deal with web site update; deal with the disputed claim CSBC; review of matters with LB; attend to filing of workpapers	Denton
1/22/2007	Consulting fees - Corporate Review of file matters with LB; attend to filing	Denton
1/23/2007	Consulting fees - Corporate review monitor certificate matters and status of the LaSalle letter with legal counsel and LB; review of filing matters; review of the status of the disputed claim with CSBC	Denton
1/24/2007	Consulting fees - Corporate Follow up outstanding claims; review completion certificate requirements with legal counsel; discuss matters with LB	Denton

1/25/2007	Consulting fees - Corporate F/up LaSalle and Monitors release; review of matters with LB including claims; review of AR	Denton
1/26/2007	Consulting fees - Corporate F/up LaSalle release; review e-mails; review claims	Denton
1/30/2007	Consulting fees - Corporate Telephone call from C McLarty, update on cash and collection matters	Gallop
1/30/2007	Consulting fees - Corporate review of AR collection matters	Denton
1/31/2007	Consulting fees - Corporate Telephone call to C McLarty regarding cash and collection matters; review cash position	Gallop
1/31/2007	Consulting fees - Corporate f/up AR collection issues; draft letter to Sears; draft notice to creditors; review with LB	Denton
1/9/2007	Consulting Fees - Trustee Telephone call to C McLarty re requests, email results; revise request and approval; receive cash balance and report	Gallop
1/10/2007	Consulting Fees - Trustee Telephone call from C McLarty regarding computer ownership, email	Gallop
1/11/2007	Consulting Fees - Trustee Email Colin McLarty re records and computer; payment review; review and report cash position	Gallop
1/16/2007	Consulting Fees - Trustee Email from C McLarty re bank charges	Gallop
1/17/2007	Consulting Fees - Trustee Telephones calls, emails to / from C McLarty re payroll, legal retainer; call to P Denton re retainer; A/R enquiries	Gallop
1/19/2007	Consulting Fees - Trustee Cash requirements review	Gallop
1/26/2007	Consulting Fees - Trustee Receive cash request, analyze, report	Gallop

Time Records
Cantar Pool Products Ltd.
January 2007

Page 7

National Post – Notice to Creditors	\$ 4,930.28	Total For Services	\$45,122.00
Telephone	88.59		
Travel	193.40	Total For Expenses	<u>5,212.27</u>
		Total	50,334.27
		GST	<u>2,707.32</u>
		Current Amount Due	<u>\$53,041.59</u>

GST#136800752RT

A. FARBER & PARTNERS INC.

CANTAR POOL PRODUCTS LTD.

SUMMARY OF TIME INCURRED
JANUARY 1, 2007 TO JANUARY 31, 2007

Name	Total Hours	Rate Per Hour	Billing
G. Lifman	29.70	\$450.00	\$13,365.00
R. Gallop	5.70	\$360.00	\$2,052.00
P. Denton	58.90	\$320.00	\$18,848.00
L. Blunda	69.50	\$150.00	\$10,425.00
C. Moreira	4.20	\$90.00	\$378.00
W. Marshall	0.60	\$90.00	\$54.00
Expenses			\$5,212.27
Total	168.60		\$50,334.27



**A. Farber
& Partners Inc.**

MEMBER OF FARBER FINANCIAL GROUP

June 7, 2007

Cantar Pool Products Limited
330 Humberline Drive
Toronto, ON M9W 1R5

Attention: Mr. Victor D'Souza

Re: Cantar Pool Products Limited – CCAA Proceeding
Invoices for Professional Services for the Period
January 22, 2007 to May 31, 2007

Invoice No. 6552

DATE	SERVICE	STAFF
1/22/2007	Consulting fees - Corporate preparation of Certificate of Compliance, numerous discussions with creditors and staff at Cantar pool	Blunda
1/25/2007	Consulting fees - Corporate Certificate of Compliance and Backing Sheet for Paul Denton	Blunda
2/1/2007	Consulting fees - Corporate F/up Sears AR matter and notice to creditors re plan	Denton
2/1/2007	Consulting fees - Corporate Emails re cash position and reporting and process; loan enquiry	Gallop
2/5/2007	Consulting fees - Corporate Amending correspondence	Moreira
2/6/2007	Consulting fees - Corporate Telephone call C McLarty regarding removal of assets from premises, review of cash request and communications	Gallop
2/6/2007	Consulting fees - Corporate Administrative matters	Moreira
2/6/2007	Consulting fees - Corporate Finalize and send off Sears letter; review current cash position with CM; review and send off notice to creditors re status of CCAA; update web site	Denton

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2/6/2007	Consulting fees - Corporate Finalizing correspondence to affected creditors; finalizing correspondence to Sears; emailing and mailing same	Moreira
2/7/2007	Consulting fees - Corporate Mailing to creditors	Moreira
2/7/2007	Consulting fees - Corporate Updating information on the website	Moreira
2/7/2007	Consulting fees - Corporate Receive cash position and communications to P Denton	Gallop
2/8/2007	Consulting fees - Corporate Mailing of update notice to creditors.	Marshall
2/8/2007	Consulting fees - Corporate respond to creditor calls on CCAA status; send of legal and monitor fees to CM	Denton
2/20/2007	Consulting fees - Corporate Receive cash request and request support	Gallop
2/21/2007	Consulting fees - Corporate Receive revised cash request, review and approve; review and approve second request	Gallop
2/21/2007	Consulting fees - Corporate send copy of invoices to Cantar/ reconciliation of A/R / discussion and i/c with creditors	Blunda
2/22/2007	Consulting fees - Corporate Telephone call from C McLarty re Competition proceeds, request and instruct	Gallop
2/26/2007	Consulting fees - Corporate Review revision to cheque disposition from Competition, email P Denton	Gallop
2/28/2007	Consulting fees - Corporate Call from V Desousa re collections need re francophone speaker, discuss with P Denton and email request; review and approve disposition of subtenant proceeds, email enquiries	Gallop
3/1/2007	Consulting fees - Corporate Review and approve disbursements	Gallop
3/2/2007	Consulting fees - Corporate i/c with C.McLarty re: Sears accounts receivable/ e-mail to P.Denton to determine status/ call Colin and advise same	Blunda

3/6/2007	Consulting fees - Corporate T/c with creditor, send e-mail as requested by P.Denton to creditor	Blunda
3/8/2007	Consulting fees - Corporate F/up of the Enbridge and Sears matters; respond to call from CM and Enbridge; review matters with LB re: the final tabulation of small claims	Denton
3/19/2007	Consulting fees - Corporate Review disbursements, queries on leases and professional fees outstanding	Gallop
3/20/2007	Consulting fees - Corporate Cash flow enquiries and responses with C McLarty	Gallop
3/22/2007	Consulting fees - Corporate Update schedules, return calls to creditors, numerous conversations with C.McLarty re: Sears/Enbridge/Pitney Bowes/SOS claims, discuss John Elliot claim and settlement, produce schedule of claims to be paid to date for creditors owed \$5K or less	Blunda
3/28/2007	Consulting fees - Corporate Attendance to cash request	Gallop
3/29/2007	Consulting fees - Corporate Review matters forwarded by Louisa B; review small claims; review cash and fee position; f/up invoice payment; review of the status of the Sears matter	Denton
3/29/2007	Consulting fees - Corporate Attendance to cash request; telephone call C Mvclarty	Gallop
3/30/2007	Consulting fees - Corporate Attendance to cash request	Gallop
4/2/2007	Consulting fees - Corporate Telephone call from C McLarty and discussion of receipts and disbursements; receive and analyze cash position for determining payments; re-faxing of cash approvals	Gallop
4/4/2007	Consulting fees - Corporate Review cash position and cash flow	Gallop
4/17/2007	Consulting fees - Corporate Receive telephone call and emails from C McLarty, fax approvals for expenditures and payroll	Gallop
4/18/2007	Consulting fees - Corporate t/c with creditor Brambles - re: payment and invoices related to post CCAA, /c with Ice Corp	Blunda

4/19/2007	Consulting fees - Corporate	Denton	F/up Cantar cash position; review of Enbridge matter; review and respond to calls from creditors
4/25/2007	Consulting fees - Corporate	Denton	review cash flow position with CM; respond to creditor calls; review status ability to pay small claims; liaise with a party who might be prepared to payout VTB mortgage earlier
4/27/2007	Consulting fees - Corporate	Blunda	Produce A/R & WIP Reports, prepare summary of billings to date and funds received, send copy to C. McLarty as requested
4/30/2007	Consulting fees - Corporate	Denton	Follow up with Liquidity Solutions in the US re: monetizing the VTB; review of process to payout small claims
4/30/2007	Consulting fees - Corporate	Blunda	Respond to Colin McLarty's e-mail, prepare draft letter as requested P. Denton, prepare excel spreadsheet for update to ISS of all clients owed less than \$5,000 in preparation for dividend distribution
5/1/2007	Consulting fees - Corporate	Gallop	Review cash requests and available funding; approve requests-Apr 30th
5/1/2007	Consulting fees - Corporate	Gallop	Review cash position - April 23rd
5/1/2007	Consulting fees - Corporate	Gallop	Review payments-Apr 25th
5/1/2007	Consulting fees - Corporate	Moreira	Importing creditors into system
5/1/2007	Consulting fees - Corporate	Denton	Liaise with Liquidity Solutions re: Monetizing the VTB; review the small claims payout process and timing with LB; review covering letter
5/1/2007	Consulting fees - Corporate	Gallop	Payment approvals, discuss with C McLarty-April 27th
5/3/2007	Consulting fees - Corporate	Gallop	Review availability and outstanding cheques
5/4/2007	Consulting fees - Corporate	Gallop	Cash requests review and approval; telephone call with C McLarty

5/8/2007	Consulting fees - Corporate Review availability and outstanding cheques	Gallop
5/9/2007	Banking - Corporate set up bank account	Blunda
5/10/2007	Banking - Corporate Banking	Blunda
5/11/2007	Banking - Corporate Banking	Blunda
5/10/2007	Consulting fees - Corporate Meet with Paul to review draft letter and mailing to creditors	Blunda
5/11/2007	Consulting fees - Corporate Dividend List	Blunda
5/14/2007	Consulting fees - Corporate Review availability and outstanding cheques	Gallop
5/15/2007	Consulting fees - Corporate Meet with LB re Cantar mailing	Moreira
5/16/2007	Consulting fees - Corporate Preparation of mailing to creditors	Moreira
5/17/2007	Consulting fees - Corporate Review and approve the small claims payout	Denton
5/18/2007	Consulting fees - Corporate Administrative matters	Marshall
5/18/2007	Consulting fees - Corporate Mailing of dividend payments	Blunda
5/18/2007	Consulting fees - Corporate Preparation of cheques to all creditors with a dividend	Moreira
5/18/2007	Consulting fees - Corporate Preparation of correspondence to all creditors who have a dividend	Moreira
5/18/2007	Consulting fees - Corporate Mailing to creditors	Moreira
5/23/2007	Consulting fees - Corporate T/C from C McLarty, discussion on cash requirements and review and approval of cheque approvals	Gallop
5/25/2007	Consulting fees - Corporate Draft letter to Inspector; t/cs with Colin; respond to creditor call	Denton

5/25/2007	Consulting fees - Corporate Preparation of the Inspector's report	Marshall	
5/28/2007	Consulting fees - Corporate Review payroll and cheque requests, payroll approval	Gallop	
5/28/2007	Consulting fees - Corporate Draft and submit letter to Inspector re: the current plan and payout status and efforts to monetize the VTB	Denton	
5/28/2007	Consulting fees - Corporate Inspectors' address/e-mail address, t/c with creditor Super Shred re: dividend payment received	Blunda	
5/28/2007	Consulting fees - Corporate Inspector update.	Marshall	
5/29/2007	Consulting fees - Corporate Telephone follow-up with cheque requests with C McLarty and approval	Gallop	
5/30/2007	Consulting fees - Corporate T/C with creditor re: account numbers related to the dividend distribution	Blunda	
5/31/2007	Consulting fees - Corporate numerous t/c with C, McLarty and creditors regarding account number/invoice numbers related to the dividend distribution	Blunda	
		Total For Services	\$ 9,454.00
Expenses:			
Miscellaneous costs, including Ramada Hotel rental			
Telephone			
Fax, P/copy, Phone, Courier, including mailing to all creditors			
		Total For Expenses	<u>5,455.26</u>
		Total	\$14,909.26
		GST	<u>567.24</u>
		Current Amount Due	<u>\$15,476.50</u>

GST#136800752RT

A. FARBER & PARTNERS INC.

CANTAR POOL PRODUCTS LTD.

SUMMARY OF TIME INCURRED
JANUARY 22, 2007 TO MAY 31, 2007

Name	Total Hours	Rate Per Hour	Billing
R. Gallop	8.00	\$360.00	\$2,880.00
P. Denton	7.70	\$320.00	\$2,464.00
L. Blunda	19.90	\$150.00	\$2,985.00
C. Moreira	10.10	\$90.00	\$909.00
W. Marshall	2.40	\$90.00	\$216.00
Expenses			\$5,455.26
Total	48.10		\$14,909.26



**A. Farber
& Partners Inc.**

MEMBER OF FARBER FINANCIAL GROUP

November 8, 2007

Cantar Pool Products Limited
330 Humberline Drive
Toronto, ON M9W 1R5

Attention: Mr. Victor D'Souza

Re: Cantar Pool Products Limited - CCAA Proceeding
Invoices for Professional Services for the Period
June 1, 2007 to October 31, 2007

Invoice No. 6706

DATE	SERVICE	STAFF
6/4/2007	Consulting fees - Corporate Receive and review cash position	Gallop
6/6/2007	Consulting fees - Corporate Emails P Denton and C McLarty re forecasts and storage; provision of last R&D comparison of actual to forecast; t/c P Denton re these	Gallop
6/7/2007	Consulting fees - Corporate Administrative matters	Moreira
6/8/2007	Consulting fees - Corporate Administrative matters	Moreira
6/11/2007	Consulting fees - Corporate Review, approve and fax weekly cash requirements	Gallop
6/12/2007	Consulting fees - Corporate Review, approve and fax supplemental cash request	Gallop
6/13/2007	Consulting fees - Corporate t/c with Colin McLarty re: billing and balance due	Blunda

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6/15/2007	Consulting fees - Corporate Copy claim/documents for WEK Industries - to P. Denton	Blunda
6/15/2007	Consulting fees - Corporate Respond to call from creditor re: lien claim on moulds (WEK); telephone call and e-mail follow up after confirm claim position; review of GST refund and covering letter (6/13)	Denton
6/26/2007	Consulting fees - Corporate telephone call with a creditor EDC contesting claim; review materials with Louisa; coordinate gathering of info for response	Denton
6/27/2007	Consulting fees - Corporate Review cash request and payroll funding refund and retrieve voice mails from C McLarty re requests and respond	Gallop
6/28/2007	Consulting fees - Corporate Review cash position and report; email from C Keeler and respond	Gallop
6/28/2007	Consulting fees - Corporate Further preparation of the Barnet letter.	Marshall
6/29/2007	Consulting fees - Corporate Further to the Barnet letter.	Marshall
6/29/2007	Consulting fees - Corporate Administrative matters	Moreira
7/4/2007	Consulting fees - Corporate Administrative matters	Moreira
7/6/2007	Consulting fees - Corporate Telephone call with creditor FedEx	Blunda
7/9/2007	Consulting fees - Corporate t/c with creditor Air Liquide-review bank reconciliation and provide creditor with copy of cashed cheque	Blunda
7/12/2007	Consulting fees - Corporate Administrative matters	Moreira

7/13/2007	Consulting fees - Corporate t/c with Air Liquide - fax copy of cashed cheque	Blunda
7/30/2007	Consulting fees - Corporate Reviewing the WEK matter and liaising with legal counsel on same; reviewing monetization with Victor D	Denton
8/1/2007	Consulting fees - Corporate Review, approve and fax weekly cash requirements --July 12/07	Gallop
8/1/2007	Consulting fees - Corporate review of the WEK matter with legal counsel and responding to same; coordinate meeting with Cameron Irons re VTB monetization	Denton
8/1/2007	Consulting fees - Corporate Prepare present value on VTB	Gallop
8/2/2007	Consulting fees - Corporate preparation for and meeting with Cameron Irons to update on the prospects for monetization of the VTB and a general update on the CCAA Proceedings	Denton
8/2/2007	Consulting fees - Corporate T/c E Klein to confirm methodology of VTB payout calculation; t/c P Denton to discuss result	Gallop
8/2/2007	Consulting fees - Corporate List of creditors to P.Denton, copy of inspector letter dated May/07 to P.Denton, inspectors contact information to Paul Denton	Blunda
8/3/2007	Consulting fees - Corporate Review P Denton update	Gallop
8/3/2007	Consulting fees - Corporate provide updated position on VTB to Victor D re mtg with inspector	Denton
8/7/2007	Consulting fees - Corporate Review V D'Sousa email and financial results and loan extension; receive cash request, review with cash balance query and response, approve and transmit	Gallop

8/17/2007	Consulting fees - Corporate t/c with creditor re status of payment to creditors over \$5K	Blunda
8/24/2007	Consulting fees - Corporate review and followup the inspector review of monetization of the claim	Denton
9/18/2007	Consulting fees - Corporate Correspondence with Irons.	Marshall
9/19/2007	Consulting fees - Corporate Review cash request, approve and submit	Gallop
9/19/2007	Consulting fees - Corporate	Marshall
9/20/2007	Consulting fees - Corporate Email, t/c C Keeler re urgent payment request and authorization	Gallop
9/21/2007	Consulting fees - Corporate Review remaining requisition items and confirm	Gallop
10/3/2007	Consulting fees - Corporate Telephone call with R. Sahnir and send list of creditors	Blunda
10/22/2007	Consulting fees - Corporate Review and approve payments	Gallop
10/22/2007	Consulting fees - Corporate Review and approve payments	Gallop
10/31/2007	Consulting fees - Corporate Review, consider and approve litigation retainer payment Atlantic Pool, Costco, et al ats Leal	Gallop
10/31/2007	Consulting fees - Corporate Review, consider and approve litigation retainer payment Atlantic Pool, Costco, et al ats Leal	Gallop
8/23/2007	Banking - Corporate Banking	Samoilov
6/29/2007	Accounting bank reconciliation May 2007	Korolik

9/30/2007	Accounting August 07 bank reconciliation	Zheng		
9/30/2007	Accounting July 07 bank reconciliation	Zheng		
			Total For Services	\$4,952.00
Disbursements: Photocopies, faxes, couriers, etc. Travel			Total For Expenses	<u>830.14</u>
			Total	\$5,782.14
			GST	<u>297.12</u>
			Current Amount Due	<u>\$6,079.26</u>

GST#136800752RT

A. FARBER & PARTNERS INC.

CANTAR POOL PRODUCTS LTD.

SUMMARY OF TIME INCURRED
JUNE 1, 2007 TO OCTOBER 31, 2007

Name	Total Hours	Rate Per Hour	Billing
P. Denton	3.80	\$450.00	\$1,710.00
R. Gallop	5.20	\$375.00	\$1,950.00
L. Blunda	3.00	\$160.00	\$480.00
C. Moreira	3.30	\$110.00	\$363.00
W. Marshall	3.10	\$110.00	\$341.00
Banking	1.20	\$90.00	\$108.00
Total	19.60		\$4,952.00



**A. Farber
& Partners Inc.**

MEMBER OF FARBER FINANCIAL GROUP

July 15, 2008

Cantar Pool Products Limited
330 Humberline Drive
Toronto, ON M9W 1R5

Attention: Mr. Victor D'Souza

Re: Cantar Pool Products Limited – CCAA Proceeding
Invoice for Professional Services for the Period
November 1, 2007 to June 30, 2008

Invoice No. 7070

DATE	SERVICE	STAFF
11/7/2007	Consulting fees - Corporate Various file matters	Moreira
11/7/2007	Consulting fees - Corporate T/C V DeSousa for cash and litigation update	Gallop
11/8/2007	Consulting fees - Corporate Various file matters	Moreira
11/19/2007	Consulting fees - Corporate Telephone call from creditor (P&K Truck)	Blunda
11/22/2007	Consulting fees - Corporate Review and approve payments	Gallop
11/30/2007	Accounting September, October bank reconciliation	Zheng
12/17/2007	Banking - Corporate Reviewing the list of outstanding cheques	Samoilov
1/10/2008	Consulting fees - Corporate Follow up on payment request	Gallop

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1/11/2008	Consulting fees - Corporate T/C from V DeSousa re VTB, tc P Denton and respond; revise PV calculation on VTB	Gallop
1/31/2008	Accounting November December bank reconciliation	Zheng
2/6/2008	Banking - Corporate Banking	Reddick
2/13/2008	Consulting fees - Corporate Review, approve and transmit payment requests	Gallop
2/21/2008	Banking - Corporate Bank Reconciliation January	Reddick
2/28/2008	Consulting fees - Corporate Receive payment request and query	Gallop
3/3/2008	Banking - Corporate Lookup return mail, pull claims, checking 411 Logpile; call creditors for new address, checking of cheques from bank recs. labels and remail	Reddick
3/12/2008	Consulting fees - Corporate T/C from C Keeler in response to request query and approve payment	Gallop
3/26/2008	Banking - Corporate February bank reconciliation	Reddick
4/2/2008	Consulting fees - Corporate Dealing with creditor inquiry	Marshall
4/3/2008	Consulting Fees - Trustee Dealing with creditor inquiries	Marshall
4/16/2008	Consulting fees - Corporate creditor's query	Blunda
4/16/2008	Consulting fees - Corporate Call Creditors back with information request; Lookup Creditor address internet; Call Creditors too.	Reddick

4/17/2008	Consulting fees - Corporate Call creditors to confirm new addresses, to replace cheques;	Reddick
4/21/2008	Consulting fees - Corporate Return Creditor calls, about outstanding cheques to re-issue;	Reddick
4/21/2008	Banking - Corporate March Bank Reconciliation	Reddick
4/30/2008	Consulting fees - Corporate Meet with Louisa about re-issuing cheques, prepare vouchers for Lidia;	Reddick
5/7/2008	Banking - Corporate Reversing and reissuing dividend cheques	Samoilov
5/8/2008	Consulting fees - Corporate Process cheques and letters, arrange for transfer;	Reddick
5/14/2008	Banking - Corporate Banking	Samoilov
5/28/2008	Consulting fees - Corporate Draft and respond to creditor queries; liaise with C McLarty	Denton
5/30/2008	Consulting fees - Corporate Review and approve legal expenses	Gallop
6/3/2008	Consulting fees - Corporate Review and approve disbursements	Gallop
6/3/2008	Consulting fees - Corporate Review and approve disbursements	Gallop
6/10/2008	Banking - Corporate April/08 bank reconciliation	Blunda
6/19/2008	Consulting fees - Corporate Review and approve payments	Gallop

6/26/2008	Consulting fees - Corporate Review of correspondence with respect to claim barred; review with LB	Denton
6/27/2008	Consulting fees - Corporate Creditors query re status of future dividend	Blunda
6/30/2008	Banking - Corporate May 31/08 -Bank Rec	Chenthivelnathan

	Total Services	\$2,802.00
Expenses: Photocopies, faxes, couriers, etc.	Total Expenses	<u>94.80</u>
	Total	\$2,896.80
	GST	<u>140.10</u>
	Current Amount Due	<u>\$3,036.90</u>

GST#136800752RT

A. FARBER & PARTNERS INC.

CANTAR POOL PRODUCTS LTD.

SUMMARY OF TIME INCURRED
NOVEMBER 1, 2007 TO JUNE 30, 2008

Name	Total Hours	Rate Per Hour	Billing
P. Denton	0.90	\$450.00	\$405.00
R. Gallop	2.60	\$375.00	\$975.00
L. Blunda	1.00	\$160.00	\$160.00
L. Samoilov	2.30	\$120.00	\$276.00
W. Marshall	0.60	\$130.00	\$78.00
C. Moreira	1.00	\$110.00	\$110.00
T. Reddick	6.40	\$110.00	\$704.00
V.Chenthivelnathan	0.20	\$110.00	\$22.00
C. Zheng	0.80	\$90.00	\$72.00
Total	15.80		\$2,802.00



**A. Farber
& Partners Inc.**

MEMBER OF FARBER FINANCIAL GROUP

October 24, 2008

Cantar Pool Products Limited
330 Humberline Drive
Toronto, ON M9W 1R5

Attention: **Mr. Victor D'Souza**

Re: **Cantar Pool Products Limited – CCAA Proceeding
Invoice for Professional Services for the Period
July 1, 2008 to October 24, 2008**

Invoice No. 7163

DATE	SERVICE	STAFF
7/4/2008	Consulting fees - Corporate Review of the Universal, Torkin Manes correspondence; review with R. Gallop; review with L. Blunda	Denton
7/4/2008	Consulting fees - Corporate Review claim from Universal Energy, consider and email V DeSousa	Gallop
7/7/2008	Consulting fees - Corporate Receive email from V DeSousa and respond	Gallop
7/8/2008	Consulting fees - Corporate Preparation of documentation	Moreira
7/8/2008	Consulting fees - Corporate Follow up of the Universal matter with Torkin Manes; liaise with R. Gallop on same	Denton
7/8/2008	Consulting fees - Corporate T/C V DeSousa and discuss Universal claim	Gallop
7/9/2008	Consulting fees - Corporate respond to Universal matter; liaise with R. Gallop	Denton
7/10/2008	Consulting fees - Corporate T/C P Denton and review email response of B Cohen re Universal	Gallop

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7/12/2008	Consulting fees - Corporate Receive email from B Cohen re Universal, review prior emails and email V DeSousa with status of responses and request for enquiries.	Gallop
7/14/2008	Consulting fees - Corporate T/C from V DeSousa re Universal matter and discuss response; review files and documentation and make confirmatory enquiries /c L Blunda and R Epstein; respond re B Cohen email of Saturday and follow up email of today; review email of R Epstein and respond	Gallop
7/14/2008	Consulting fees - Corporate Copy of November 28/29th, 2006 publication in National Post for R. Gallop	Blunda
7/15/2008	Consulting fees - Corporate Finalizing documentation	Moreira
7/15/2008	Consulting fees - Corporate Receive email from B Cohen, forward to R Epstein and consider Epstein response	Gallop
7/15/2008	Banking - Corporate June 30/08 Bank Rec	Chenthivelnathan
7/16/2008	Consulting fees - Corporate Receive email from R Orzy and reply with forward of Cohen email request of prior day	Gallop
7/17/2008	Consulting fees - Corporate T/C V DeSousa re emails and approach; t/c B Cohen re findings and queries; review email from B Cohen and review and distribute to counsels and V DeSousa requesting feedback	Gallop
7/24/2008	Consulting fees - Corporate Emails R Epstien re Polyair response	Gallop
7/29/2008	Consulting fees - Corporate Review of emails and consider re Universal issue	Gallop
8/22/2008	Consulting fees - Corporate Receive letter from B Cohen, consider and email R Epstien and receive response; receive email from C Keeler re funds received in error, consider and respond	Gallop
8/25/2008	Consulting fees - Corporate Receive response from R Orzy and review correspondence for Aug 8 referenced letter	Gallop
9/5/2008	Banking - Corporate	Blunda

July/08 Bank Reconciliation			
9/9/2008	Banking - Corporate Discussing with L. Blunda and J. Hendriks procedure of postdating dividend cheques	Samoilov	
9/10/2008	Banking - Corporate Journal entries re voided dividend outstanding cheques	Samoilov	
9/10/2008	Banking - Corporate July 31/08 -Bank Rec	Chenthivelnathan	
9/12/2008	Consulting fees - Corporate Receive cheque requisition from C Keeler, enquire, review and approve	Gallop	
9/22/2008	Consulting fees - Corporate Receive vmail from M Friel re banking and respond and follow up with V DeSousa	Gallop	
9/28/2008	Banking - Corporate Aug/08 Bank Reconciliation	Blunda	
10/2/2008	Consulting fees - Corporate Receive cheque request, review and approve	Gallop	
10/15/2008	Consulting fees - Corporate Receive cheque request, review, t/c P Denton and C Keeler and approve	Gallop	
		Total Services	\$3,444.00
Expenses: Photocopies, faxes, couriers, etc.		Total Expenses	<u>67.20</u>
		Total	\$3,511.20
		GST	<u>172.20</u>
		Current Amount Due	<u>\$3,683.40</u>

GST#136800752RT

A. FARBER & PARTNERS INC.

CANTAR POOL PRODUCTS LTD.

SUMMARY OF TIME INCURRED
JULY 1, 2008 TO OCTOBER 24, 2008

Name	Total Hours	Rate Per Hour	Billing
P. Denton	1.30	\$475.00	\$617.50
R. Gallop	6.30	\$375.00	\$2,362.50
L. Blunda	0.90	\$160.00	\$144.00
L. Samoilov	1.20	\$120.00	\$144.00
C. Moreira	1.10	\$120.00	\$132.00
V. Chenthivelnathan	0.40	\$110.00	\$44.00
Total	11.20		\$3,444.00



November 8, 2011

Cantar Pool Products Limited
330 Humberline Drive
Toronto, ON M9W 1R5

Re: Cantar Pool Products Limited – CCAA Proceeding
Invoice for Professional Services for the Period
October 25, 2008 to October 31, 2011

Invoice No. 9179-9180

DATE	SERVICE	STAFF
10/27/2008	Banking - Corporate September 2008 Bank reconciliation	Blunda
11/14/2008	Banking - Corporate October 2008 bank reconciliation	Blunda
12/01/2008	Consulting fees - Corporate Call from M Freel re need for new banking arrangements, discuss with L Blunda and confirm transfer of bank funding and accounts to Farber account for future management; call with M Freel confirming logistics	Gallop
12/01/2008	Consulting fees - Corporate Review of go-forward banking requirements with R Gallop and M Freer	Denton
12/02/2008	Consulting fees - Corporate Receive voicemail from T Tran 416 679 6600 x 6342, email L Blunda for banking info; receive banking particulars and send to T Tran and M Freel	Gallop
12/02/2008	Banking - Corporate Prepare and forward wire transfer instruction to R. Gallop.	Samoilov
12/04/2008	Consulting fees - Corporate Call with M Freel and leave message re wire, enquire with L Samoilov; receive email from M Freel, consider and respond	Gallop

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12/04/2008	Consulting fees - Corporate Review and confirm amended banking process for the Cantar CCAA	Denton
12/08/2008	Consulting fees - Corporate Receive email enquiry from L.Samoilov, research and respond	Gallop
12/08/2008	Banking - Corporate Banking, posting	Samoilov
12/10/2008	Consulting fees - Corporate Receive, review and approve payments and instruct preparation	Gallop
12/10/2008	Consulting fees - Corporate Emails to/from C Keeler re cheque processing procedures	Gallop
12/11/2008	Banking - Corporate Banking	Samoilov
12/17/2008	Banking - Corporate Banking, filing	Samoilov
12/22/2008	Banking - Corporate Banking	Samoilov
12/24/2008	Banking - Corporate Banking	Samoilov
12/29/2008	Banking - Corporate November 2008 Bank Reconciliation	Blunda
12/31/2008	Consulting fees - Corporate Receive email from C Keeler re cheque status, enquire and call with C Keeler	Gallop
12/31/2008	Consulting fees - Corporate Meet with R.Gallop to discuss Cantar's payments, instructions re payments to be made	Blunda
01/05/2009	Banking - Corporate Journal entry adjustment, banking.	Samoilov

01/06/2009	Banking - Corporate Banking	Samoilov
01/09/2009	Consulting fees - Corporate Receive notice from A&B, call with C Keeler and receive payment and process status update	Gallop
01/19/2009	Banking - Corporate Banking	Samoilov
01/27/2009	Banking - Corporate Banking	Samoilov
01/27/2009	Consulting fees - Corporate Document Review & Management	Lloyd-Key
02/12/2009	Banking - Corporate Entered Bank Reconciliation for January 2009	Lloyd-Key
02/18/2009	Consulting fees - Corporate Receive, review and approve payments	Gallop
02/20/2009	Banking - Corporate Banking	Samoilov
03/17/2009	Banking - Corporate Bank Reconciliation for February 2009	Lloyd-Key
04/14/2009	Consulting fees - Corporate Run report for R. Gallop	Biunda
04/14/2009	Consulting fees - Corporate Receive, review and approve payments; consider storage issue	Gallop
04/21/2009	Banking - Corporate Banking	Samoilov
04/23/2009	Banking - Corporate Bank reconciliation for March 2009	Lloyd-Key
05/14/2009	Banking - Corporate Bank reconciliation for April 2009	Lloyd-Key

06/09/2009	Consulting fees - Corporate Review and make arrangements for payments (revised)	Gallop
06/09/2009	Banking - Corporate Banking	Samoilov
06/11/2009	Banking - Corporate Bank reconciliation for May 2009	Lloyd-Key
07/21/2009	Banking - Corporate Bank reconciliation for June 2009	Lloyd-Key
08/14/2009	Banking - Corporate Bank reconciliation for July 2009	Lloyd-Key
09/03/2009	Consulting fees - Corporate Receive, review and approve payments	Gallop
09/09/2009	Banking - Corporate Banking	Samoilov
09/10/2009	Banking - Corporate Bank reconciliation for August 2009	Lloyd-Key
10/14/2009	Consulting fees - Corporate Receive revise and approve payments	Gallop
10/15/2009	Banking - Corporate Banking	Samoilov
10/15/2009	Close outs - Corporate Telephone call with creditor re status of dividend payment pursuant to the CCAA	Blunda
10/16/2009	Banking - Corporate Banking	Samoilov
10/20/2009	Banking - Corporate Bank reconciliation for September 2009	Lloyd-Key
11/09/2009	Banking - Corporate Bank reconciliation for October 2009	Lloyd-Key
12/14/2009	Banking - Corporate Bank reconciliation for November 2009	Lloyd-Key

12/15/2009	Banking - Corporate Banking.	Samoilov
01/18/2010	Banking - Corporate Bank reconciliation for December 2009	Lloyd-Key
01/28/2010	Consulting fees - Corporate Attend to email enquiries re buy out of obligation and call from V Desousa; review of VTB emails; review materials	Gallop
02/02/2010	Consulting fees - Corporate Receive and review VTB and query G Morphy; and email to V Desousa	Gallop
02/08/2010	Consulting fees - Corporate Prepare VTB discount scenarios and analyze continuing estate costs	Gallop
02/08/2010	Banking - Corporate Banking.	Samoilov
02/12/2010	Consulting fees - Corporate Email from/to V DeSouza re VTB negotiation	Gallop
02/17/2010	Banking - Corporate Bank reconciliation for January 2010	Lloyd-Key
02/18/2010	Consulting fees - Corporate Call to V DeSouza re proposal for prepayment and recalculate; discuss with P Denton	Gallop
02/19/2010	Consulting fees - Corporate Review recent monetization proposal; review of file and chronology of events; draft memo to sole inspector; review current status of the property	Denton
02/22/2010	Consulting fees - Corporate Follow up V D'Souza re current status of property and outline of proposal by owners	Denton
02/25/2010	Consulting fees - Corporate Further analysis and drafting of summary memo on the current status of the property	Denton

03/02/2010	Consulting fees - Corporate Analysis of the VTB and underlying real estate and obligation; liaise with V DeSouza	Denton
03/03/2010	Consulting fees - Corporate Review of current status of real estate; call to CBRE; meeting with V De Souza	Denton
03/08/2010	Consulting fees - Corporate Review and approve adjusted payments	Gallop
03/10/2010	Banking - Corporate Banking.	Samoilov
03/16/2010	Banking - Corporate Banking.	Samoilov
03/30/2010	Banking - Corporate Bank reconciliation for February 2010	Lloyd-Key
04/13/2010	Consulting fees - Corporate Review, revise and forward approved payments	Gallop
04/13/2010	Banking - Corporate Banking.	Samoilov
04/20/2010	Banking - Corporate Bank reconciliation for March 2010	Lloyd-Key
05/18/2010	Consulting fees - Corporate Creditors query re distribution	Blunda
05/18/2010	Banking - Corporate Bank reconciliation for April 2010	Lloyd-Key
06/11/2010	Banking - Corporate Bank reconciliation for May 2010	Lloyd-Key
07/13/2010	Banking - Corporate Bank reconciliation for June 2010	Lloyd-Key
07/23/2010	Consulting fees - Corporate Review, revise and forward approved payments	Gallop

07/27/2010	Banking - Corporate Banking.	Samoilov
08/18/2010	Banking - Corporate Bank reconciliation for July 2010	Lloyd-Key
09/13/2010	Banking - Corporate Bank reconciliation for August 2010	Lloyd-Key
10/13/2010	Consulting fees - Corporate Review, revise and forward approved payments.	Gallop
10/13/2010	Banking - Corporate Banking, posting.	Samoilov
10/20/2010	Banking - Corporate Banking.	Samoilov
10/20/2010	Banking - Corporate Bank reconciliation for September 2010	Lloyd-Key
11/17/2010	Banking - Corporate Bank reconciliation for October 2010	Lloyd-Key
12/16/2010	Banking - Corporate Bank reconciliation for November 2010	Lloyd-Key
01/12/2011	Consulting fees - Corporate Review requested payments and forward for payment with queries.	Gallop
01/13/2011	Banking - Corporate Bank reconciliation for December 2010	Lloyd-Key
01/27/2011	Banking - Corporate Review account activity and not cashed dividend cheques. Discuss with L. Blunda re the same. Banking . posting.	Samoilov
02/10/2011	Banking - Corporate Banking.	Samoilov
02/22/2011	Banking - Corporate Bank reconciliation for January 2011	Lloyd-Key

03/02/2011	Consulting fees - Corporate Call from Webb of CRA re information request and scan and email copy of Inspectors minutes to update status and re VTB due October 2011; clear same with Denton before issuing	Hendriks
03/28/2011	Banking - Corporate Bank reconciliation for February 2011	Lloyd-Key
04/18/2011	Banking - Corporate Bank reconciliation for March 2011.	Lloyd-Key
04/28/2011	Consulting fees - Corporate Review and forward requested payments with HST claiming	Gallop
05/02/2011	Banking - Corporate Banking, posting.	Samoilov
05/19/2011	Banking - Corporate Bank reconciliation for April 2011.	Lloyd-Key
07/20/2011	Consulting fees - Corporate Review and forward requested payments with HST claimed and approved.	Gallop
07/21/2011	Banking - Corporate Banking, posting.	Samoilov
07/25/2011	Banking - Corporate Bank reconciliation for June 2011.	Lloyd-Key
08/02/2011	Consulting fees - Corporate Follow up Cantar VTB contact	Denton
08/03/2011	Consulting fees - Corporate Draft correspondence to Strathallen Capital for P. Denton review and mail same.	Da Silva-Falcione
08/03/2011	Consulting fees - Corporate Follow up and draft correspondence to Strathallen property manager of 330 Humberline Blvd and the underlying VTB	Denton

08/12/2011	Banking - Corporate Bank reconciliation for July 2011.	Lloyd-Key
08/22/2011	Consulting fees - Corporate Follow up with Strathallen Properties re monetization of the VTB	Denton
09/07/2011	Consulting fees - Corporate Follow up on VTB maturity and payout	Denton
09/08/2011	Consulting fees - Corporate Correspondence to Strathallen for P. Denton review and edit	Da Silva-Falcione
09/08/2011	Consulting fees - Corporate Follow up with Strathallen regarding payout of VTB; draft letter to Strathallen; review and finalize	Denton
09/09/2011	Consulting fees - Corporate Review coordination of final payout; review with LB	Denton
09/12/2011	Consulting fees - Corporate Draft and provide follow up correspondence to Strathallen Capital re payment of the VTB	Denton
09/14/2011	Consulting fees - Corporate Liaise with Cantar company legal counsel re: completion of final matters including the maturity of the VTB and final payout of proceeds to major creditors	Denton
09/14/2011	Consulting fees - Corporate Liaise with company counsel re: maturity of VTB and final steps including approvals	Denton
09/15/2011	Consulting fees - Corporate Liaison with Victor D'Souza and Mike Freer re final steps to CCAA proceeding	Denton
09/19/2011	Banking - Corporate Bank reconciliation for August 2011.	Lloyd-Key
09/27/2011	Consulting fees - Corporate Follow up M Freer and J Gage re: final matters and corporate authority issue	Denton

10/03/2011	Consulting fees - Corporate	Denton	Coordinate matters with L Blunda; respond to creditor; liaise with J Gage McCarthy Tetrault
10/04/2011	Consulting fees - Corporate	Denton	Review draft form of letter to creditors re the final dividend; follow up matters with M Freer and J Gage of McCarthy Tetrault
10/04/2011	Consulting fees - Corporate	Blunda	Assemble documents in preparation for meeting with Paul Denton, meeting with Paul Denton to discuss payout to creditors
10/05/2011	Consulting fees - Corporate	Blunda	Run claims register from Ascend and re-categorize creditors (creditors over \$5K) which were set up as Contingent to Preferred creditors for payment of dividend distribution, draft letter to the creditors enclosing dividend payment for Paul Denton
10/11/2011	Consulting fees - Corporate	Denton	Call with R Espstein Aird Berlis; send correspondence to Polyair re: shareholders resolution
10/12/2011	Consulting fees - Corporate	Denton	Review final matters planning with L Blunda; follow up Polyair
10/12/2011	Consulting fees - Corporate	Blunda	Calling creditor re: UPS claims filed - scan and send copy of documents to RSMN as agent for UPS
10/14/2011	Consulting fees - Corporate	Denton	Review of Polyair response; review court orders; draft outline of report
10/17/2011	Consulting fees - Corporate	Da Silva-Falcione	Set up and update Fifth Report of Monitor for P. Denton review and edit.
10/17/2011	Consulting fees - Corporate	Denton	Liaise with legal counsel re coordination of next steps; report drafting; liaise with Strathallen Capital

10/20/2011	Banking - Corporate Bank reconciliation for Sept 2011.	Lloyd-Key
10/21/2011	Consulting fees - Corporate Follow up Strathallen Capital re need to seek authority, direction from the court	Denton
10/25/2011	Consulting fees - Corporate Various revisions to Monitor's Report with P Denton.	Chopowick
10/26/2011	Consulting fees - Corporate Review draft report; respond to creditors	Denton

	Total for Services	\$ 16,501.00
Expenses: Photocopies, faxes, etc.	Total for Expenses	333.00
	Subtotal	16,834.00
	GST on Services up to June 30, 2010	386.45
	HST on Services from July 1, 2010	<u>1,140.36</u>
	Current Amount Due	<u>\$ 18,360.81</u>

HST#136800752RT

A. FARBER & PARTNERS INC.

CANTAR POOL PRODUCTS LTD.

SUMMARY OF TIME INCURRED
OCTOBER 25, 2008 TO OCTOBER 31, 2011

Name	Total Hours	Rate Per Hour	Billing
P. Denton *	10.40	\$525.00	\$5,460.00
P. Denton *	1.50	\$510.00	\$765.00
P. Denton *	3.30	\$495.00	\$1,633.50
P. Denton	0.80	\$475.00	\$380.00
R. Gallop *	0.20	\$505.00	\$101.00
R. Gallop *	1.30	\$490.00	\$637.00
R. Gallop *	3.40	\$475.00	\$1,615.00
R. Gallop	2.70	\$375.00	\$1,012.50
J. Hendriks	0.60	\$510.00	\$306.00
L. Blunda *	4.50	\$190.00	\$855.00
L. Blunda **	0.20	\$175.00	\$35.00
L. Blunda *	0.40	\$170.00	\$68.00
L. Blunda	0.90	\$160.00	\$144.00
L. Samoilov *	0.60	\$165.00	\$99.00
L. Samoilov *	6.00	\$150.00	\$900.00
L. Samoilov *	4.50	\$130.00	\$585.00
L. Samoilov	5.00	\$120.00	\$600.00
A. Chopowick	1.30	\$155.00	\$201.50
D. Da Silva-Falcione	1.30	\$155.00	\$201.50
L. Lloyd-Key *	0.80	\$155.00	\$124.00
L. Lloyd-Key *	3.00	\$140.00	\$420.00
L. Lloyd-Key *	2.20	\$130.00	\$286.00
L. Lloyd-Key	0.60	\$120.00	\$72.00
Total	55.50		\$16,501.00

* Various rates were increased throughout this billing period.



**Farber
Financial Group**

October 17, 2012

Cantar Pool Products Limited
330 Humberline Drive
Toronto, ON M9W 1R5

**Re: Cantar Pool Products Limited – CCAA Proceeding
Invoice for Professional Services for the Period
November 1, 2011 to October 12, 2012**

Invoice No. 9885

DATE	SERVICE	STAFF
11/01/2011	Consulting fees - Corporate Amend Monitor's Fifth Report for P. Denton review.	Da Silva-Falcione
11/01/2011	Consulting fees - Corporate Liaise with legal counsel; call with Strathallen Capital; liaise with Polyair.	Denton
11/02/2011	Consulting fees - Corporate Preparation for and meeting with legal counsel to review current status of the Cantar matter.	Denton
11/03/2011	Consulting fees - Corporate Coordinate provision of court orders information to legal counsel Aird & Berlis.	Denton
11/03/2011	Consulting fees - Corporate Collate Court Orders and forward copies to I Aversa as requested.	Chopowick
11/07/2011	Consulting fees - Corporate Document organization in anticipation of invoice preparation and Affidavit of Fees for taxation.	Da Silva-Falcione
11/07/2011	Consulting fees - Corporate Liaise with Humberline legal counsel; review drat material provided by Aird Berlis.	Denton
11/07/2011	Consulting fees - Corporate Locate Order for I Aversa and email as requested.	Chopowick

150 York Street, Suite 1600
Toronto, ON M5H 3S5

Tel 416.497.0150
Fax 416.496.3839

www.farberfinancial.com

11/07/2011	Banking - Corporate Banking, posting.	Samoilov
11/08/2011	Consulting fees - Corporate Document preparation and drafting of Affidavit of Fees and Fee Schedule in support of Monitor's 5th Report.	Da Silva-Falcione
11/08/2011	Consulting fees - Corporate Coordinate provision of information to Aird Berlis; review of La Salle agreement re release of lien; review of draft report.	Denton
11/08/2011	Consulting fees - Corporate Locate and forward copies of Court Reports to I Aversa; Revisions to draft Court Report and Fee Affidavit with P Denton.	Chopowick
11/08/2011	Consulting fees - Corporate Update with Paul Denton.	Blunda
11/08/2011	Banking - Corporate Banking, posting.	Samoilov
11/09/2011	Consulting fees - Corporate Review of LaSalle agreement and conditions of lien release per CCAA Plan; call with legal counsel.	Denton
11/10/2011	Consulting fees - Corporate Review of matters with legal counsel on Cantar corporate status; liaise with Polyair (M Freel) re: La Salle release of lien agreement; review of fee position and draft affidavit.	Denton
11/18/2011	Banking - Corporate Bank reconciliation for October 2011.	Lloyd-Key
11/24/2011	Consulting fees - Corporate Follow up M Freel re: new lender.	Denton
11/30/2011	Consulting fees - Corporate Review next steps and court reporting timetable with Aird Berlis.	Denton
12/01/2011	Consulting fees - Corporate Follow up response from Polyair legal counsel; review	Denton

correspondence from Humberline legal counsel.

12/05/2011	Consulting fees - Corporate	Blunda
	Review claims register for payment of final dividend to creditors and provide details to P. Denton.	
12/06/2011	Consulting fees - Corporate	Denton
	Review of motion materials and court hearing.	
12/07/2011	Consulting fees - Corporate	Denton
	Review of Cantar draft court materials; provide comments to Aird Berlis.	
12/09/2011	Consulting fees - Corporate	Da Silva-Falcione
	Assist P. Denton in completion of Affidavit of Fees and scan same for distribution by P. Denton.	
12/14/2011	Banking - Corporate	Samoilov
	Banking, posting.	
01/03/2012	Banking - Corporate	Lloyd-Key
	Bank reconciliation November 2011.	
01/10/2012	Consulting fees - Corporate	Denton
	Preparation for and attendance at Court for motion re: directions of funds, discharge of mortgage.	
01/12/2012	Consulting fees - Corporate	Denton
	Review of correspondence to province and federal government re: motion to approve transfer of funds.	
01/17/2012	Consulting fees - Corporate	Denton
	Follow up with Polyair to confirm status.	
01/18/2012	Consulting fees - Corporate	Denton
	Review of updated motion materials and additional service.	
01/24/2012	Consulting fees - Corporate	Denton
	Review of e-mail exchanges with the Province re; position on Cantar Pool and funds; call with I Aversa.	
01/24/2012	Banking - Corporate	Lloyd-Key
	Bank reconciliation for December 2011.	
01/25/2012	Consulting fees - Corporate	Denton

Review of matters with I Aversa; liaise with M Freel of Polyair.

01/27/2012 Consulting fees - Corporate Denton
Follow up with Polyair re: held cheque.

01/30/2012 Consulting fees - Corporate Denton
Follow up Cantar Pools VTB funds held by Polyair.

02/01/2012 Consulting fees - Corporate Denton
Coordinate receipt and banking of VTB cheque.

02/01/2012 Consulting fees - Corporate Gallop
Review and approve payments and email P Denton re status.

02/01/2012 Consulting fees - Corporate Gallop
Review and forward requested payments with HST claimed and approved and hold back on invoiced rate increase and email P Denton and query re status -Nov 6 2011.

02/01/2012 Banking - Corporate Samoilo
Banking, posting.

02/07/2012 Consulting fees - Corporate Denton
Review clearance of VTB cheque/ funds; prepare Monitor's Certificate.

02/07/2012 Banking - Corporate Samoilo
Banking. Phone call to RBC re account activity.

02/09/2012 Banking - Corporate Samoilo
Banking. Phone call to RBC re account activity.

02/13/2012 Consulting fees - Corporate Denton
Sign and provide Monitors Certificate.

02/15/2012 Consulting fees - Corporate Denton
Review information for Aird Berlis re: 330 Humberline, Cantar and La Salle debt; compile information and draft summary; forward to Aird Berlis for review.

02/16/2012 Consulting fees - Corporate Denton
Respond to creditor and e-mails; sign docs for Arid Berlis re: amending documents and discharging mortgage.

02/17/2012	Banking - Corporate Bank reconciliation for January 2012.	Lloyd-Key
02/22/2012	Consulting fees - Corporate Review Application to Amend being processed by Aird Berlis; provide copy of Monitors Certificate as filed in court to M Freel of Polyair.	Denton
02/23/2012	Consulting fees - Corporate Review for late claims; follow up the Universal Energy matter and reach out to Polyair.	Denton
02/27/2012	Consulting fees - Corporate Follow up Universal Energy claim matter; liaise with M Freel to coordinate call with legal counsels.	Denton
03/01/2012	Consulting fees - Corporate Review Universal claim information; coordinate Friday a.m. call.	Denton
03/02/2012	Consulting fees - Corporate Coordinate call with Polyair and its legal counsel re: LaSalle debt and security vis-a-vis Cantar Pools VTB.	Denton
03/05/2012	Consulting fees - Corporate Update website information/upload documents.	Chopowick
03/06/2012	Consulting fees - Corporate Review status; make call to creditor; update Louisa.	Denton
03/21/2012	Banking - Corporate Bank reconciliation for February 2012.	Lloyd-Key
03/27/2012	Consulting fees - Corporate Follow up with Polyair Group to obtain assistance with further information on the La Salle indebtedness and security; respond to calls from creditors.	Denton
03/29/2012	Consulting fees - Corporate Respond to calls from creditors.	Denton
04/11/2012	Consulting fees - Corporate Liaise with M Freel week of April 13.	Denton
04/13/2012	Banking - Corporate Banking, posting.	Samoilov

04/18/2012	Banking - Corporate Bank reconciliation for March 2012.	Lloyd-Key
04/21/2012	Consulting fees - Corporate Review and approve payments; discuss with P Denton.	Gallop
04/23/2012	Banking - Corporate Banking, posting.	Samoilov
04/24/2012	Banking - Corporate Banking, posting.	Samoilov
05/03/2012	Consulting fees - Corporate Follow up M Freel.	Denton
05/15/2012	Consulting fees - Corporate Follow up Polyair; draft response to creditors on the status.	Denton
05/18/2012	Banking - Corporate Banking.	Samoilov
05/22/2012	Banking - Corporate Bank reconciliation for April 2012.	Lloyd-Key
05/30/2012	Consulting fees - Corporate Follow up Polyair; respond to creditor query; update web site.	Denton
05/30/2012	Consulting fees - Corporate Updating website preamble and posting Fifth Report of the Monitor.	Antoniou
05/31/2012	Consulting fees - Corporate Follow up e-mail and information provided by Polyair; review matters with Michael Freel; draft and finalize correspondence with creditor Commercial Roll Form; liaise with R English.	Denton
05/31/2012	Consulting fees - Corporate Preparation and amendment of draft correspondence to B Forth and forwarding to P Denton for review.	Antoniou
06/01/2012	Consulting fees - Corporate Amending and finalizing correspondence to B Forth; preparation of Fifth Report to add to correspondence	Antoniou

and forwarding all to P Denton for signature; forwarding same out to B Forth and R English with attachment.

06/04/2012	Consulting fees - Corporate	Denton
	Coordinate follow up conference call with Polyair; draft and provide correspondence to creditors on the status of VTB funds and efforts of Monitor and its legal counsel to deal with Province and ability to distribute funds.	
06/12/2012	Banking - Corporate	Lloyd-Key
	Bank reconciliation for May 2012.	
07/11/2012	Consulting fees - Corporate	Gallop
	Review and approve payment request; discuss with P Denton and L Samoilov.	
07/17/2012	Consulting fees - Corporate	Denton
	Review of matters with R English; review of e-mail to M Freel of Polyair.	
07/18/2012	Banking - Corporate	Lloyd-Key
	Bank reconciliation for June 2012.	
08/16/2012	Consulting fees - Corporate	Denton
	Call with R English to discuss findings on the Bank of America security review; discuss options; coordinate details of major creditors.	
08/17/2012	Consulting fees - Corporate	Blunda
	Prepare schedule as requested by Paul Denton of claims with over \$100K, copy claims as requested.	
08/17/2012	Banking - Corporate	Samoilov
	Banking. Search and photocopy POC.	
08/20/2012	Consulting fees - Corporate	Blunda
	Meet with Paul and provide copies of claims as requested.	
08/22/2012	Consulting fees - Corporate	Blunda
	Revise and update schedule for Paul re: Major Creditors.	
08/23/2012	Consulting fees - Corporate	Denton
	Review and provide creditor data to R English; review with R English re: canvassing major creditors.	
08/23/2012	Consulting fees - Corporate	Blunda

Meet with P. Denton and send schedule of Major Creditors.

09/04/2012	Banking - Corporate Banking, posting.	Samoilov		
09/12/2012	Banking - Corporate Bank reconciliation for August 2012.	Lloyd-Key		
10/09/2012	Consulting fees - Corporate Review of next steps on Cañar with R English.	Denton		
			Total for Services	\$ 16,920.50
Expenses: Photocopies, faxes, etc.			Total for Expenses	<u>265.80</u>
			Subtotal	17,186.30
			HST	<u>2,199.67</u>
			Current Amount Due	\$ <u>19,385.97</u>

HST#136600752RT

A. FARBER & PARTNERS INC.

CANTAR POOL PRODUCTS LTD.

SUMMARY OF TIME INCURRED
NOVEMBER 1, 2011 TO OCTOBER 12, 2012

Name	Total Hours	Rate Per Hour	Billing
P. Denton	25.50	\$525.00	\$13,387.50
R. Gallop	1.10	\$505.00	\$555.50
L. Blunda	5.60	\$190.00	\$1,064.00
L. Samoilov	3.80	\$165.00	\$627.00
A. Chopowick	1.60	\$155.00	\$248.00
C. Antonou	2.00	\$155.00	\$310.00
D. Da Silva-Falcione	2.70	\$155.00	\$418.50
L. Lloyd-Key	2.00	\$155.00	\$310.00
Total	44.30		\$16,920.50

Tab U

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

**IN THE MATTER OF AN APPLICATION UNDER 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
CANTAR POOL PRODUCTS LIMITED / PRODUITS DE PISCINES CANTAR
LIMITÉE**

Applicant

**AFFIDAVIT OF RICHARD EPSTEIN
(sworn November 13th, 2012)**

I, **RICHARD EPSTEIN**, of the City of Toronto, in the Province of Ontario, **MAKE OATH AND SAY AS FOLLOWS:**

1. I am a Partner at Aird & Berlis LLP and, as such, I have knowledge of the matters to which I hereinafter depose. Aird & Berlis LLP is acting as counsel for A. Farber & Partners Inc. ("AFP"), in its capacity as the Court-appointed monitor of Cantar Pool Products Limited/Produits de Piscines Cantar Limitée.
2. Aird & Berlis LLP has prepared statements of account in connection with its mandate as counsel to AFP, detailing its services rendered and disbursements, namely:
 - (a) an account dated October 26, 2006 in the amount of \$20,963.02 in respect of the period from September 29, 2006 to October 20, 2006;
 - (b) an account dated November 20, 2006 in the amount of \$15,346.81 in respect of the period from October 23, 2006 to November 17, 2006;
 - (c) an account dated December 15, 2006 in the amount of \$12,353.41 in respect of the period from November 20, 2006 to December 8, 2006;

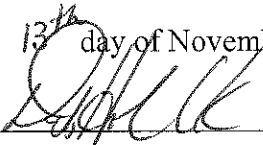
Attached is Exhibit "A"

Referred to in the

AFFIDAVIT OF RICHARD EPSTEIN

Sworn before me

this 13th day of November, 2012



Commissioner for taking Affidavits, etc

IN ACCOUNT WITH:

AIRD & BERLIS LLP

Barristers and Solicitors

BCE Place, 181 Bay St.
Suite 1800, Box 754
Toronto, Ontario M5J 2T9
Canada

A. Farber & Partners Inc.
1600 - 150 York Street
Toronto, Ontario
Canada M5H 3S5

Attention: Gary Lifman

Account No.: 309700

PLEASE WRITE ACCOUNT NUMBERS
ON THE BACK OF ALL CHEQUES

File No.: 13885/93224

October 26, 2006

Re: Monitor under CCRA Proceedings for Cantar Pool Products Limited/Produits De Piscines Cantar Limitee

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ended October 24, 2006

DATE	INITIALS	DESCRIPTION
29/09/06	RHE	Review package of security; Instructions to C. Segal
03/10/06	HR	Instructions from C. Segal; Order corporate profiles; Order Ontario and Quebec PPSA searches
04/10/06	HR	Review search results; Start summarizing search results
05/10/06	HR	Prepare search summary; Discussion with C. Segal regarding trademarks; Discussion with E. Defalco regarding trademark searches
05/10/06	CS	Review of security and related documents and to prepare a memorandum regarding credit facility documents and security; Meeting with R. Epstein with respect to this matter; Telephone call to M. Laugesen requesting the name of the entity filing under the Companies' Creditors Arrangement Act; Review of voice-mail from M. Laugesen advising that Cantar Pool Products Limited is the only entity filing
05/10/06	IV	Obtained Bank Act Searches Ontario; Attended the court house and performed bankruptcy searches ; Performed execution searches in Toronto; Performed Official Receiver searches on Cantar Pool Products Limited/Produits de Piscines Cantar Limitee; Produits de Piscines Cantar Limitee/ Cantar Pool Products Limited; Cantar Pool Products Limited; Produits de Piscines Cantar Limitee; ; Atlantic Pool Products Ltd./Produits de Piscines Atlantic Ltee.; Produits de Piscines Atlantic Ltee./Atlantic Pool Products Ltd.; Atlantic Pool Products Ltd.; Produits de Piscines Atlantic Ltee.; 1566783 Ontario Limited
06/10/06	DRE	Telephone call with G. Lifman
06/10/06	DRE	Telephone call with G. Lifman and instruct regarding material

DATE	INITIALS	DESCRIPTION
06/10/06	DRE	Conference Call with R. Epstein and A. Farber, Conference call with R. Epstein and Bennett Jones, Review documents received
06/10/06	DRE	Review draft materials
06/10/06	RHE	Review court documents, including, affidavit, initial order, and agreement of purchase and sale; Conference call with R. English and R. Orzy; Conference call with G. Lifman, P. Denton and R. English; Review proposed security opinion prepared by C. Segal
06/10/06	HR	Continue updating search summary; Discussion with R. Epstein regarding trademarks; Order certificate of status
06/10/06	CS	Review of various search results and summary regarding this matter; Draft an opinion with respect to the general security agreement; Receive and review various voice-mails from M. Laugesen regarding the timing of the filing and related matters
06/10/06	IV	Obtained a Certificate of Status for Cantar Pool Products Limited/ Produits de Piscine Cantar Limited; Sent results to clerk via email
10/10/06	DRE	Conference Call with G. Lifman and P. Denton
10/10/06	DRE	Review searches with C. Segal and telephone call with R. Sahni
10/10/06	DRE	Telephone call with R. Sahni
10/10/06	RHE	Telephone call with G. Lifman; Review background documentation
10/10/06	HR	Discussion with C. Segal; Changes to search summary and opinions; Order search subsearch for 330 Humberline Drive, Toronto
10/10/06	CS	Discussion with R. English regarding searches and to obtain and review a subsearch
11/10/06	DRE	Telephone call with P. Denton and meet with R. Epstein
11/10/06	DRE	Review Receiver's report, consult with R. Epstein, Telephone call with P. Denton and G. Lifman
11/10/06	DRE	Telephone call with R. Sahni and review realty search
11/10/06	RHE	Review and revise Monitor's report; Email comments to P. Denton and G. Lifman; Discuss with R. English; Email to M. Gaon re: Quebec security review; Telephone call with M. Gaon; Email additional materials; Review and respond to email from M. Gaon
11/10/06	CS	Review certified search against Atlantic Pool Products Ltd. and to update opinion
12/10/06	DRE	Telephone call with G. Lifman
12/10/06	DRE	Meeting at Bennett Jones

DATE	INITIALS	DESCRIPTION
12/10/06	RHE	Review report of Quebec counsel; Attend meeting at Bennett Jones
13/10/06	DRE	Confer with R. Epstein
13/10/06	RHE	Discussion with R. English; Brief review of security opinion
15/10/06	DRE	Review draft orders and reports
16/10/06	DRE	Review draft Order as revised, telephone call with R. Epstein and letter to Monitor
16/10/06	RHE	Review emails; Review Monitor's report; Telephone call with R. English; Review emails and various communications; Review Quebec searches; Forward to Debtor's counsel
17/10/06	DRE	Prepare and attend before Cumming J.
17/10/06	RHE	Telephone call with S. Fraser; Discussion with R. English; Forward materials to Bennett Jones
18/10/06	DRE	Telephone call with Monitor and telephone call with R. Orzy
18/10/06	DRE	Letter to R. Orzy and R. Hall, consult with Monitor over report, service issues and revise and serve report and prepare for Court
18/10/06	RHE	Review court materials and second report; Review and respond to emails to Monitor held by Sheriff and moulds of company; Discussion with R. English
18/10/06	IV	Attended the PPSA office and picked up the certified PPSA searches for Atlantic Pool Products Ltd. (Oct. 6/06); sent results to clerk
19/10/06	DRE	Prepare and attend before Cummings J. on sale of land Order and telephone call with G. Lifman
19/10/06	DRE	Meeting with S. Kukulowicz and G. Lifman
19/10/06	RHE	Telephone call with P. Denton; Discussion with R. English re: Sheriff and Norseman issues; Review Initial Order; Obtain background from P. Denton; Draft, review and revise email to M. Robinovitch; Calls to M. Robinovitch; Respond to P. Denton; Draft, review and revise letter to Sheriff; Telephone call with M. MacLean at the Sheriff's office; Report to P. Denton
20/10/06	DRE	Consult with R. Epstein
20/10/06	RHE	Telephone call with P. Denton re: settlement with Norseman Plastics and situation with sheriff

OUR FEE
 GST at 6%

\$19,547.50
 \$1,172.85

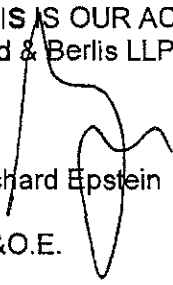
Subject to GST

Corporate Search	\$18.00	
Certificate of Status	\$36.00	
Subsearch-Conveyancer	\$18.75	
Photocopies - Local	\$120.75	
Teraview Search	\$20.00	
Photocopies	\$5.25	
Fax Charges	\$1.50	
Deliveries/Parss	\$8.68	
Total Disbursements		\$228.93
GST at 6%		\$13.74

AMOUNT NOW DUE

\$20,963.02

THIS IS OUR ACCOUNT HEREIN
Aird & Berlis LLP


Richard Epstein
E.&O.E.

PAYMENT OF THIS ACCOUNT IS DUE ON RECEIPT

IN ACCORDANCE WITH THE SOLICITORS ACT, ONTARIO, INTEREST WILL BE CHARGED AT THE RATE OF 4.5% PER ANNUM ON UNPAID AMOUNTS CALCULATED FROM A DATE THAT IS ONE MONTH AFTER THIS ACCOUNT IS DELIVERED.

OUR GOODS AND SERVICES GST REGISTRATION NUMBER IS 12184 6539 RT0001

NOTE: This account may be paid by wire transfer in Canadian funds to our account at The Toronto-Dominion Bank, TD Centre, 55 King Street West, Toronto, Ontario, M5K 1A2. Account number 5221521, Transit number 10202, Swift Code TDOMCATTTOR. Please include the invoice number as reference.

IN ACCOUNT WITH:

AIRD & BERLIS LLP

Barristers and Solicitors

BCE Place, 181 Bay St.
Suite 1800, Box 754
Toronto, Ontario M5J 2T9
Canada

A. Farber & Partners Inc.
in its capacity as monitor of
Cantar Pool Products Limited/Produits De Piscines Cantar Limitee
1600 - 150 York Street
Toronto, Ontario
Canada M5H 3S5

Attention: Gary Lifman

Account No.: 311050

PLEASE WRITE ACCOUNT NUMBERS
ON THE BACK OF ALL CHEQUES

File No.: 13885/93224

November 20, 2006

Re: Monitor under CCRA Proceedings for Cantar Pool Products Limited/Produits De Piscines Cantar Limitee

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ended November 17, 2006

DATE	INITIALS	DESCRIPTION
23/10/06	DRE	Consult with R. Epstein; Letter from and to Bennett Jones
23/10/06	DRE	Deal with Monitor re process issues and garnishments
23/10/06	RHE	Review and respond to P. Denton's email re: letter to the Sheriff by Bennett Jones; Discuss with R. English
24/10/06	DRE	Letter re sheriff seizure
24/10/06	RHE	Review and respond to emails re: Sheriff
25/10/06	DRE	Consult with G. Lifman
26/10/06	DRE	Telephone call with P. Denton regarding form of plan
27/10/06	DRE	Telephone call with P. Denton
27/10/06	RHE	Emails to/from P. Denton re: various issues
01/11/06	DRE	Received status report from P. Denton
01/11/06	RHE	Review email from P. Denton and respond
02/11/06	DRE	Letter to P. Denton
02/11/06	RHE	Review emails to/from R. English, P. Denton and V. D'Souza
03/11/06	RHE	Review and respond to emails from P. Denton

DATE	INITIALS	DESCRIPTION
06/11/06	DRE	Letter to Monitor
06/11/06	RHE	Review and respond to emails from P. Denton; Telephone call with P. Denton; Email to M. Gaon
07/11/06	DRE	Letter from P. Denton regarding status, Telephone call with P. Denton and instruct R. Epstein
08/11/06	RHE	Review materials from P. Denton; Telephone call with P. Denton
09/11/06	RHE	Review draft court materials; Provide comments to P. Denton on claims bar materials; Review and revise Third Report of Monitor; Telephone call with P. Denton re: same
10/11/06	RHE	Finalize materials; Telephone call with P. Denton
13/11/06	DRE	Review motion record for November 16, 2006
13/11/06	DRE	Revise further record, letter to McCarthy's
13/11/06	RHE	Review motion materials; Respond to company's counsel; Telephone call with R. Gallop re: Koskie & Minsky accounts; Discuss PPSA search results against Cantar; Forward to R. Gallop
14/11/06	DRE	Confer with R. Epstein, review documents received
15/11/06	DRE	Telephone call and letter to McCarthy's, telephone call with R. Epstein and letter
15/11/06	DRE	Miscellaneous matters - deal with Irwin Forklift issue, review execution creditor claim, letter to McCarthy's, Monitor Prowis, etc. and prepare for motion
15/11/06	RHE	Email exchanges with R. English, G. Gallop, P. Denton and G. Lifman; Review draft convenience claims analysis; Telephone call with P. Denton
15/11/06	CS	Review leases pertaining to Irwin Commercial Finance and Onset Capital Corporation, as well as Personal Property Security Act registrations; Meeting with R. English and R. Epstein; Telephone conference with counsel for the lessors; Prepare correspondence to counsel enclosing copies of searches; Initial review of caselaw pertaining to various issues; Prepare a brief memorandum regarding the issues with respect to the leases
16/11/06	CD	Case research for R. English
16/11/06	DRE	Prepare for motion
16/11/06	DRE	Prepare and attend at Court, contested motions
16/11/06	DRE	Review Campbell J's reasons, letter to other counsel, letter to Monitor and consult with R. Epstein

DATE	INITIALS	DESCRIPTION
16/11/06	RHE	Review draft CCAA Plan; Telephone call with P. Denton
17/11/06	DRE	Telephone call with T. Sutton, consult with R. Epstein
17/11/06	RHE	Additional review of CCAA plan; Discuss issues with P. Denton; Conference call with P. Denton, R. Orzy and R. Sahni; Follow up call with R. Sahni

OUR FEE \$13,870.50
GST at 6% \$832.23

DISBURSEMENTS

COST INCURRED ON YOUR BEHALF AS AN AGENT

Registration Under P.P.S.A. \$168.00

Subject to GST

C.S.R.A. Search \$245.88
Service Provider Fee \$114.00
Photocopies - Local \$89.25

Total Disbursements \$449.13
GST at 6% \$26.95

AMOUNT NOW DUE

\$15,346.81

THIS IS OUR ACCOUNT HEREIN
Aird & Berlis LLP


Richard Epstein

E.&O.E.

PAYMENT OF THIS ACCOUNT IS DUE ON RECEIPT

IN ACCORDANCE WITH THE SOLICITORS ACT, ONTARIO, INTEREST WILL BE CHARGED AT THE RATE OF 4.5% PER ANNUM ON UNPAID AMOUNTS CALCULATED FROM A DATE THAT IS ONE MONTH AFTER THIS ACCOUNT IS DELIVERED.

OUR GOODS AND SERVICES GST REGISTRATION NUMBER IS 12184 6539 RT0001

NOTE: This account may be paid by wire transfer in Canadian funds to our account at The Toronto-Dominion Bank, TD Centre, 55 King Street West, Toronto, Ontario, M5K 1A2. Account number 5221521, Transit number 10202, Swift Code TDOMCATTOR. Please include the invoice number as reference.

IN ACCOUNT WITH:

AIRD & BERLIS LLP

Barristers and Solicitors

BCE Place, 181 Bay St.
Suite 1800, Box 754
Toronto, Ontario M5J 2T9
Canada

A. Farber & Partners Inc. in its capacity as Monitor of
Cantar Pool Products Limited
1600 - 150 York Street
Toronto, Ontario Canada M5H 3S5

Attention: Paul Denton

Account No.: 312916

PLEASE WRITE ACCOUNT NUMBERS
ON THE BACK OF ALL CHEQUES

File No.: 13885/93224

December 15, 2006

Re: Monitor under CCRA Proceedings for Cantar Pool Products Limited/Produits De Piscines Cantar Limitee

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ended December 8, 2006

DATE	INITIALS	DESCRIPTION
20/11/06	DRE	Review endorsement
20/11/06	DRE	Review draft Order, telephone call with G. Lifman and telephone call with A. Ferguson Woods
20/11/06	DRE	Arrange motion
20/11/06	DRE	Instruct - instruct S. Mitra
20/11/06	RHE	Telephone call with P. Denton; Review blackline of CCAA Plan; Review email from Debtor's counsel re: next steps
21/11/06	DRE	Review Order and letter to McCarthy's
21/11/06	DRE	Confer with Monitor on form of report and regarding possible preferences
21/11/06	DRE	Telephone call with M. Kealy, brief S. Mitra and letter to McCarthy's
21/11/06	DRE	Review draft Monitor report
21/11/06	RHE	Multiple telephone attendances with P. Denton re: receiver's report and draft plan; Review report and plan; Provide comments; Review and discuss convenience class sensitivity analysis
21/11/06	SPM	Meeting with R. English regarding 9:30 hearing and strategy on settlement of Order; Telephone call J. Russo
21/11/06	SPM	Review emails from R. English regarding 9:30 hearing on November 23, 2006

DATE	INITIALS	DESCRIPTION
22/11/06	DRE	Letter to and instruct R. Epstein
22/11/06	CS	Review correspondence from M. Nowina regarding the claim to the Drexel equipment; Telephone conversation with M. Nowina and to request further documentation regarding any purchase option and a delivery acknowledgment which is not simply internal documentation of his client;
23/11/06	DRE	Instruct R. Epstein
23/11/06	RHE	Review and revise Monitor's report; Conference call with P. Denton and G. Lifman; Lengthy telephone call with P. Denton to provide specific comments and amendments; Review revised report; Review revised CCAA Plan
24/11/06	DRE	Review and letter to R. Epstein
24/11/06	RHE	Discuss with S. Mitra re: court attendance re: funds held by Sheriff; Review email from P. Denton re: lien issues; Telephone call with P. Denton to discuss same; Telephone call with M. Kother and R. Holmes to discuss Onset and Irwin leasing matters
24/11/06	SPM	Telephone call P. Denton regarding scheduling of 9:30 and strategy on motion
27/11/06	DRE	Instruct S. Mitra
27/11/06	RHE	Review and respond to emails re: various matters; Telephone call with S. Mitra re: correspondence with the Sheriff; Call to P. Denton
27/11/06	SPM	Attend 9:30 regarding funds with Sherriff; Meeting with R. Epstein; Report to client; Exchange of emails with counsel to Company
28/11/06	DRE	Meeting with S. Mitra, R. Epstein and instruct regarding Order
28/11/06	RHE	Review Order re: Sheriff; Letter to Sheriff; Telephone call with P. Denton; Provide update to R. English
28/11/06	SPM	Attend to exchange of emails regarding Sherriff and release of funds
28/11/06	CS	Review the initial documentation provided with respect to the Drexel equipment and to review various case law pertaining to leases which create a security interest and related items pertaining to whether Irwin and Onset have perfected purchase money security interests in the forklifts; Prepare correspondence to R. Epstein advising that we have not yet received the additional documentation pertaining to the forklifts
29/11/06	DRE	Confer with R. Epstein
29/11/06	RHE	Letter to Sheriff enclosing supplemental order and requesting funds be forwarded to Cantar c/o the Monitor
29/11/06	CS	Review correspondence from M. Nowina; Prepare correspondence to R. Epstein; Receive and review correspondence from R. Epstein and to discuss the initial reference by N. Nowina to the option to purchase the

DATE	INITIALS	DESCRIPTION
		equipment at the end of the lease for the residual value; Prepare reply correspondence to M. Nowina regarding the issue with respect to whether there was a purchase option or not
04/12/06	DRE	Review lease issue with R. Epstein
04/12/06	RHE	Telephone call with M. MacLean of Sheriff's office; Draft, review and revise letter to Sheriff for signature by P. Denton
04/12/06	CS	Review correspondence from M. Nowina confirming that there is no purchase options with respect to the equipment leased by Onset and Irwin; Prepare correspondence to R. English and R. Epstein with respect to this matter; Prepare an opinion letter to P. Denton advising that the equipment should be released to the lessors
05/12/06	RHE	Review and revise letter to P. Denton re: Onset and Irwin leases
05/12/06	CS	Prepare and finalize the opinion to P. Denton regarding the Drexel equipment
06/12/06	RHE	Review and revise letter to P. Denton re: lease agreements
07/12/06	DRE	Review letter and discuss process with R. Epstein
07/12/06	RHE	Email exchange with P. Denton; Review email update; Discuss with R. English
07/12/06	CS	Review various correspondence from M. Kotler, P. Denton and R. Epstein regarding the release of the Drexel equipment and related matters
08/12/06	DRE	Letter from P. Denton and consult with R. Epstein
08/12/06	RHE	Respond to emails from P. Denton and M. Kotler; Instructions to C. Segal; Discuss Onset's counsel response with C. Segal
08/12/06	CS	Draft releases regarding the equipment owned by Onset Capital and Irwin Financial; Discussion with R. Epstein and to finalize the draft releases; Prepare correspondence to M. Nowina providing the draft releases and to confirm that the equipment can be released to his clients; Discussions with M. Nowina regarding the release of Cantar Pool Products Limited; Discussion with R. Epstein with respect to this matter; Telephone call to P. Denton regarding this matter; Prepare correspondence to M. Kotler attaching a copy of the release

OUR FEE	\$11,520.50
GST at 6%	\$691.23

DISBURSEMENTS

Subject to GST

Photocopies - Local	\$35.50
Photocopies	\$1.50

Bankruptcy Search	\$72.00
Fax Charges	\$11.00
Deliveries/Parss	\$8.00
Taxi	\$5.66

Total Disbursements	\$133.66
GST at 6%	\$8.02

AMOUNT NOW DUE

\$12,353.41

THIS IS OUR ACCOUNT HEREIN
Aird & Berlis LLP

Richard Epstein

E.&O.E.

PAYMENT OF THIS ACCOUNT IS DUE ON RECEIPT

IN ACCORDANCE WITH THE SOLICITORS ACT, ONTARIO, INTEREST WILL BE CHARGED AT THE RATE OF 4.5% PER ANNUM ON UNPAID AMOUNTS CALCULATED FROM A DATE THAT IS ONE MONTH AFTER THIS ACCOUNT IS DELIVERED.

OUR GOODS AND SERVICES GST REGISTRATION NUMBER IS 12184 6539 RT0001

NOTE: This account may be paid by wire transfer in Canadian funds to our account at The Toronto-Dominion Bank, TD Centre, 55 King Street West, Toronto, Ontario, M5K 1A2. Account number 5221521, Transit number 10202, Swift Code TDOMCATTOR, Please include the invoice number as reference.

2214255.1

IN ACCOUNT WITH:

AIRD & BERLIS LLP

Barristers and Solicitors

BCE Place, 181 Bay St.
Suite 1800, Box 754
Toronto, Ontario M5J 2T9
Canada

A. Farber & Partners Inc.
1600 - 150 York Street
Toronto, Ontario
Canada M5H 3S5

Attention: Mr. Paul Denton

Account No.: 314545

PLEASE WRITE ACCOUNT NUMBERS
ON THE BACK OF ALL CHEQUES

File No.: 13885/93224

January 23, 2007

Re: Monitor under CCRA Proceedings for Cantar Pool Products Limited/Produits De Piscines Cantar Limitee

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ended January 18, 2007

DATE	INITIALS	DESCRIPTION
10/12/06	DRE	Review status report from Monitor
11/12/06	CS	Telephone call to P. Denton regarding the release pertaining to the Drexel equipment
12/12/06	DRE	Letter to Monitor regarding fork lifts, telephone call with solicitor for claimant, etc.
12/12/06	DRE	Review draft release, letter to P. Denton
12/12/06	DRE	Review and settle form of release and letter to Monitor
12/12/06	DRE	Telephone call with Michael N. and letter
12/12/06	CS	Review voice-mail from P. Denton regarding the requested amendment to the releases by Onset's and Irwin's solicitors; Prepare correspondence to R. English and R. Epstein; Review a voice-mail from M. Nowina regarding the equipment and the draft releases; Amend the releases and to prepare correspondence with respect to this matter; Discussion with R. English and further amend the releases to delete reference to the release of Cantar Pool Products Limited
18/12/06	DRE	Telephone call with P. Denton and consult with R. Epstein
18/12/06	RHE	Review voice mail message from P. Denton re: disputed claims; Telephone call with P. Denton to respond as to how best to proceed
19/12/06	RHE	Review update memo from P. Denton

DATE	INITIALS	DESCRIPTION
20/12/06	SPM	Meeting with R. Epstein regarding changes to process and action plan
20/12/06	SPM	Meeting with R. Epstein regarding claims process and action plan
03/01/07	RHE	Discussion with P. Denton regarding Montreal landlord and claim of equipment lessors; Review update prepared by P. Denton; Conference call with counsel, G. Lifman and P. Denton
09/01/07	DRE	Meeting with R. Epstein
09/01/07	DRE	Meeting with R. Epstein
09/01/07	DRE	Review status of votes
10/01/07	DRE	Conference Call with P. Denton and R. Epstein
10/01/07	DRE	Confer with R. Epstein
10/01/07	DRE	Review memo from Monitor
10/01/07	RHE	Telephone call with P. Denton re: status; Participate in conference call
11/01/07	DRE	Review script for meeting, meeting with R. Epstein re preparation for meeting
11/01/07	RHE	Review meeting particulars and other emails
12/01/07	DRE	Conference call with R. Epstein, and Farbers office regarding voting procedure and meeting
12/01/07	DRE	Confer with R. Epstein
12/01/07	RHE	Prepare for creditors' meeting; Attend creditors' meeting
15/01/07	DRE	Instruct S. Babe and review Court Order
15/01/07	DRE	Letter to various regarding revisions to Monitor's report
15/01/07	DRE	Prepare and attend at Farber's office, instruct student and telephone call with R. Orzy
15/01/07	DRE	Review revised report and instruct student
15/01/07	DRE	Review receiver's further draft report, and instruct student and review caselaw and letter to Monitor
15/01/07	DRE	Telephone call with P. Denton regarding revisions
15/01/07	DRE	Telephone call with P. Denton and review Motion Record
15/01/07	RHE	Attend meeting at Monitor's office to discuss various issues in preparation for approval hearing; Provide comments on Monitor's report; Email exchanges with working group on wording for the Report; Draft, review and revise minutes from creditors' meeting

DATE	INITIALS	DESCRIPTION
15/01/07	SAV	Meeting at A. Farber & Partners Inc.
15/01/07	SAV	Research re: proxies, defects and the CCAA; Prepare statement of fact and law
16/01/07	DRE	Letter to various and arrange service
16/01/07	DRE	Telephone call with P. Denton
16/01/07	RHE	Review and revise minutes; Review final draft of monitor's fourth report; Review comments on minutes
16/01/07	SAV	Prepare statement of fact and law
17/01/07	DRE	Revise Statement of Fact and Law and prepare for motion
17/01/07	DRE	Review and complete Statement of Fact and Law and letter to R. Orzy
17/01/07	RHE	Review comments from R. Orzy; Amend minutes; Multiple email exchanges with P. Denton; Review factum and other application materials
17/01/07	SAV	Finalize Statement of Law and Fact
18/01/07	DRE	Prepare and attend on approval sanction order
18/01/07	RHE	Review email from G. Hall; Attend sanction hearing; Review Statement of Facts and Law re: voting/proxies; Comments to R. English

OUR FEE	\$21,857.50
GST at 6%	\$1,311.45

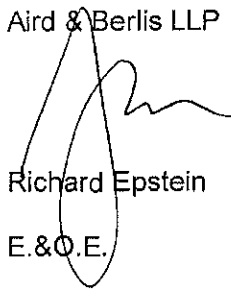
DISBURSEMENTS

Subject to GST

Fax Charges	\$3.00
Photocopies - Local	\$58.25
Quicklaw Search	\$0.28
Photocopies	\$54.00
Total Disbursements	\$115.53
GST at 6%	\$6.93

AMOUNT NOW DUE	\$23,291.41
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AIRD & BERLIS LLP
PAGE 4 OF ACCOUNT NO. 314545
THIS IS OUR ACCOUNT HEREIN
Aird & Berlis LLP



Richard Epstein

E.&O.E.

PAYMENT OF THIS ACCOUNT IS DUE ON RECEIPT

IN ACCORDANCE WITH THE SOLICITORS ACT, ONTARIO, INTEREST WILL BE CHARGED AT THE RATE OF 4.5% PER ANNUM ON UNPAID AMOUNTS CALCULATED FROM A DATE THAT IS ONE MONTH AFTER THIS ACCOUNT IS DELIVERED.

OUR GOODS AND SERVICES GST REGISTRATION NUMBER IS 12184 6539 RT0001

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2229976.1

IN ACCOUNT WITH:

AIRD & BERLIS LLP

Barristers and Solicitors

BCE Place, 181 Bay St.
Suite 1800, Box 754
Toronto, Ontario M5J 2T9
Canada

A. Farber & Partners Inc.
1600 - 150 York Street
Toronto, Ontario
Canada M5H 3S5

Attention: Mr. Paul Denton

Account No.: 316892

PLEASE WRITE ACCOUNT NUMBERS
ON THE BACK OF ALL CHEQUES

File No.: 13885/93224

March 7, 2007

Re: Monitor under CCRA Proceedings for Cantar Pool Products Limited/Produits De Piscines Cantar Limitee

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ended February 15, 2007

DATE	INITIALS	DESCRIPTION
24/01/07	RHE	Review and revise certificate of compliance; Email to group; Email exchange with R. Sahni and P. Denton; Revise certificate of compliance; Email to R. Sahni and P. Denton
25/01/07	DRE	Review impact of LaSalle delay, letter to Bennett Jones and meet with R. Epstein
25/01/07	RHE	Emails to/from counsel and P. Denton re: Monitor's certificate
26/01/07	DRE	Chase LaSalle release and letter to R. Sani
26/01/07	DRE	Letter to various regarding LaSalle release
29/01/07	DRE	Review and status update with R. Epstein
29/01/07	RHE	Arrange for delivery and filing of certificate of compliance; Telephone call to R. Orzy
30/01/07	CD	Filing Compliance Certificate at 393 University
30/01/07	DRE	Meeting with R. Epstein
30/01/07	RHE	Arrange for filing of certificate of compliance; Email distributing filed certificate
01/02/07	RHE	Emails to/from P. Denton re: Sears letter
02/02/07	DRE	Review regarding Creditor's Notice
02/02/07	RHE	Review and revise letter to Sears; Telephone call with P. Denton; Review

DATE	INITIALS	DESCRIPTION
		notice to creditors including comments from J. Gage; Email to P. Denton re: comments
05/02/07	RHE	Discuss issue of repair claim to molds and effect on monitor
15/02/07	RHE	Review email from B. Harrison (counsel to Sears); Forward to P. Denton with comments

OUR FEE	\$3,351.00
GST at 6%	\$201.06

DISBURSEMENTS

Subject to GST

Photocopies - Local	\$1.50
Binding and Tabs	\$11.04
Fax Charges	\$1.50
Photocopies	\$0.50
Total Disbursements	\$14.54
GST at 6%	\$0.87

AMOUNT NOW DUE

\$3,567.47

THIS IS OUR ACCOUNT HEREIN
Aird & Berlis LLP

Richard Epstein
E.&O.E.

PAYMENT OF THIS ACCOUNT IS DUE ON RECEIPT

IN ACCORDANCE WITH THE SOLICITORS ACT, ONTARIO, INTEREST WILL BE CHARGED AT THE RATE OF 4.5% PER ANNUM ON UNPAID AMOUNTS CALCULATED FROM A DATE THAT IS ONE MONTH AFTER THIS ACCOUNT IS DELIVERED.

OUR GOODS AND SERVICES GST REGISTRATION NUMBER IS 12184 6539 RT0001

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IN ACCOUNT WITH:

AIRD & BERLIS LLP

Barristers and Solicitors

BCE Place, 181 Bay St.
Suite 1800, Box 754
Toronto, Ontario M5J 2T9
Canada

A. Farber & Partners Inc.
1600 - 150 York Street
Toronto, Ontario
Canada M5H 3S5

Attention: Mr. Paul Denton

Account No.: 330581

PLEASE WRITE ACCOUNT NUMBERS
ON THE BACK OF ALL CHEQUES

File No.: 13885/93224

October 31, 2007

**Re: Monitor under CCRA Proceedings for Cantar Pool Products Limited/Produits
De Piscines Cantar Limitee**

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ended October 26, 2007:

DATE	INITIALS	DESCRIPTION
02/03/07	RHE	Review email from B. Harrison; Email to P. Denton re: same
06/03/07	DRE	Confer with R. Epstein
07/03/07	RHE	Emails to/from B. Harrison
08/03/07	RHE	Telephone call with L. Blundell
09/03/07	RHE	Brief review of letter from Sears Canada; Email to P. Denton
12/03/07	RHE	Emails to/from P. Denton and C. McCarthy
22/03/07	RHE	Emails to/from P. Denton et al re: Sears; Call to L. McClarty
20/04/07	RHE	Telephone call with C. McClosky re: Sears issue
04/05/07	RHE	Telephone call with C. McClosky re: Sears issue
28/05/07	RHE	Review email from C. McClarty re: Sears claim; respond to email with suggested strategy
30/05/07	RHE	Email exchange with V. D'Souza re: Sears
26/07/07	RHE	Review email from P. Denton re: WEK claim; Review response from R. English; Respond
01/08/07	RHE	Review emails from WEK's counsel; Draft response for P. Denton; Telephone call with P. Denton to discuss; Review vesting order
12/10/07	RHE	Telephone call with V. D'Sounja; Email to P. Denton

DATE	INITIALS	DESCRIPTION	
15/10/07	RHE	Telephone call with R. Orzy re: contacting lawyer acting for plaintiff	
16/10/07	RHE	Review statement of claim; Call to W. Rabb (New Jersey lawyer)	
23/10/07	RHE	Call to V. D'Souza; Telephone call with N. Rabb's office to obtain background information on the Costco claim; Email summary of discussion to V. D'Souza	
24/10/07	RHE	Telephone call with R. Orzy; Call to V. D'Souza	
26/10/07	RHE	Telephone call with V. D'Souza re: U.S. claim	
OUR FEE			\$2,804.50
GST at 6%			\$168.27

DISBURSEMENTS

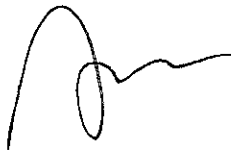
Subject to GST

Taxi Charges	\$6.84	
Photocopies	\$12.50	
Total Disbursements		\$19.34
GST at 6%		\$1.16

AMOUNT NOW DUE

\$2,993.27

THIS IS OUR ACCOUNT HEREIN
Aird & Berlis LLP



Richard Epstein

E.&O.E.

PAYMENT OF THIS ACCOUNT IS DUE ON RECEIPT

IN ACCORDANCE WITH THE SOLICITORS ACT, ONTARIO, INTEREST WILL BE CHARGED AT THE RATE OF 4.8% PER ANNUM ON UNPAID AMOUNTS CALCULATED FROM A DATE THAT IS ONE MONTH AFTER THIS ACCOUNT IS DELIVERED.

OUR GOODS AND SERVICES GST REGISTRATION NUMBER IS 12184 6539 RT0001

NDTE: This account may be paid by wire transfer in Canadian funds to our account at The Toronto-Dominion Bank, TD Centre, 55 King Street West, Toronto, Ontario, M5K 1A2. Account number 5221521, Transit number 10202, Swift Code TDDMCATTTDR. Please include the invoice number as reference.

REMIT TO:

Aird & Berlis LLP
BCE Place, Suite 1800
Box 754, 181 Bay Street
Toronto, Ontario M5J 2T9

A. Farber & Partners Inc.
File No.: 13885-93224
Invoice No.: 330581
Date: October 31, 2007

REMITTANCE SLIP

Total Fees	\$2,804.50
Total Taxable Disbursements	\$19.34
Total GST	\$169.43
AMOUNT TO BE PAID	<u>\$2,993.27</u>

PLEASE REMIT WITH PAYMENT IN CANADIAN FUNDS

This account may be paid by wire transfer in Canadian funds to our account at The Toronto-Dominion Bank, TD Centre, 55 King Street West, Toronto, Ontario, M5K 1A2. Account number 5221521, Transit number 10202, Swift Code TDOMCATTTOR. Please include the invoice number as reference.

IN ACCOUNT WITH:

AIRD & BERLIS LLP

Barristers and Solicitors

Brookfield Place, 181 Bay Street
Suite 1800, Box 754
Toronto, Ontario M5J 2T9
Canada

A. Farber & Partners Inc.
1600 - 150 York Street
Toronto, Ontario
Canada M5H 3S5

Attention: Mr. Paul Denton

Account No.: 354720

PLEASE WRITE ACCOUNT NUMBERS
ON THE BACK OF ALL CHEQUES

File No.: 13885/93224

November 28, 2008

Re: Monitor under CCRA Proceedings for Cantar Pool Products Limited/Produits De Piscines Cantar Limitee

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ended July 24, 2008

DATE	INITIALS	DESCRIPTION
14/07/08	RHE	Telephone call with R. Gallop; Email exchange with R. Gallop regarding Universal Energy; Review documentation and email string; Emails to/from R. Gallop to outline issues
15/07/08	RHE	Review and respond to emails from R. Gallop; Prepare draft email to B. Cohen
16/07/08	RHE	Telephone call with R. Orzy; Emails to/from monitor; Prepare draft email to send to B. Cohen
17/07/08	RHE	Review and respond to email from R. Gallop re: Universal's termination calculation; Email to R. Orzy with comments
18/07/08	RHE	Emails to/from R. Gallop and R. Orzy; Prepare email to B. Chen
24/07/08	RHE	Follow up email to R. Gallop

OUR FEE
GST at 5%

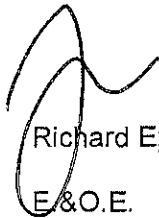
\$1,900.00
\$95.00

AMOUNT NOW DUE

\$1,995.00

AIRD & BERLIS LLP
PAGE 2 OF ACCOUNT No. 354720

THIS IS OUR ACCOUNT HEREIN
Aird & Berlis LLP



Richard Epstein
E.&O.E.

PAYMENT OF THIS ACCOUNT IS DUE ON RECEIPT

IN ACCORDANCE WITH THE SOLICITORS ACT, ONTARIO, INTEREST WILL BE CHARGED AT THE RATE OF 3.3% PER ANNUM ON UNPAID AMOUNTS CALCULATED FROM A DATE THAT IS ONE MONTH AFTER THIS ACCOUNT IS DELIVERED.

OUR GOODS AND SERVICES GST REGISTRATION NUMBER IS 12184-6539 RT0001

NOTE: This account may be paid by wire transfer in Canadian funds to our account at The Toronto-Dominion Bank, TD Centre, 55 King Street West, Toronto, Ontario, M5K 1A2. Account number 5221521, Transif number 10202, Swift Code TDOMCATTOR. Please include the invoice number as reference.

4619451.1

IN ACCOUNT WITH:

AIRD & BERLIS LLP

Barristers and Solicitors

Brookfield Place, 181 Bay Street
Suite 1800, Box 754, Toronto, ON M5J 2T9 Canada
T 416.863.1500 F 416.863.1515
www.airdberlis.com

A. Farber & Partners Inc.
1600 - 150 York Street
Toronto, ON
Canada M5H 3S5

Attention: Mr. Paul Denton

Account No.: 423643

PLEASE WRITE ACCOUNT NUMBERS
ON THE BACK OF ALL CHEQUES

File No.: 13885/93224

November 30, 2011

Re: Monitor under CCRA Proceedings for Cantar Pool Products Limited/Produits De Piscines Cantar Limitee

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ended November 30, 2011

LAWYER	DATE	TIME	DESCRIPTION
RHE	11/10/11	0.40	Telephone call with P. Denton; Review emails
RHE	17/10/11	0.40	Review email from P. Denton; Emails to/from R. English
DRE	18/10/11	0.20	Confer with R. Epstein on remaining monitor issues
RHE	18/10/11	0.40	Emails to/from P. Denton and R. English
IEA	01/11/11	4.20	Emails to and from P. Denton, R. Epstein and R. English regarding next steps; Engaged with reviewing the file; Engaged with preparing motion materials; Discussion with R. Epstein regarding the same
DRE	01/11/11	0.10	Update with R. Epstein
RHE	01/11/11	1.50	Telephone call with P. Denton; Meeting with I. Aversa to review file; Review background information and emails; Discuss with R. English; Email to/from P. Denton; Review emails from P. Denton; Brief review of draft report
IEA	02/11/11	3.40	Engaged with reviewing and revising the motion materials; Meeting with P. Denton, R. Epstein and R. English regarding the materials
RHE	02/11/11	1.50	Meeting with P. Denton; Follow up with I. Aversa

LAWYER	DATE	TIME	DESCRIPTION
IEA	03/11/11	3.10	Engaged with preparing motion materials; Emails to and from S. Brown regarding searches
SB	03/11/11	0.40	Receive instructions from I. Aversa; Email to I. Aversa; Pull parcel page and review parcel page to ascertain charges; Pull charges; Instructions to J. Cabral
RHE	03/11/11	0.40	Discussion with R. English re: meeting with C. Denton and thoughts on dealing with any surplus funds
IEA	04/11/11	2.10	Engaged with preparing motion materials regarding discharging the monitor; Emails to and from R. Epstein and R. English regarding the same
IEA	07/11/11	2.80	Engaged with reviewing and revising the motion materials; Emails to and from R. Epstein and R. English regarding the same; Emails to and from P. Denton regarding the same; Discussions with R. Epstein regarding the same
DRE	07/11/11	0.30	Review proposed order and issues with I. Aversa and R. Epstein
DRE	07/11/11	0.20	Review draft Order and letter
RHE	07/11/11	1.50	Review draft materials; Comments to I. Aversa; Review emails from P. Denton re: Lasalle mortgage assignment; Discuss with I. Aversa
IEA	08/11/11	1.70	Emails to and from R. Epstein, R. English and P. Denton regarding the motion materials; Engaged with reviewing the previous monitor's reports; Engaged with reviewing and revising the motion materials
RHE	08/11/11	1.20	Review Lasalle agreement; Discuss approach with I. Aversa
IEA	09/11/11	0.50	Telephone call and emails with R. Epstein and P. Denton regarding the motion materials
RHE	09/11/11	0.70	Telephone call with P. Denton and I. Aversa re: process, LaSalle, etc.
IEA	10/11/11	1.00	Emails and telephone calls to and from S. Morris, P. Denton, R. Epstein and J. Burke regarding the motion materials
JDB	10/11/11	0.40	Email from R. Epstein re locating OBCA section re forfeiture of property to Crown upon dissolution of entity; Review of OBCA re same and reply to R. Epstein; Review of emails from I. Aversa re facts surrounding Cantar's dissolution for cause; Discussion with I. Aversa re same and re seeking to determine best method for reviving in order to distribute

LAWYER	DATE	TIME	DESCRIPTION
			proceeds of mortgage
RHE	10/11/11	1.50	Review corporate search; Review OBCA; Discussion with I. Aversa; Telephone call with P. Denton to discuss
SM	10/11/11	0.20	Order corporate profile and report to I. Aversa regarding same; Research cancelled for cause
RHE	11/11/11	1.20	Review La Salle Agreement; Meeting with I. Aversa; Telephone call with P. Denton
IEA	15/11/11	0.40	Emails to and from P. Denton and R. Epstein regarding the motion materials; meeting with R. Epstein
DRE	15/11/11	0.40	Meeting with R. Epstein
RHE	15/11/11	0.50	Meeting with R. English; Meeting with I. Aversa
JDB	16/11/11	0.20	Instructions to S. Goldmintz re case law research to be performed re revival of corporations and distribution of assets of dissolved corporation
SG	16/11/11	1.30	Research re: discretion of judge to revive corporation dissolved under s. 240 of the OBCA
IEA	17/11/11	1.00	Engaged with reviewing LaSalle agreement; Emails to and from J. Burke, R. English and R. Epstein re OBCA
JDB	17/11/11	1.50	Email from I. Aversa re serving the OBCA director; Email to J. Desjardins re same; Discussion with S. Goldmintz re research; Discussion with J. Desjardins and I. Aversa re communicating with the Director; Review of research from S. Goldmintz re distribution of property notwithstanding dissolution, and email to I. Aversa re same; Research re OBCA provisions; Emails to/from R. Epstein re same; Email to I. Aversa summarizing results of research to date;
DRE	17/11/11	0.20	Confer with R. Epstein
RHE	17/11/11	0.80	Multiple telephone attendances with J. Burke; Review emails from J. Burke re: OBCA provisions
SG	17/11/11	2.50	Research re: discretion of judge to revive corporation dissolved under s. 240 of the OBCA
SG	17/11/11	1.20	Research re: Application of s. 242(1)(c) as it applies to a creditors prior arrangement
IEA	18/11/11	0.80	Emails to and from J. Burke, R. Epstein and R. English regarding the motion materials
JDB	18/11/11	2.20	Discussion with S. Goldmintz re research; Email to I.

LAWYER	DATE	TIME	DESCRIPTION
			Aversa and R. Epstein re further research; Review of S. Goldmintz research memo and revisions to same; Review of cases; Email to I. Aversa and R. Epstein re same; Further discussion with S. Goldmintz;
DRE	18/11/11	0.30	Confer with R. Epstein regarding effect of dissolution
RHE	18/11/11	1.30	Review research from J. Burke; Emails to/from J. Burke
SG	18/11/11	1.50	Research, note up of s. 244 of the OBCA; Review all cases thereunder
SG	18/11/11	1.50	Meeting with J. Burke to discuss results of note up of s. 244; Summarized cases found in note up and other searches
SG	18/11/11	2.20	Research re: supplementary case law searches on a judge approving the distribution of a dissolved corporation's assets
SG	18/11/11	1.60	Research re: judge's approval of distribution of a dissolved company's assets
IEA	21/11/11	0.40	Emails to and from P. Denton, R. Epstein and J. Burke regarding the motion materials
JDB	21/11/11	0.90	Review of emails from S. Goldmintz reporting on research; Telephone call with the Clerk of the Standing Committee on Regulations and Private Bills; Review of the draft Fifth Report; Revisions to S. Goldmintz research briefs; Email to R. Epstein and I. Aversa delivering same;
RHE	21/11/11	0.60	Review case law and emails from J. Burke; Email response on process; Review email from P. Denton
RHE	22/11/11	0.40	Emails to I. Aversa re: next steps
DRE	24/11/11	0.30	Meeting R. Epstein
RHE	24/11/11	0.40	Discussion with R. English re: next steps and need to make progress; Email to I. Aversa re: implementing a two step process to purchase and get a discharge
IEA	25/11/11	0.20	Emails to and from R. Epstein and R. English
IEA	28/11/11	0.20	Discussion with R. Epstein regarding next steps
IEA	29/11/11	0.20	Email from P. Denton and R. Epstein re next steps
RHE	29/11/11	0.20	Review and respond to email from P. Denton
IEA	30/11/11	1.80	Emails to and from R. Epstein regarding next steps;

LAWYER	DATE	TIME	DESCRIPTION
			Meeting with R. Epstein; Telephone call with P. Denton and R. Epstein regarding next steps; Engaged with reviewing and revising the motion materials
DRE	30/11/11	0.20	Confer with R. Epstein
DRE	30/11/11	0.50	Meeting with R. Epstein and I. Aversa; Telephone call with P. Denton
RHE	30/11/11	1.10	Meeting with R. English and I. Aversa; Call to P. Denton
TOTAL:		<u>60.10</u>	

OUR FEE \$20,882.50
HST at 13% \$2,714.73

DISBURSEMENTS

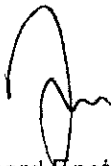
Subject to HST

Photocopies - Local	\$125.25	
Photocopies	\$6.00	
Imaging/Scanning	\$0.25	
Teraview Search	\$49.00	
Subsearch-Conveyancer	\$55.00	
Corporate Search	\$20.00	
Searches	\$43.00	
Quicklaw Search	\$31.00	
Total Disbursements		\$329.50
HST at 13%		\$42.84

AMOUNT NOW DUE

\$23,969.57

THIS IS OUR ACCOUNT HEREIN
Aird & Berlis LLP



Richard Epstein

E.&O.E.

IN ACCOUNT WITH:

AIRD & BERLIS LLP

Barristers and Solicitors

Brookfield Place, 181 Bay Street
Suite 1800, Box 754, Toronto, ON M5J 2T9 Canada
T 416.863.1500 F 416.863.1515
www.airdberlis.com

A. Farber & Partners Inc.
1600 - 150 York Street
Toronto, ON
Canada M5H 3S5

Attention: Mr. Paul Denton

Account No.: 442766

PLEASE WRITE ACCOUNT NUMBERS
ON THE BACK OF ALL CHEQUES

File No.: 13885/93224

September 30, 2012

Re: Monitor under CCRA Proceedings for Cantar Pool Products Limited/Produits De Piscines Cantar Limitee

FOR PROFESSIONAL SERVICES RENDERED on your behalf throughout the period ended September 30, 2012

LAWYER	DATE	TIME	DESCRIPTION
IEA	01/12/11	1.90	Engaged with reviewing and revising the motion materials; Emails to and from R. Epstein, R. English and P. Denton regarding the same
RHE	01/12/11	1.20	Review draft materials; Meeting with I. Aversa; Provide comments
IEA	02/12/11	1.50	Emails to and from R. Epstein and R. English regarding the motion materials; Engaged with reviewing and revising the motion materials; Discussions with R. English regarding the same
DRE	02/12/11	0.50	Review draft Orders and report; instruct I. Aversa
DRE	02/12/11	0.40	Meeting with I. Aversa; revise order and report
IEA	05/12/11	0.60	Telephone call with P. Denton; Emails to and from R. Epstein and R. English regarding the same
DRE	05/12/11	0.10	Confer with I. Aversa
RHE	05/12/11	0.20	Emails to/from I. Aversa
IEA	06/12/11	1.80	Emails to and from R. English and R. Epstein; engaged with reviewing and revising the materials
DRE	06/12/11	0.60	Review revised reports and Orders; discuss with I. Aversa

LAWYER	DATE	TIME	DESCRIPTION
DRE	06/12/11	0.20	Instruct I. Aversa
RHE	06/12/11	0.50	Review additional materials; Discuss with I. Aversa
IEA	07/12/11	2.50	Emails to and from P. Denton, R. English and R. Epstein re the motion materials; engaged with booking a court date; telephone calls and emails with Bank of America's counsel; engaged with reviewing and revising the motion materials
DRE	07/12/11	0.20	Instruct I. Aversa
DRE	07/12/11	0.20	Instruct I. Aversa
RHE	07/12/11	0.50	Review motion materials
IEA	08/12/11	2.50	Engaged with reviewing and revising the motion materials; emails to and from P. Denton, R. English and R. Epstein re the same; engaged with drafting notice to Bank of America; engaged with preparing affidavit of fees
DRE	08/12/11	0.30	Review revised materials and advise I. Aversa
IEA	09/12/11	0.30	Emails to and from P. Denton, R. Epstein and R. English; regarding the motion materials
IEA	12/12/11	1.90	Engaged with reviewing and revising the motion materials; Emails to and from P. Denton, R. Epstein and R. English regarding the same
IEA	13/12/11	1.10	Emails to and from P. Denton, S. Fenton, R. English and R. Epstein re motion materials and LaSalle notice; Telephone call with S. Fenton; Engage reviewing and revising LaSalle notice
DRE	13/12/11	0.20	Instruct I. Aversa
RHE	13/12/11	0.30	Revise emails for I. Aversa to P. Denton and to legal counsel for Bank of America
IEA	14/12/11	0.30	Emails to and from R. English and R. Epstein re the motion materials
DRE	14/12/11	0.30	Review materials; instruct I. Aversa
IEA	15/12/11	0.30	Engaged with compiling the record for service
IEA	16/12/11	0.50	Engaged with serving and filing the motion record; Emails regarding the same
PW	16/12/11	0.60	Filed Motion Record for January 10, 2012
IEA	19/12/11	0.40	Engaged with issues regarding service of the motion record

LAWYER	DATE	TIME	DESCRIPTION
DRE	20/12/11	0.20	Confer with C. Kennedy
IEA	04/01/12	0.10	Telephone call with R. Schwartz regarding the hearing
IEA	05/01/12	0.60	Email to and from R. Epstein regarding the hearing; Telephone call with R. Schwartz; Emails to and from R. Schwartz
IEA	06/01/12	0.30	Emails to and from R. Epstein regarding the hearing; Emails regarding the service list
IEA	09/01/12	1.50	Discussion with R. English and R. Epstein regarding the hearing; Emails to and from R. English, R. Epstein and P. Denton; Engaged with reviewing the draft order and preparing for Court; Discussions with C. McNeill regarding the draft order; Telephone call with P. Denton
DRE	09/01/12	0.50	Review motion record and service status; instruct I. Aversa
RHE	09/01/12	0.30	Review voicemail message from R. Schwartz; Discuss with I. Aversa
CAM	09/01/12	1.10	Voice-mail from and telephone calls with I. Aversa regarding court order; review of and revising court order regarding discharge of mortgage; meeting with J. Scarpelli regarding application to amend; emails to I. Aversa regarding revised court order
IEA	10/01/12	4.50	Engaged with preparing for court; Attend court; Discussions with R. English; Telephone call with P. Denton; Letter to D. Winters and K. O'Hara
DRE	10/01/12	0.30	Meeting with I. Aversa; instruct I. Aversa
DRE	10/01/12	0.40	Meeting with and instruct I. Aversa
IEA	11/01/12	1.00	Emails to and from R. English regarding correspondence to the Crown; engaged with reviewing and revising the letter; discussion with R. English
DRE	11/01/12	0.70	Revise letter to Crown; instruct I. Aversa; instruct and revise Notice of Return
IEA	12/01/12	0.60	Engaged with reviewing and revising the letter to the Crown; emails to and from R. English regarding the same; engaged with issuing the letter
DRE	12/01/12	0.30	Instruct regarding revised letter and Notice of Return
IEA	13/01/12	0.50	Emails to and from R. English and R. Epstein; telephone call with R. Schwartz

LAWYER	DATE	TIME	DESCRIPTION
DRE	13/01/12	0.30	Telephone call with Ministry; instruct I. Aversa
RHE	13/01/12	0.40	Email exchanges with R. English and I. Aversa re: status update; Discuss with R. English
IEA	16/01/12	0.30	Engaged with issuing letter to the Ministry of the Attorney General
DRE	16/01/12	0.20	Instruct regarding service and review letter
DRE	19/01/12	0.10	Instruct I. Aversa
IEA	20/01/12	0.70	Emails to and from R. English regarding the hearing; Telephone call with K. O'Hara regarding the same
DRE	20/01/12	0.10	Instruct I. Aversa
IEA	23/01/12	0.40	Draft letter to the Public Guardian; Emails to and from R. English and R. Epstein
DRE	23/01/12	0.50	Instruct I. Aversa; telephone call and letter from K. O'Hara
RHE	23/01/12	0.40	Review emails to/from I. Aversa and P. Denton
IEA	24/01/12	1.70	Meeting with R. English regarding the hearing; telephone call with the Ontario Ministry of Infrastructure; telephone call with client; emails regarding the same
DRE	24/01/12	1.00	Letter from Province; instruct I. Aversa; conference call with M. Zoladek; instruct I. Aversa
DRE	24/01/12	0.50	Conference Call with Province; instruct I. Aversa
IEA	25/01/12	2.20	Attend hearing; Emails to and from service list re same; Telephone call with P. Denton re same; Engage with preparing Monitor's Certificate; Emails re same; Telephone call with R. Schwartz
DRE	25/01/12	2.50	Prepare and attend before Morawetz J.
RHE	25/01/12	0.40	Emails to/from I. Aversa
IEA	31/01/12	0.10	Email from P. Denton
IEA	03/02/12	0.20	Emails to and from R. English and M. Zoladek
DRE	03/02/12	0.30	Letter to Ministry; instruct I. Aversa
IEA	05/02/12	0.20	Emails to and from R. English, P. Denton and R. Epstein
DRE	06/02/12	0.20	Letter to and set up call

LAWYER	DATE	TIME	DESCRIPTION
DRE	07/02/12	0.20	Arrange and book call; letter to Energy Board
IEA	09/02/12	0.50	Emails to and from R. English, P. Denton and R. Epstein
DRE	09/02/12	0.50	Telephone call with P. Denton; letter to P. Denton; telephone call with Ministry
RHE	09/02/12	0.30	Review email from R. English; Respond
IEA	13/02/12	0.70	Telephone call with R. Schwartz; Meeting with R. English; Telephone call with P. Denton; Emails regarding the same
DRE	13/02/12	0.10	Letter to P. Denton; instruct I. Aversa
DRE	13/02/12	0.30	Meeting with I. Aversa and instruct; telephone call with D. Mack
DRE	13/02/12	0.30	Telephone call with D. Mack regarding LaSalle loan
CAM	13/02/12	0.10	Emails to and from I. Aversa regarding application to amend
IEA	14/02/12	0.80	Telephone call with P. Denton; engaged with reviewing the application to amend and providing comments; emails to and from C. McNeill regarding the same
DRE	14/02/12	0.10	Miscellaneous matters
DRE	14/02/12	0.40	Meeting with R. Epstein
RHE	14/02/12	0.30	Discuss status and issues with R. English
CAM	14/02/12	0.50	Drafting application to amend; emails to and from I. Aversa regarding same; revising application to amend
IEA	15/02/12	1.10	Telephone call with C. McNeill regarding application to amend; emails to and from R. English and C. McNeill regarding the same; engaged with filing the monitor's certificate; emails to and from P. Denton regarding the monitor's certificate and the application to amend
DRE	15/02/12	0.10	Review registration and instruct I. Aversa
SG	15/02/12	0.60	Attend at commercial list to file monitor's certificate
IEA	16/02/12	0.20	Emails to and from P. Denton and R. English
IEA	21/02/12	0.40	Emails to and from P. Denton, C. McNeill and R. English
CAM	21/02/12	0.10	Emails from I. Aversa and client regarding registration of application
IEA	22/02/12	0.30	Emails to and from C. McNeill, P. Denton and R. English regarding the application to amend and next steps

LAWYER	DATE	TIME	DESCRIPTION
DRE	22/02/12	0.10	Instruct I. Aversa
CAM	22/02/12	0.40	Attending to registration of Application to Amend; email from and telephone call with I. Aversa regarding certification and deletion of VTB
DRE	27/02/12	0.40	Instruct I. Aversa; telephone call with P. Denton
DRE	28/02/12	0.30	Arrange and set up call; letter to P. Denton
DRE	29/02/12	0.10	Review and re book
IEA	02/03/12	0.30	Telephone calls and emails to and from P. Denton
DRE	02/03/12	0.50	Conference Call with Polyair and counsel; telephone call with M. Laugesson
DRE	05/03/12	0.10	Telephone call with P. Denton
DRE	05/03/12	0.10	Letter to P. Denton
IEA	06/03/12	0.70	Telephone calls and emails to and from W. Jaskiewicz and R. English regarding update on the CCAA proceedings
DRE	06/03/12	0.10	Instruct I. Aversa
DRE	06/03/12	0.60	Draft memo to Bennett Jones regarding outstanding issues
IEA	08/03/12	0.10	Emails to and from R. English and P. Denton regarding next steps
IEA	23/03/12	0.20	Emails to and from R. English
IEA	27/03/12	0.40	Emails to and from P. Denton, R. English, R. Schwartz and C. McNeill regarding the mortgage discharge and next steps
CAM	27/03/12	0.30	Emails to and from I. Aversa regarding discharge of mortgage; attending to subsearch of title and review of parcel pages regarding same
IEA	28/03/12	0.20	Meeting with R. English regarding next steps; emails to and from R. English and P. Denton regarding the same
DRE	28/03/12	0.30	Meeting with I. Aversa; telephone call with P. Denton; review documents received
DRE	28/03/12	0.10	Letter to P. Denton
DRE	28/03/12	0.20	Telephone call with P. Denton
DRE	13/04/12	0.10	Telephone call with P. Denton regarding status

LAWYER	DATE	TIME	DESCRIPTION
DRE	16/04/12	0.20	Confer with R. Epstein
DRE	19/04/12	0.20	Letter to P. Denton; update R. Epstein; review file
DRE	20/04/12	0.20	Meeting with R. Epstein
DRE	23/04/12	0.10	Telephone call with P. Denton
DRE	26/04/12	0.30	Review and comment on revisions to FIT
DRE	30/04/12	0.10	Confer with R. Clark
DRE	10/05/12	0.10	Letter to P. Denton and update
DRE	15/05/12	0.20	Letter to P. Denton
IEA	16/05/12	0.20	Emails to and from R. English and P. Denton
DRE	16/05/12	0.30	Revise letter
IEA	23/05/12	0.20	Emails to and from P. Denton and R. English regarding next steps
DRE	23/05/12	0.10	Letter to P. Denton
DRE	31/05/12	0.30	Letter to and telephone call with P. Denton
DRE	31/05/12	0.20	Letter to P. Denton
DRE	04/06/12	0.10	Letter to P. Denton
DRE	05/06/12	0.20	Arrange and set up further call and meeting
DRE	07/06/12	0.80	Conference Call with M. Freel and P. Denton
DRE	25/06/12	0.10	Letter to P. Denton
DRE	13/07/12	0.40	Telephone call with P. Denton; letter to P. Denton and M. Freel
DRE	17/07/12	0.20	Letter to M. Freel
SB	19/07/12	0.20	Discuss effective of amended and restated Loan Agreement with R. English and consider with him possible options for monitor
DRE	19/07/12	0.50	Review Bank of America agreements; letter to M. Freel; review prior orders
DRE	20/07/12	0.30	Confer with R. Epstein
RHE	20/07/12	0.30	Review OBCA; Discussion with R. English

LAWYER	DATE	TIME	DESCRIPTION
DRE	26/07/12	0.10	Review Court documents
DRE	27/07/12	0.40	Review file regarding BOA claim; call up records
DRE	27/07/12	0.30	Review file
DRE	27/07/12	0.20	Telephone call with P. Denton
DRE	30/07/12	0.30	Revise motion records and ABN deal
DRE	10/08/12	1.00	Review all loan documents and motion material regarding BOA loan status
DRE	10/08/12	0.30	Review OBCA; instruct M. Cowan
MC	13/08/12	2.10	Researched case law re: Business Corporations Act and revival of dissolved corporations for R. English
MC	14/08/12	2.70	Research and drafting of memorandum for R. English re: re: Business Corporations Act and revival of dissolved corporations
DRE	14/08/12	0.40	Meeting with student; review law regarding s. 241 OBCA
DRE	15/08/12	0.60	Meeting with R. Epstein; review law
RHE	15/08/12	0.50	Meeting with R. English to review law and plan going forward
DRE	16/08/12	0.30	Telephone call with P. Denton
IEA	20/08/12	0.20	Emails to and from R. English and P. Denton
DRE	20/08/12	0.20	Letter to P. Denton regarding insurance interest
DRE	23/08/12	0.10	Letter to P. Denton
DRE	24/08/12	0.20	Telephone call with P. Denton re letter
DRE	24/08/12	0.10	Telephone call with B. Forth; Review file
DRE	24/08/12	0.30	Telephone call with B. Forth
DRE	05/09/12	0.10	Review file
DRE	05/09/12	0.20	Letter to B. Forth
DRE	11/09/12	0.20	Review file; letter to B. Forth
DRE	17/09/12	0.20	Letter to Forsh; review file
DRE	19/09/12	0.30	Letter to B. Forth; review file; letter to P. Denton

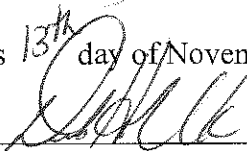
Attached is Exhibit "B"

Referred to in the

AFFIDAVIT OF RICHARD EPSTEIN

Sworn before me

this 13th day of November, 2012



Commissioner for taking Affidavits, etc

STATEMENT OF RESPONSIBLE INDIVIDUALS

Aird & Berlis LLP's professional fees herein are made with respect to the following individuals

Lawyer	Call to Bar	Avg Hrly Rate	Total Time	Value
D. Robb English	1980	\$575.00 (2006)	28.8	\$16,560.00
		\$593.14 (2006/07)	14.0	\$ 8,303.96
		\$595.00 (2007)	2.9	\$ 1,725.50
		\$695.00 (2011)	5.9	\$ 4,100.50
		\$725.00 (2012)	<u>23.6</u>	<u>\$17,110.00</u>
			75.2	\$47,799.96
Richard Epstein	1992	\$425.00 (2006)	49.9	\$21,207.50
		\$449.27 (2006/07)	23.9	\$10,737.55
		\$450.00 (2007)	12.2	\$ 5,490.00
		\$475.00 (2008)	4.0	\$ 1,900.00
		\$495.00 (2011)	18.7	\$ 9,256.50
		\$495.00 (2012)	<u>2.9</u>	<u>\$1,435.50</u>
			123.8	\$50,027.05
Sanj Mitra	1996	\$375.00	3.2	\$ 1,200.00
Christie McNeill	1996	\$485.00	2.5	\$1,212.50
Sam Billard	1985	\$625.00	0.2	\$125.00
Craig Segal	2002	\$280.00	22.1	\$ 6,188.00
Ian Aversa	2008	\$295.00 (2011)	39.4	\$ 11,623.00
		\$325.00 (2012)	<u>21.4</u>	<u>\$6,955.00</u>
			60.8	\$18,578.00
Jeremy Burke	2009	\$275.00	5.2	\$ 1,430.00
Stephanie Brown	2010	\$250.00	0.4	\$ 100.00
Clerk/Student	Call to Bar	Avg Hrly Rate	Total Time	Value
Hasmig Royan	N/A	\$100.00	6.9	\$ 690.00
Ivone Vieira	N/A	\$80.00	6.7	\$ 536.00
Sandra Vitorovich	N/A	\$190.00	12.6	\$ 2,394.00
Christopher Dunn	N/A	\$180.00 (2006)	0.2	\$ 36.00
		\$190.00 (2007)	<u>0.7</u>	<u>\$ 133.00</u>
			0.9	169.00
Shannon Morris	N/A	\$285.00	0.2	\$ 57.00
Shawn Goldmintz	N/A	\$210.00 (2011)	11.8	\$ 2,478.00
		\$215.00 (2012)	<u>0.6</u>	<u>\$129.00</u>
			12.4	\$2,607.00
Meghan Cowan	N/A	\$215.00	4.8	\$1,032.00
Patrick Williams	N/A	\$140.00	0.6	\$84.00

**Standard hourly rates listed. However, in certain circumstances adjustments to the account were made.*

IN THE MATTER OF AN APPLICATION UNDER 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 CANTAR POOL PRODUCTS LIMITED /
PRODUITS DE PISCINES CANTAR LIMITÉE

Court File No. 06-CL-6690

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

Proceedings commenced at Toronto

AFFIDAVIT OF RICHARD EPSTEIN

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*Lawyers for A. Farber & Partners Inc., in its capacity as
the Court-appointed monitor of Cantar Pool Products
Limited/Produits de Piscines Cantar Limitée*

Tab 3

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

**IN THE MATTER OF AN APPLICATION UNDER 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
CANTAR POOL PRODUCTS LIMITED / PRODUITS DE PISCINES CANTAR
LIMITÉE**

Applicant

FIFTH REPORT OF THE MONITOR

DECEMBER 9, 2011

INTRODUCTION

1. On October 17, 2006, the Applicant filed for and obtained protection from its creditors under the *Companies' Creditors Arrangement Act*, R.S.C. 1985 c. C-36, as amended (the "CCAA") pursuant to an Order of this Honourable Court dated October 17, 2006 (the "**Initial Order**"). A copy of the Initial Order is attached as **Exhibit "A"**.
2. Pursuant to the Initial Order, A. Farber & Partners Inc. ("**Farber**") was appointed as Monitor of the Applicant (in such capacity, the "**Monitor**"). A copy of Farber's First Report dated October 16, 2006, which was filed in connection with the CCAA application, is attached as **Exhibit "B"**.
3. Coincident with the granting of the Initial Order on October 17, 2006, this Honourable Court granted Orders:

- (a) approving the sale of the Applicant's assets relating to the Applicant's Pool Equipment Division (the "**Pool Equipment Assets**") to 662671 Canada Inc. ("**662**"), and vesting the right, title and interest in the Pool Equipment Assets in and to 662; and
- (b) approving the sale of the Applicant's residual assets relating to the Above Ground Pool Division that were not sold by the Applicant as part of an earlier transaction in August of 2006 (the "**Residual Ground Pool Assets**") to Northern Lights Recreation Co. ("**Northern Lights**"), and vesting the right, title and interest in the Residual Ground Pool Assets in and to Northern Lights.

Copies of these Approval and Vesting Orders are attached collectively as **Exhibit "C"**.

4. On October 19, 2006, this Honourable Court granted an Order (the "**Humberline Premises Approval and Vesting Order**") approving the sale of the premises ("**Humberline Premises Sale**") known municipally as 330 Humberline Drive, Toronto, Ontario (the "**Humberline Premises**") to Strathallen Acquisitions Inc. ("**Strathallen**"), vesting the right, title and interest in the Humberline Premises in and to Strathallen, and approving the payment of the proceeds of the Humberline Premises Sale to LaSalle Business Credit, LLC ("**LaSalle**"). A copy of the Humberline Premises Approval and Vesting Order is attached as **Exhibit "D"**. A copy of the Monitor's Second Report dated October 18, 2006, which was filed in connection with this motion, is attached as **Exhibit "E"**.

5. On November 16, 2006, this Honourable Court granted an Order (the "**Claims Procedure and Meeting Order**") establishing a procedure for the filing and determination of claims against the Applicant for the purposes of voting on and effecting distributions under the

Plan (as defined below), establishing a claims bar date, establishing the procedure to call, hold and conduct a meeting of the creditors of the Applicant affected by the Plan (the “**Creditors’ Meeting**”) and setting the date for the return of the Applicant’s motion for an order sanctioning the Plan. A copy of the Claims Procedure and Meeting Order is attached as **Exhibit “F”**. A copy of the Monitor’s Third Report dated November 10, 2006, which was filed in connection with this motion, is attached as **Exhibit “G”**.

6. On November 16, 2006, this Honourable Court also granted an Order (the “**Extension Order**”) extending the stay of proceedings to January 18, 2007. A copy of the Claims Procedure and Meeting Order is attached as **Exhibit “H”**.

7. On November 23, 2006, the Applicant filed a Plan of Compromise and Arrangement (the “**Plan**”) with this Honourable Court.

8. Pursuant to the Claims Procedure and Meeting Order, the Creditors’ Meeting was held on January 12, 2007, at which time the Applicant’s unsecured creditors approved the Plan by the required majority.

9. On January 18, 2007, this Honourable Court granted an Order (the “**Sanction Order**”) approving the Plan and extending the stay of proceedings to the earlier of the Effective Date (as defined in the Plan) and February 15, 2007. A copy of the Sanction Order and Plan are attached as **Exhibit “I”**. A copy of the Monitor’s Fourth Report dated January 16, 2007, which was filed in connection with this motion, is attached as **Exhibit “J”**.

10. On January 30, 2007, the Monitor filed a certificate of compliance with the Court certifying that all Conditions Precedent, as set out in Section 7.6 of the Plan, had been satisfied

and that the Effective Date had occurred and the Plan could be implemented. A copy of the Certificate of Compliance is attached as **Exhibit "K"**.

11. The purpose of this Fifth Report of the Monitor (the "**Fifth Report**") is to:

- (a) provide this Honourable Court with an update on the implementation of the Plan;
- (b) seek authorization and direction to send the required notice pursuant to the LaSalle Agreement (as defined below) if the funds from the VTB Mortgage (as defined below) are to be distributed to the Applicant's creditors in accordance with the Plan, to receive the funds from the VTB Mortgage, to endorse any cheque in payment of such funds on behalf of the Applicant and to deposit such funds in an account to be established by the Monitor on behalf of the Applicant;
- (c) seek an order discharging the VTB Mortgage effective upon the filing of a certificate by the Monitor certifying that it has received the funds from the VTB Mortgage;
- (d) seek an order declaring that from and after the discharge of the VTB Mortgage any and all claims in and to the VTB Mortgage shall attach to the funds from the VTB Mortgage with the same priority as such claims had immediately prior to the discharge of the VTB Mortgage as if the VTB Mortgage had not been discharged;
- (e) seek authorization and direction to distribute the funds from the VTB Mortgage to the Applicant's creditors in accordance with the Plan;
- (f) seek approval of the Fifth Report and the actions of the Monitor described therein;

- (g) seek approval of the fees and disbursements of the Monitor and its legal counsel, Aird & Berlis LLP; and
- (h) seek an order, effective upon the filing of a certificate by the Monitor certifying that certain tasks have been completed, discharging Farber as Monitor and releasing Farber from any and all liability that Farber has or may hereafter have by reason of, or in any way arising out of, the acts or omissions of Farber while acting in its capacity as Monitor.

TERMS OF REFERENCE

12. In preparing this Fifth Report, the Monitor has relied upon unaudited, internally prepared financial information, Applicant's records and discussions with management of the Applicant. The Monitor has not performed an audit, review or other verification of such information. An examination of the financial forecast as outlined in the Canadian Institute of Chartered Accountants Handbook has not been performed. Future oriented financial information relied upon in this report is based on management of the Applicant's assumptions regarding future events and actual results achieved will vary from this information and the variations may be material. Unless otherwise stated, dollars referenced in these materials are in Canadian funds.

THE PLAN

13. The Plan was approved pursuant to the Sanction Order on January 18, 2007.

14. There were a number of conditions precedent that needed to be satisfied to reach the Effective Date and, in turn, enable implementation of the Plan. These conditions precedent are

set out in Section 7.6 of the Plan. Section 7.8 of the Plan provides that once all of the conditions precedent set out in Section 7.6 of the Plan are satisfied, the Monitor can issue a Certificate of Compliance. On January 30, 2007, shortly after creditor and Court approval of the Plan, the Certificate of Compliance was filed in the Court.

15. Key elements of the Plan are summarized below:

- (a) There was one single class of Affected Creditors under the Plan.
- (b) The Plan was structured such that the Applicant's creditors with Smaller Claims (as defined below), or those who elected to reduce their claims, would receive a fixed distribution based on a formula in the Plan in a specific time frame, and the Applicant's creditors with Larger Claims (as defined below) would receive a distribution of net realizations over a longer term, after provision for certain costs and prior charges.
- (c) Pursuant to Article 4.1(a) of the Plan, Affected Creditors (as defined in the Plan) with aggregate Claims of \$5,000 or less are to be paid twenty-five cents on the dollar. In addition, Affected Creditors with Affected Claims (as defined in the Plan) exceeding \$5,000, who elected to reduce their Affected Claims to \$5,000, are to be paid twenty-five cents on the dollar on the reduced amount (collectively, the "**Smaller Claims**"). Under the terms of the Plan, distributions with respect to the Smaller Claims were to be paid within six months of the Effective Date. Distributions with respect to the Smaller Claims were made on May 17, 2007.

- (d) Pursuant to Article 4.1(b) of the Plan, Affected Creditors with Affected Claims greater than \$5,000 in respect of which no election was made as referred to above, are to participate in realizations from the Affected Creditors Distribution Pool as set out in Section 5 of the Plan (the "**Larger Claims**"). The distributions with respect to the Larger Claims were to occur from time to time as cash flow permitted. The Applicant was only to make distributions from the Affected Creditors' Distribution Pool (as defined in the Plan) if the amount available was economically practical, as determined by the Applicant, acting reasonably in consultation with the Monitor. Until recently, there were insufficient proceeds to warrant a distribution to Affected Creditors with Larger Claims.
- (e) Pursuant to Article 4.1(b) of the Plan, Affected Creditors with Larger Claims are to participate in realizations from the Affected Creditors' Distribution Pool ostensibly from the proceeds realized from a Charge/Mortgage in the principal amount of \$1,600,000.00 registered on October 24, 2006 as Instrument Number AT1287953 on title to the Humberline Premises, which Charge/Mortgage was transferred to LaSalle on October 24, 2006 as Instrument Number AT1287954 (the "**VTB Mortgage**"). While there was a provision in the Plan for monetization of the VTB Mortgage if an acceptable offer was received, no such offer was forthcoming. A copy of the VTB Mortgage is attached as **Exhibit "L"**.

16. On or about January 25, 2007, LaSalle executed an agreement (the "**LaSalle Agreement**") which provides that if, among other things, the Plan is accepted by the requisite majority of creditors and approved by the Court, LaSalle's interest in, among other things, the VTB Mortgage would be released to the extent necessary to permit payment under the Plan from

the Affected Creditors' Distribution Pool of the full amount payable in accordance with Article 4.1(a) of the Plan to Affected Creditors to which Article 4.1(a) applies, and to a maximum of 25 cents for each dollar of Affected Claims in accordance with Article 4.1(b). A copy of the LaSalle Agreement is attached as **Exhibit "M"**.

17. The Monitor confirms that the proposed distribution of the proceeds from the VTB Mortgage to the Applicant's creditors will not exceed twenty-five cents for each dollar of Affected Claims in accordance with Article 4.1(b).

18. The LaSalle Agreement further states that, not less than ten days prior to a proposed distribution to creditors under the Plan, the Applicant must deliver to LaSalle notice of the proposed distribution, the particulars of the proposed distribution, the amount of the proposed distribution and reasonable evidence that the proposed distribution will not result in the aggregate amount of prior distributions and the proposed distribution exceeding the Aggregate Permitted CCAA Plan Payment Amount.

19. The Monitor was recently advised that, on or about October 17, 2008, LaSalle merged with and into LaSalle Bank National Association, who, together with LaSalle Bank Midwest National Association, merged with and into Bank of America, National Association ("**Bank of America**"). Evidence of these mergers is attached as **Exhibit "N"**.

20. The VTB Mortgage was scheduled to mature on October 23, 2011 at \$2,120,285. Bank of America confirms payment will be made once the Monitor sends the required notice pursuant to the LaSalle Agreement and confirms authority to receive the funds from the VTB Mortgage, endorse any cheque in payment of such funds on behalf of the Applicant, deposit such funds in an account to be established by the Monitor on behalf of the Applicant, discharge the VTB

Mortgage and distribute the funds from the VTB Mortgage to the Applicant's creditors in accordance with the Plan.

21. The Monitor confirms that, given the passage of time, the Applicant no longer has any directors and/or officers with corporate authority to deal with the final matters to complete the implementation of the Plan, namely, sending the required notice pursuant to the LaSalle Agreement, receiving the funds from the VTB Mortgage, discharging the VTB Mortgage and distributing the funds from the VTB Mortgage. In addition, neither the Initial Order, the Claims Procedure and Meeting Order nor the Sanction Order provide specific powers to the Monitor to approve or authorize any actions on behalf of the Applicant.

22. Furthermore, the Monitor recently discovered that the Applicant's certificate of incorporation was cancelled for cause pursuant to section 240 of the *Business Corporations Act*, R.S.O. 1990, c. B.16, as amended (the "OBCA") because the Applicant failed to maintain the required number of directors and, accordingly, the Applicant was dissolved. A copy of the Applicant's corporate profile report, which confirms the foregoing, is attached as **Exhibit "O"**.

23. Section 244 of the OBCA provides that "any property of a corporation that has not been disposed of at the date of its dissolution is immediately upon such dissolution forfeit to and vests in the Crown". The Applicant's property that is currently being disposed of is its interest in the VTB Mortgage, which was assigned to LaSalle, who merged with Bank of America. While the Applicant's interest in the VTB Mortgage may have escheated to the Crown pursuant to section 244 of the OBCA, Bank of America's interest would not be defeated by the dissolution.

24. Accordingly, a circular problem has arisen, namely, while the Applicant's property has escheated to the Crown, the funds from the VTB Mortgage are secured in favour of Bank of

America, who agreed to release its interest in the VTB Mortgage only if the funds from the VTB Mortgage are paid to the Applicant's creditors in accordance with the Plan.

25. The Monitor believes this circular problem can be resolved by the this Honorable Court granting the relief requested in this Fifth Report so that the funds from the VTB Mortgage can be paid to the Applicant's creditors in accordance with the Plan, which was the intention when the Plan was accepted by the requisite majority of creditors and approved by the Court.

26. The Monitor understands that the relevant stakeholders need an opportunity to review this Fifth Report and consider the relief being requested by the Monitor herein. Accordingly, the Monitor recommends that this Honourable Court grant the relief set out in the draft order attached as Tab A to the Monitor's Notice of Motion. The Monitor then proposes to return to Court, on notice to all parties served with this Fifth Report, to seek the relief set out in the draft order attached as Tab B to the Monitor's Notice of Motion.

MONITOR AND LEGAL COUNSEL – FEES AND DISBURSEMENTS

27. Pursuant to paragraph 11 of the Sanction Order, the activities and conduct of the Monitor were approved, which covers the Monitor's activities through the process to get creditor and Court approval of the Plan and as set out in the Monitor's Fourth Report.

28. Pursuant to paragraph 31 of the Initial Order, the Monitor and its legal counsel are required to pass their accounts from time to time.

29. From the date of September 25, 2006 to October 31, 2011, Farber, in its capacity as Monitor of the Applicant, has incurred fees of \$221,072.00 and disbursements of \$14,698.53, plus of applicable GST/HST of \$13,781.29. A copy of the detailed billings of the Monitor,

supported by an affidavit sworn by Paul Denton, is attached as **Exhibit "P"**. The Monitor also requests that this Honourable Court approve an additional amount of \$50,000.00 (excluding HST) for fees and disbursements of the Monitor to be incurred to the date of the Monitor's discharge.

30. From the period September 29, 2006 to November 30, 2011, the Monitor's legal counsel, Aird & Berlis LLP, has incurred fees and disbursements in the amount of \$104,479.96, inclusive of applicable GST/HST. A copy of the detailed billings of Aird & Berlis LLP, supported by an affidavit sworn by Richard Epstein, is attached as **Exhibit "Q"**. The Monitor also requests that this Honourable Court approve an additional amount of \$50,000.00 (excluding HST) for fees and disbursements of the Monitor's legal counsel to be incurred to the date of the Monitor's discharge.

31. The primary remaining activities are for the Monitor to:

- (a) receive the funds from the VTB Mortgage;
- (b) distribute the funds from the VTB Mortgage to the Applicant's creditors with Larger Claims in accordance with the Plan and deal with any unclaimed funds; and
- (c) deal with creditor queries.

RELIEF SOUGHT

32. The Monitor seeks the relief set out in the draft Order attached to enable it to properly discharge both the Applicant and the Monitor's duties to complete the implementation of Plan, in

particular, the distribution of the Affected Creditors' Distribution Pool and other final matters consistent with the Plan.

RECOMMENDATIONS

33. For the reasons set out above, the Monitor respectfully recommends that this Honourable Court grant an order, among other things:

- (a) approving the Fifth Report and approving the actions of the Monitor described therein;
- (b) authorizing and directing the Monitor to send the required notice pursuant to the LaSalle Agreement, to receive the funds from the VTB Mortgage, to endorse any cheque in payment of such funds on behalf of the Applicant and to deposit such funds in an account to be established by the Monitor on behalf of the Applicant;
- (c) discharging the VTB Mortgage effective upon the filing of a certificate by the Monitor certifying that it has received the funds from the VTB Mortgage;
- (d) declaring that from and after the discharge of the VTB Mortgage any and all claims in and to the VTB Mortgage shall attach to the funds from the VTB Mortgage with the same priority as such claims had immediately prior to the discharge of the VTB Mortgage as if the VTB Mortgage had not been discharged;
- (e) authorizing and directing the Monitor to distribute the funds from the VTB Mortgage to the Applicant's creditors in accordance with the Plan;
- (f) approving the fees and disbursements of the Monitor and its counsel; and

- (g) effective upon the filing of a certificate by the Monitor certifying that certain tasks have been completed, discharging Farber as Monitor and releasing Farber from any and all liability that Farber has or may hereafter have by reason of, or in any way arising out of, the acts or omissions of Farber while acting in its capacity as Monitor.

All of which is respectfully submitted this 9th day of December, 2011.

A. FARBER & PARTNERS INC.,
in its capacity as the Court-appointed Monitor of
Cantar Pool Products Limited/Produits de Piscines
Cantar Limitée

A. Farber & Partners Inc.

IN THE MATTER OF AN APPLICATION UNDER 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 CANTAR POOL PRODUCTS LIMITED /
PRODUITS DE PISCINES CANTAR LIMITÉE

Applicant

Court File No. 06-CL-6690

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceedings commenced at Toronto

**MOTION RECORD OF
A. FARBER & PARTNERS INC.**

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