

SUPERIOR COURT OF JUSTICE

TORONTO

IN BANKRUPTCY AND INSOLVENCY

REGISTRAR JEAN) On the 27TH day
) of November, 2012.

IN THE MATTER OF THE PROPOSAL
OF FORTECH AUTOMOTIVE INC.
A CORPORATION OPERATING
IN THE TOWN OF NEWMARKET
PROVINCE OF ONTARIO

ORDER APPROVING PROPOSAL (Sec. 60(5))


UPON THE APPLICATION of the Trustee and hearing submissions of counsel

AND UPON reading the Report of the Trustee, filed on November 19, 2012 and the Court being satisfied that the required majority of creditors have duly accepted the 2nd amended Proposal dated October 10, 2012, in the terms contained in the paper writing marked "A" annexed hereto

AND BEING satisfied that the said terms are reasonable and calculated to benefit the general body of creditors;

AND THAT no offences or facts have been provided to justify the Court in withholding its approval;

IT IS HEREBY ORDERED that the said 2nd Amended Proposal dated October 10, 2012 be approved.



REGISTRAR

ONTARIO
SUPERIOR COURT OF JUSTICE
(IN BANKRUPTCY AND INSOLVENCY)

IN THE MATTER OF THE *BANKRUPTCY AND INSOLVENCY ACT*,
R.S.C. 1985, c. B-3, as amended

-and-

IN THE MATTER OF THE PROPOSAL OF
FORTECH AUTOMOTIVE INC.
OF THE TOWN OF NEWMARKET
PROVINCE OF ONTARIO

2nd AMENDED PROPOSAL DATED
OCTOBER 10, 2012

(Fortech Automotive Inc. (the “Debtor”)), hereby submits the following Proposal under the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended.

ARTICLE 1
DEFINITIONS

1.1 Definitions

In this Proposal, capitalized terms shall have the meanings set out in the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3 as amended, save and except for the terms and definitions set out below:

- (a) “Act”** means the *Bankruptcy and Insolvency Act*, S.C. 1992, Chapter 27, as amended;
- (b) “Administrative Fees and Expenses”** means:
 - (i)** the proper fees and expenses of the Proposal Trustee including its legal fees and disbursements; and
 - (ii)** The legal and consulting fees and disbursements of the Proposal Trustee incurred on or incidental to negotiations in connection with the preparation of the Proposal and the transactions and agreements contemplated hereby, including advice given to the Debtor, its officers, directors and principals;
- (c) “Canada Pension Plan”** means the *Canada Pension Plan*, R.S.C. 1985, c C-8, as amended;

- (d) **“Claim”** means any right or claim of any Person against the Debtor that may be made in whole or in part against the Debtor or any property or assets of the Debtor, whether or not asserted, in connection with any indebtedness, liability or obligation of any kind, which indebtedness, liability or obligation is in existence at the Filing Date or which is based on an event, act or omission which occurred in whole or in part prior to the Filing Date, whether or not reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, present, future, known, unknown, by guarantee, by surety or otherwise and whether or not such a right is executory in nature, including, without limitation, the 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 future based in whole or in part on facts which exist prior to or at the Filing Date;
- (e) **“Court”** means the Ontario Superior Court of Justice (in Bankruptcy and Insolvency);
- (f) **“Creditor”** means any Person having a Claim and may, if the context requires, mean a trustee, receiver, receiver-manager or other Person acting on behalf or in the name of such Person;
- (g) **“Court Approval Date”** means the date on which the Court finally and conclusively approves this Proposal;
- (h) **“Debtor”** means Fortech Automotive Inc.
- (i) **“Default Fund”** means those monies held by the Trustee, as set out herein. The sole purpose of the Proposal Default Fund will be to fund an application to annul the Proposal and fees of the Trustee in the ensuing bankruptcy, in the event of default by the debtor, such default not having been waived by the Inspector(s) of the estate or remedied by the Debtor. The segregated default fund shall be for a total amount of \$ 14,125.00 inclusive of HST.

In the event that there is no default by the debtor, the Proposal Default Fund will be considered payment towards the total amounts required pursuant to the terms of the Proposal and will be distributed in accordance with the terms thereof.
- (j) **Director(s)** means any person or persons who are, have previously been, or in future may be directors of the Debtor, including but not limited to those persons who, in the past, present or future:
 - (i) have or will act in the capacity of director of the Debtor, with or without being so named, or

- (ii) have or will perform the functions of a director of the Debtor, with or without being so named; or
- (iii) have been, are or may in future be deemed, de facto, acting, substitute or effective directors or the Debtor; or
- (iv) have been, are or will be persons subject to director's statutory liabilities arising from any statute, act or regulation of Canada;

“Distribution Date” means a date or dates selected by the Trustee, in its sole discretion, which shall not be later than 30 days following the latter of: (a) the date upon which all disputed claims, if any, have been finally determined; or (b) Effective Date.

- (k) **“Effective Date”** means the date on which the transactions and agreements provided for in this Proposal become effective, which date shall be 30 days after the Court Approval Date;
- (l) **“Employee”** means employees or former employees of the Corporation, but does not include independent commissioned sales agents or contractors.
- (m) **“Employee Preferred Claim”** means such amount as would be due to an Employee under section 136(1) of the Act if there were a bankruptcy of the Corporation or any failure of the Proposal.
- (n) **“Employment Insurance Act”** means the *Employment Insurance Act*, S.C. 1996, c. 23, as amended;
- (o) **“Filing Date”** means the date on which the Debtor filed its Notice of Intention to Make a Proposal, which date is April 9, 2012;
- (p) **“Income Tax Act”** means the *Income Tax Act*, R.S.C. 1985, c.1(5th Supp), as amended;
- (q) **“Inspectors”** means the Inspectors described in paragraph 5.7 hereof.
- (r) **“Landlords”** means landlords, or former landlords, of premises that have been disclaimed or resiliated by the Corporation under the Act.
- (s) **“Net Available Cash Flow”** means all positive cash proceeds generated and received by the business of the Corporation during the Proposal Period.
- (t) **“Performance of the Proposal”** means the payment of all amounts to be paid by the corporation to the Trustee for distribution to Creditors in respect of Claims and the implementation of all other provisions of this Proposal.

- (u) **“Person”** means any individual, partnership, joint venture, trust, corporation, unincorporated organization, government, or any agency or instrumentality thereof, or any other entity howsoever designated or constituted;

“Post Filing Claim” means any Claim resulting from an obligation incurred by the Corporation in the normal course of business of the Corporation in respect of goods or services supplied to the Corporation after the Filing Date (herein called the “Post-Filing Goods and Services” and extends to the following:

- i) amounts owing to the Trustee and its solicitors and the Corporation’s solicitors; and
 - ii) the federal or provincial Crown for amounts owed in respect of federal, provincial or state sales or excise taxes collected subsequent to the Filing Date, or amounts owing in respect of source deductions on account of employee income tax, Canada Pension Plan contributions and Employment Insurance premiums arising subsequent to the Filing Date.
- (v) **“Preferred Claim”** means a Claim for which 136 of the Act prescribes payment in priority to Unsecured Claims.
 - (w) **“Preferred Creditors”** means a Creditor of the Corporation having a Proven Preferred Claim, to the extent of such Preferred Claim or as otherwise provided for herein.
 - (x) **“Post Filing Goods and Services”** means in respect of the Proposal, the goods supplied, services rendered and other consideration given to the Debtor subsequent to the Filing Date;
 - (y) **“Proposal”** means this Amended Proposal dated October 2, 2012 made pursuant to the Act, as further amended or supplemented from time to time;
 - (z) **“Proposal Funds”** means funds paid by the Corporation to the Trustee, composed of the following:
 - (i) Cash on hand, being the estimated amount of funds on hand in the bank accounts of the Corporation on or after the date of this Proposal; and
 - (ii) Net Available Cash

- (aa) **“Proven Claim”** mean any Claim in respect of which a proof of claim:
- (i) has been filed with and allowed by the Trustee under the terms and conditions hereof; or
 - (ii) has been filed with the Trustee and valued or determined in accordance with the provisions of the Act;

provided however, that a Proven Claim shall not include a Claim:

- (iii) by any Person who has received written notification from the Trustee that the Claim has not been filed on a timely basis; or
 - (iv) in respect of which a proof of claim has not been filed within 30 days of the date on which the Trustee mailed to the Creditor having such Claim a notice pursuant to Section 149 of the Act.
- (bb) **“Proposal Period”** means the 13 month period commencing on the first day of the month following the month of the Effective Date.
- (cc) **“Proven Unsecured Claim”** of a Creditor means the amount of the Claim of such Creditor finally determined in accordance with the provisions of the Act;
- (dd) **“Secured Creditor”** means any person or persons holding a valid mortgage, hypothec, pledge, charge, lien or privilege on or against any property of any person or persons as security for a Claim or a person whose Claim is based upon, or secured by a negotiable instrument held as collateral security upon which the Debtor is only indirectly or secondarily liable;
- (ee) **“Trustee”** means Russo Corp.
- (ff) **“Unsecured Claims”** means all proper claims provable in bankruptcy as of the Filing Date other than of Secured Creditors and the Preferred Claims.
- (gg) **“Unsecured Creditor”** means any Creditor with an Unsecured Claim, whose Claim:
- (i) arose by reason of the supply of goods or services to or for the account of the Corporation prior to the Filing Date;
 - (ii) in the case of executor contracts, arose subsequent to the Filing Date as a result of restructuring, repudiation or termination of such contracts;
 - (iii) arose by reason of the insolvency of the Corporation;

- (iv) arose by reason of any other reason prior to the Filing Date; or
- (v) the unsecured portion of any Claim, the balance of which is secured against all or any of the assets of the Corporation,

Articles of Reference

The terms “hereof”, “hereunder”, “herein” and similar expressions refer to the Proposal and not to any particular article, section, subsection, clause or paragraph of the Proposal and include any agreements supplemental hereto. In the Proposal, a reference to an article, section, subsection, clause or paragraph will, unless otherwise stated, refer to an article, section, subsection, clause or paragraph of the Proposal.

1.2 Interpretation Not Affected by Headings

The division of the Proposal into articles, sections, subsections, clauses or paragraphs and the insertion of headings are for convenience of reference only and will not affect the construction or interpretation of this Proposal.

1.3 Date for Any Action

In the event that any date on which any action is required to be taken hereunder is not a business day, such action will be required to be taken on the next succeeding day that is a business day.

1.4 Time

All times expressed herein are local time in Newmarket, Ontario, Canada unless otherwise stipulated. Where the time for anything pursuant to the Proposal on a particular date is unspecified the time shall be deemed to be 5:00p.m. local time in Newmarket, Ontario, Canada.

1.5 Numbers

In the Proposal, where the context requires, a word importing the singular number will include the plural and *vice versa* and a word or words importing gender will include all genders.

1.6 Currency

Unless otherwise stated herein, all references to currency in the Proposal are to lawful money of Canada.

1.7 Statutory References

Except as otherwise provided herein, any reference in the Proposal to a statute includes all regulations made thereunder, all amendments to such statute or regulation(s) in force from time to time, and any statute or regulation that supplements or supersedes such statute or regulation(s).

1.8 Successor and Assigns

The Proposal will be binding on and will enure to the benefit of the heirs, administrators, executors, legal personal representatives, successors and assigns of any Person named or referred to in the Proposal.

ARTICLE 2 **GENERAL INTENT**

2.1 Purpose of Proposal

It is the intention of the Debtor to continue full operations, maintain as many of its current suppliers and customers as possible and continue to grow their business, in order to provide for a reasonable distribution to all Creditors.

The purpose of this Proposal is to affect a compromise of the Claims of the Unsecured Creditors of the Debtor, including statutory claims against Directors, strictly in accordance with subsections 50(13) to 50(15) of the Act, in the expectation that all Unsecured Creditors will derive a greater benefit from a Proposal to Creditors than would result from a forced liquidation of the Debtor's assets or a bankruptcy.

Notwithstanding the terms and conditions of all arrangements or other arrangements with creditors entered into before the Filing Date, for so long as an event of default in the Proposal has not occurred, or if it has occurred, has been waived or cured, all such agreements or other arrangements will be deemed to be amended to the extent necessary to give effect to all the terms and conditions of this Proposal. In the event of any conflict or inconsistency between the terms of such agreements or arrangements and the terms of this Proposal, the terms of this Proposal will govern.

2.2 Persons Affected

This Proposal will, as of the Effective Date, be binding on the Debtor and on all creditors, including the Crown, to whom this Proposal is made.

2.3 Assets Remain Vested in Debtor

The assets of the Debtor shall not vest in the Proposal Trustee, but shall remain vested in the Debtor, and the Trustee shall have no liability whatsoever for the Claims of Creditors arising before, on or after the Filing Date.

ARTICLE 3 **CLASSIFICATION AND TREATMENT OF CREDITORS**

3.1 Secured Creditors

Secured Creditors acknowledge that their security is subordinate to the trust claims of Her Majesty in this Proposal and in any ensuing bankruptcy, unless it is supported by a mortgage on real property or otherwise entitled to be classified as a *prescribed security instrument* in accordance with the Income Tax Act.

The Debtor does not maintain any form of line of credit with any financial institution. It historically operated its business with its suppliers on COD basis.

Since the filing of the initial Proposal in May 2012, the Debtor has successfully negotiated payment terms of between 15-30 days from service date with a majority of its suppliers. Some suppliers who were unwilling to extend terms and who are critical to the daily operations of the Debtor have continued to be paid on a COD basis, while the Debtor has found alternate suppliers willing to extend payment terms for other and less critical uncooperative suppliers.

The only secured creditor is The Bank of Nova Scotia who hold security over a 2010 Kia. The secured creditor will sit outside the proposal and they will continue to receive payments pursuant to the terms of the existing loan agreement(s).

3.2 Crown Claims, Preferred Claims and Employee Preferred Claims

a) Amounts, if any,

i) Owing to the Majesty in Right of Canada, or a Province (“**Crown claims**”), as being \$175,869.01 (subject to audit adjustments) and enumerated in section 60(1.1) of the Bankruptcy and Insolvency Act shall be paid within six (6) months of the Court Approval Date as follows:

i) the sum of \$116,750.00 shall be paid within 7 days of date on which the Court provides approval of this Amended Proposal;

ii) the balance of the Crown Claim being \$59,119.01 shall be paid within six (6) months of the date on which the Court provides approval of this Amended Proposal, at the monthly rate of not less than \$9853.17.

iii) Owing to employees as preferred claims, shall be paid immediately following court approval. All employees are paid current and there are no claims anticipated from employees.

3.3 Unsecured Creditors

All unsecured creditors shall form part of one class for voting and distribution purposes and the proven unsecured claims will be satisfied as per section 3.3 herein.

The unsecured creditors shall receive 100% of their proven claims, payable to them within 13 months of the final payment due to the Crown pursuant to sec. 3.2 (a) above.

Payments by the Debtor in this regard shall commence in the month immediately following full satisfaction of sec 3.2(a) above and shall be remitted to the Trustee commencing in an amount of not less than 1/12 of all unsecured claims filed at that time. Distribution to the unsecured creditors shall be issued on a quarterly basis.

The Debtor shall, at their sole option (after consultation with and agreement of the Trustee), be at liberty to make additional payment(s) over and above the minimum monthly requirement, at any time, without bonus or penalty.

Unsecured Creditors, excluding Landlords, will accept the payments provided for in this Part in complete satisfaction of all their Claims and all liens, certificates of pending litigation, executions, security interests or any other similar charges or actions or proceedings in respect of such Claims will have no effect in law or in equity against the property, assets and undertaking of the Corporation, all of which shall be released upon payment of the amounts provided for in this Part. The Unsecured Creditors shall take such actions and do such and other things as are necessary, at their sole cost, to file or records any required discharges of any of the foregoing.

The Landlord, (who are the Principals of the Debtor Corporation) shall sit outside of this Proposal and shall not be permitted to participate for any amounts which may be payable by the Debtor.

ARTICLE 4 PROCEDURE FOR VALIDATION OF CLAIMS

4.1 Filing of Proofs of Claim

Each Unsecured Creditor must file a Proof of Claim to vote on, or to receive a distribution under, the Proposal.

4.2 Classes of Creditors

Upon receipt of a completed Proof of Claim, the Trustee shall examine the Proof of Claim and shall deal with each claim in accordance with the provisions of the Act. The procedure for valuing Claims of Creditors and resolving disputes with respect to such Claims will be as set forth in the Act. The Debtor and/or Trustee reserve the right to seek the assistance of the Court in valuing the Claim of any Creditor, if required, to ascertain the result of any vote on the Proposal or the amount payable or to be distributed to such Creditor under the Proposal, as the case may be.

ARTICLE 5 **MEETING OF CREDITORS**

5.1 Meeting of Creditors

The Proposal Trustee shall hold a reconvened meeting of the unsecured creditors in order for them to consider and vote upon this Amended Proposal.

5.2 Time and Place of Meeting

The reconvened meeting shall take place on October 10, 2012 at 1:00pm, at the Office of the Trustee, and notices of the reconvened meeting shall be mailed pursuant to the Act.

5.3 Conduct of Meetings

The Official Receiver or the nominee thereof, shall preside as the chair of the meeting of creditors and will decide all matters relating to the conduct of the meeting. The only Persons entitled to attend the meeting of creditors are those Persons, including the holders of proxies, entitled to vote at the meeting, their respective legal counsel, if any, and the officers, directors, auditors and legal counsel of the Debtor, together with such representatives of the Proposal Trustee as the Proposal Trustee may appoint in its discretion, and such scrutineers as may be duly appointed by the chair of such meeting. Any other Person may be admitted on invitation of the chair of the meeting or with the consent of the Creditors.

5.4 Adjournment of Meetings

The meeting of creditors may be adjourned in accordance with Section 52 of the Act.

Voting by Creditors

To the extent provided for herein, each Unsecured Creditor will be entitled to vote, to the extent of the amount that is equal to their respective Proven Claim.

5.5 Approval by Creditors

In order that the Proposal be binding on all of the Unsecured Creditors of the Debtor, in accordance with the Act, it must first be accepted by the Unsecured Creditors represented, by a majority in number of the Unsecured Creditors who actually vote upon the Proposal (in person or by proxy or by voting letter) at the Meeting of Creditors, representing two-thirds in value of the Proven Claims of the Unsecured Creditors who actually vote upon the Proposal (in person or by proxy or by voting letter) at the Meeting of Creditors.

5.6 Appointment of Inspectors

At the Meeting of Creditors the Creditors may appoint one or more, but not exceeding five Inspector(s) whose powers will be limited to:

- (a) Advising the Trustee from time to time with respect to any matter that the Trustee may refer to them;
- (b) Advising the Proposal Trustee concerning any dispute which may arise as to the validity of Claims; and

Any decision, direction or act of the Inspector(s) may be referred to the Court by the Proposal Trustee and the Court may confirm, reverse or modify the decision, direction or act and make such order as it thinks just.

The authority and term of office of the Inspector(s) will terminate upon the discharge of the Trustee.

ARTICLE 6 **PAYMENT OF ADMINISTRATIVE FEES AND EXPENSES**

- 6.1 Trustee's Administrative Fees and Expenses shall be paid from the daily cash flow of the Debtor during the entire Proposal Period and shall sit outside the Proposal. Those fees shall rank in priority to all other creditors, except as may be set out in the *Bankruptcy and Insolvency Act*. The Trustee shall be at liberty to take periodic draws of its fees and expenses, subject to approval of the Inspectors appointed herein.

If the Debtor should default on his payment thereof, the Trustee may, in absolute priority, call upon all funds accumulated in the Proposal to satisfy its proper Administrative Fees and Expenses. In such case, the Proposal shall be considered in default, subject to waiver of same by the Inspectors.

ARTICLE 7
FUNDS PAYABLE UNDER PROPOSAL

- 7.1 The Trustee will remit payments to Creditors from and to the extent of funds actually situate in the Proposal funds in the following order:
- a) payments of claims under Section 224(1.2) of the Income Tax Act or any similar claims under provincial legislation or any provision of the Canadian Pension Plan or the Employment Insurance Act that refers to Section 224(1.2) of the Income Tax Act or similar provincial legislation, if any
 - b) any outstanding Administrative Fees;
 - b) Employee Preferred Claims;
 - c) Payments of the remaining Proven Unsecured Claims.

ARTICLE 8
DELETED

ARTICLE 9
PROPOSAL TRUSTEE

- 9.1 Russo Corp., corporate trustee of the Town of Aurora, in the Province of Ontario, and not in its personal capacity, shall be the Proposal Trustee under this Proposal and all monies payable under this proposal shall be paid over to the Proposal Trustee who shall make payment of all distributions in accordance with the terms of this Proposal.
- 9.2 Any payments made by the Proposal Trustee to creditors hereunder shall be made by the Proposal Trustee net of any levies payable or due under the Act.
- 9.3 The Proposal Trustee is acting in its capacity as Proposal Trustee and not in its personal capacity and no officer, director, employee or agent of the Proposal Trustee shall incur any obligations or liabilities in connection with this Proposal or in respect of the business activities or liabilities of the Debtor.
- 9.4 The Proposal Trustee shall have no liability whatsoever for the Claims arising before, on or after the Filing Date.

ARTICLE 10
FULL PERFORMANCE OF PROPOSAL

- 10.1 All obligations of the Debtor under this Proposal will commence as of the Effective Date. This Proposal will be fully performed upon the payment to the Proposal Trustee of the amounts referred to in Article 3 and when all other obligations of the Debtor set out herein have been satisfied, including payment of the Trustee's Administrative Fees and Expenses.
- 10.2 When the Proposal has been fully performed by the Debtor, the Proposal Trustee will issue to the Debtor and the Official Receiver the Certificate of Full Performance as provided for in Section 65.3 of the Act.
- 10.3 During the duration of this Proposal and until the Certificate of Full Performance referred to in Article 10.2 is issued by the Proposal Trustee, the Debtor shall not merge, amalgamate, rollover or otherwise change or reorganize its corporate structure, without the prior approval of the Inspectors and unless the new or successor entity agrees to be bound by all terms and conditions of this Proposal.
- 10.4 The provisions of this Proposal will be binding on all Creditors of the Debtor, and their respective heirs, executors, administrators, successors and assigns.

ARTICLE 11
STAY OF PROCEEDINGS

- 11.1 During the Proposal Period, and provided the Corporation is not in default of any term of this proposal, each Creditor, other than Secured Creditors, will be stayed from commencing or continuing any proceeding or remedy against the Corporation or its property, based upon a Claim existing on or before the Filing Date, or whose Claim has arisen after the Filing Date, as a result of the termination, repudiation or restructuring of any contract, lease, license, equipment lease, employment relationship or other agreement after the Filing Date, including without limitation, any proceeding or remedy to recover payment of such Claim, to realize against any security granted in respect of such Claim, to recover or enforce a judgment against the Corporation in respect of such Claim or to initiate any proceedings against it under any applicable bankruptcy, insolvency or other laws in respect of such Claim, other than an application or proceeding in connection with this Proposal.

ARTICLE 12
POST FILING GOODS AND SERVICES AND PAYMENT OF CROWN

- 12.1 During the Proposal period, the Corporation shall file all returns and shall pay and keep current:
- a) Her Majesty in right of Canada and in right of any 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 any substantially similar provision of provincial legislation; and
 - b) all amounts collected in respect of sales taxes on behalf of the Canada Revenue Agency and any provincial Ministry of Finance
- 12.2 All Post-Filing Claims shall be paid in full in the ordinary course by the Corporation.
- 12.3 The Corporation shall not dispose of any assets, other than may be contemplated by this Proposal or other than in the normal course of it ongoing business.
- 12.4 The Corporation agrees that the Trustee shall not in any case be responsible for ensuring that payment is duly made to all those persons supplying Post-Filing Goods or Services.
- 12.5 All Creditors hereby release and forever discharge the Trustee from any and all liability relating to the Corporation's non- payment of any liabilities under this paragraph, and the Trustee shall not be liable for payment of any Post-Filing Claim.

ARTICLE 13
AMENDMENT OF PROPOSAL

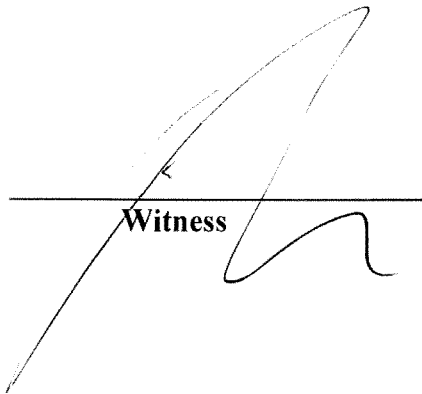
- 13.1 At any and all meetings of Creditors, the Debtor may at any time and from time to time, vary, amend, modify or supplement this Proposal.
- 13.2 If there are any variations, amendments, modifications or supplements to the Proposal made at or prior to the final Meeting Creditors held to consider the Proposal which the Proposal Trustee determines are for the general benefit of the Creditors in each class, the Proposal Trustee shall be entitled to approve such variations, amendments, modifications or supplements by exercising all voting rights its receives from Creditors in each class, who have voted in favour of the Proposal and by counting all "yes" votes and "no" votes which have not, to the time the variations, amendments, modifications or supplements are made, been changed, as "yes" votes and "no" votes for the amended or supplemental Proposal.

ARTICLE 14

MISCELLANEOUS PROVISIONS

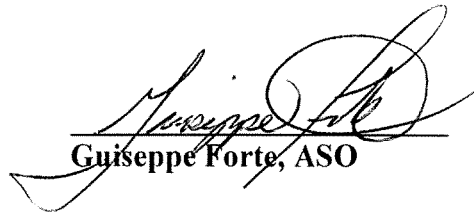
- 14.1 The Trustee may apply for its discharge upon Performance of the Proposal by the Corporation, but only after issuance of the Performance Certificate.
- 14.2 The Corporation and the Creditors will execute and deliver all such documents and instruments and do all such acts and things as may be necessary or desirable to carry out the full intent and meaning of this Proposal and to give effect to the transactions contemplated hereby.
- 14.3 The Creditors do hereby now and forever irrevocably release the Corporation and the Directors from all claims, actions, causes of action for or in respect of any Claim upon and after fulfillment of all of its responsibilities hereunder.

DATED at the Town of Aurora, in the Province of Ontario this 10th day of October 2012.



Witness

Fortech Automotive Inc.



Giuseppe Forte, ASO

Court File No. 31-1611547

ONTARIO
SUPERIOR COURT OF JUSTICE
IN BANKRUPTCY

IN THE MATTER OF THE PROPOSAL OF
FORTECH AUTOMOTIVE INC.
A CORPORATION OPERATING
IN THE TOWN OF NEWMARKET
PROVINCE OF ONTARIO

ORDER APPROVING PROPOSAL

Russo Corp.
78 Wellington Street E.
Aurora, Ontario L4G 1H8

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