

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

THE HONOURABLE) THURSDAY, THE 27TH
MR. JUSTICE LEDERMAN) DAY OF MARCH, 2008

GMAC COMMERCIAL CREDIT CORPORATION – CANADA

Applicant

- and -

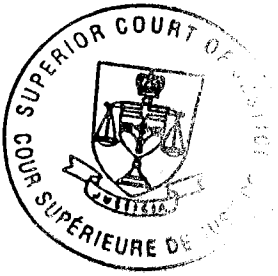
**TCT LOGISTICS INC.
AND THE COMPANIES LISTED ON SCHEDULE “A” HERETO**

Respondents

**IN THE MATTER OF AN APPLICATION UNDER SECTION 47(1) OF THE
BANKRUPTCY AND INSOLVENCY ACT, R.S.C. 1985, c.B-3 AND
SECTION 101 OF THE COURTS OF JUSTICE ACT, R.S.O. 1990, c.C.43**

SETTLEMENT APPROVAL ORDER

THIS MOTION, made by KPMG Inc. (“KPMG”), in its capacity as court-appointed Interim Receiver (in such capacity, the “Interim Receiver”) of the property, assets and undertaking of TCT Logistics Inc. and the companies listed on Schedule “A” hereto (collectively, the “Companies”), for an order abridging the time for service of the Notice of Motion and the Motion Record, approving the Twenty-Seventh Report of the Interim Receiver dated March 11, 2008 (the “Twenty-Seventh Report”), certain settlement agreements between the United Steelworkers, Local 1-500, formerly, The Industrial Wood & Allied Workers of Canada, Local 700 (the “Union”), KPMG, in its capacity as Interim Receiver and trustee in bankruptcy of each of the estates of the Companies (in such capacity, the “Trustee”), 3E Logistique Inc., and its division Spectrum Supply Chain Solutions (“Spectrum”) as described



therein and all steps and actions taken by the Interim Receiver as described therein and releasing KPMG, the Interim Receiver, the Trustee, the Union and Spectrum (collectively, the “Settlement Parties”) from certain pension matters, was heard this day, at 330 University Avenue, Toronto.

ON READING the Notice of Motion, filed, the Twenty-Seventh Report, filed, and hearing the submissions of counsel for KPMG, in its capacity as Interim Receiver and Trustee, the Union, Spectrum and GMAC Commercial Finance Corp. – Canada, and upon being advised that the Superintendent of Financial Services of Ontario (the “Superintendent”) and Morneau Sobeco Limited Partnership Inc. (“Morneau Sobeco”) were served with and do not oppose this Motion and that all other persons known to the Settlement Parties to be interested in these proceedings were served with the Notice of Motion herein,

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record be and it is hereby abridged such 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 other interested party is hereby dispensed with.

2. **THIS COURT ORDERS** that the Twenty-Seventh Report and all steps and actions taken by the Interim Receiver, the Trustee, the Superintendent and Morneau Sobeco as described therein, be and are hereby approved.

3. **THIS COURT ORDERS** that the terms of each of a settlement agreement dated as of December 4, 2007 among the Union, the Interim Receiver and Trustee, and Spectrum (the “Steelworkers Settlement”) and a settlement agreement dated as of December 4, 2007 among the Interim Receiver and Trustee, and Spectrum (the “KPMG/Spectrum Settlement” and together with the Steelworkers Settlement, the “Settlement Agreements”) and the transactions

contemplated therein (collectively the "Settlement Transactions") be and they are hereby approved.

4. **THIS COURT ORDERS** that any capitalized term used in this Order but not defined herein shall have the meaning ascribed to such term in the Steelworkers Settlement.

5. **THIS COURT ORDERS** that KPMG, in its capacity as Interim Receiver and Trustee, be and is hereby authorized, empowered and directed to, *nunc pro tunc*, enter into the Settlement Agreements and is further authorized, empowered and directed to implement and complete the Settlement Transactions in accordance with the terms and conditions of the Settlement Agreements with such alterations, amendments, deletions and additions as the parties thereto may agree to, and to perform the obligations contained in the Settlement Agreements.

6. **THIS COURT ORDERS** that, in completing the Settlements Transactions, KPMG, in its capacity as Interim Receiver and Trustee, subject to the terms and conditions of the Settlement Agreements, be and is hereby authorized to execute and deliver such additional, related and ancillary documents and assurances governing or giving effect to the Settlement Agreements as the parties thereto may agree are reasonable or necessary to conclude the Settlement Transactions and to take such steps as are necessary or incidental for the completion thereof.

7. **THIS COURT ORDERS AND DECLARES** that the terms of the Settlement Agreements, including the payment of the Settlement Funds, are fair and commercially reasonable and were arrived at in a commercially reasonable manner. This Court further orders and declares that none of Spectrum, KPMG, the Interim Receiver and the Trustee is an employer

as defined in the *Pension Benefits Act* (Ontario) (the “PBA”) for the purposes of the PBA with respect to the Pension Plan.

8. **THIS COURT ORDERS** that KPMG, the Interim Receiver, the Trustee, the Union, Spectrum, the Superintendent and Morneau Sobeco and each of their respective agents, employees, professional advisors and applicable actuaries (collectively, the “Pension Parties”) shall incur no liability to the Pension Plan for or in respect of the Employees, and are hereby released, from all liability, costs, losses and claims whatsoever as a result of any and all acts or omissions taken by any or all of them in respect of the Pension Plan, including but not limited to its administration and funding, the manner in which any and all claims have been advanced in respect of the Pension Plan in these proceedings, the negotiations and agreements to enter into the Settlement Agreements and the implementation of all of the foregoing, provided that nothing herein shall release any of the Pension Parties from any applicable obligations that arise solely under the Settlement Agreements.

9. **THIS COURT ORDERS** that the KPMG/Spectrum Settlement shall be treated as confidential and sealed and shall not form part of the public record until further Order of this Honourable Court or, without such an Order, until the filing of a certificate by the Interim Receiver confirming that the Settlement Transactions have closed to the satisfaction of the Interim Receiver.

10. **THIS COURT ORDERS** that, notwithstanding:

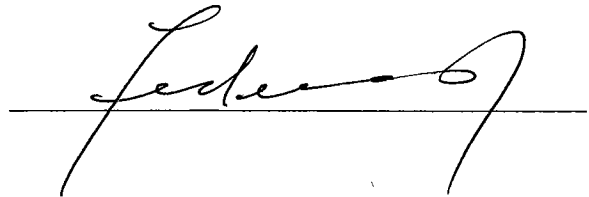
- (a) the pendency of these proceedings;
- (b) the pendency of the bankruptcy proceedings pursuant to the *Bankruptcy and Insolvency Act* (Canada) (the “BIA”) with respect to the Companies; and

(c) the provisions of any federal or provincial statute,

neither the Settlement Agreements and the Settlement Transactions contemplated therein will be void or voidable at the instance of creditors and claimants and do not constitute nor shall they be deemed to be settlements, fraudulent preferences, assignments, fraudulent conveyances or other reviewable transactions under the BIA or any other applicable federal or provincial legislation, and they do not constitute conduct meriting an oppression remedy.


11. **THIS COURT ORDERS** that the Interim Receiver shall post a copy of this Order on the website www.kpmg.ca/tctlogistics and shall maintain such posting at least 30 days following the date of this Order.

12. **THIS COURT REQUESTS** the aid, recognition and assistance of any court, tribunal, administrative body or registrar in any jurisdiction in Canada and/or the United States in connection with the implementation and carrying out of the terms of this Order and in connection with the authority granted hereunder to proceed with and conclude the transactions contemplated by the Settlement Agreements.



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PER/PAR: 

SCHEDULE "A"
TCT LOGISTICS INC. RELATED COMPANIES

TCT Logistics Inc.
TCT Acquisition No. 1 Ltd.
Atomic TCT Logistics Inc.
Atomic TCT Logistics (Alberta) Inc.
TCT Canada Logistics Inc.
Inter-Ocean Terminals (B.C.) Ltd.
Atomic Transport Incorporated
TCT Warehousing Logistics Inc.
TCT Warehousing Logistics No. 2 Inc.
R.R.S. Transport (1998) Inc.
TCT Acquisition No. 2 Ltd.
Tri-Line Expressways Ltd. (a successor to Tri-Line Expressways Ltd. and TCT Acquisition No. 3 Ltd.)
Tri-Line Expressways, Inc.
2984008 Canada Inc.
High-Tech Express & Distribution Inc.
606965 British Columbia Ltd.
606966 British Columbia Ltd.

GMAC COMMERCIAL CREDIT
CORPORATION – CANADA
Applicant

TCT LOGISTICS INC. et al.
Respondents

Court File No: 02-CL-4387

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

Proceeding commenced at Toronto

SETTLEMENT APPROVAL ORDER

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Solicitors for KPMG Inc., in its capacity as the
Interim Receiver of the Respondents