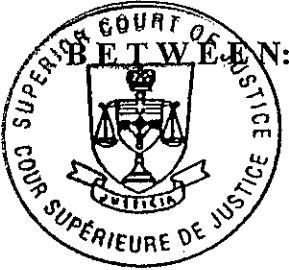


ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF THE *SECURITIES ACT*
R.S.O. 1990, C.S.5, AS AMENDED

THE HONOURABLE MR.)
JUSTICE MORAWETZ)

TUESDAY THE 30th DAY
OF OCTOBER, 2007



ONTARIO SECURITIES COMMISSION

Applicant

- and -

FACTORCORP INC. and FACTORCORP FINANCIAL INC.

Respondents

ORDER

THIS MOTION made by KPMG Inc., in its capacity as the Receiver and Manager (the "Receiver") of all of the assets, undertakings and properties of Factorcorp Inc. and Factorcorp Financial Inc. (collectively, "Factorcorp"), for an Order approving the conduct and activities of the Receiver and for the advice and direction of this Honourable Court, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the First Report of the Receiver dated October 29, 2007 and the Schedules thereto (the "First Report"), and on hearing the submissions of counsel for the Receiver, counsel for the Ontario Securities Commission and counsel for the Respondents:

1. **THIS COURT ORDERS AND DECLARES** that the time for the service of the Notice of Motion, the Motion Record and the First Report be and it is hereby abridged to the date of actual service, this Motion is properly returnable today and service upon any other party other than those served with the Notice of Return of Motion be and it is hereby dispensed with.


2. **THIS COURT ORDERS** that the First Report and the activities and conduct of the Receiver described therein be and they are hereby approved.

3. **THIS COURT ORDERS** that the Order of this Honourable Court dated October 5, 2007, and attached hereto as Schedule "A", terminated upon the appointment of the Receiver on October 17, 2007.

A handwritten signature in black ink, appearing to be "A. J. ...", written over a horizontal line.

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

OCT 30 2007

PER/PAR: A handwritten signature in black ink, appearing to be "Mh", written over the text "PER/PAR:".

SCHEDULE "A"

Court File No. 07-CL-7124

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

THE HONOURABLE
JUSTICE MORAWETZ

) ~~FRIDAY~~ ^{FRIDAY})
) ~~THURSDAY~~ ^{5th 18th})
) ~~THE 4TH~~)
) DAY OF OCTOBER, 2007

**IN THE MATTER OF THE SECURITIES ACT
R.S.O. 1990, C.S.5, AS AMENDED**

BETWEEN:

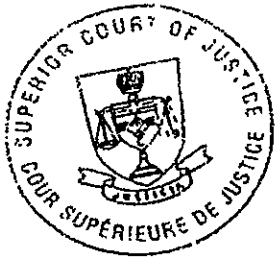
ONTARIO SECURITIES COMMISSION

Applicant

- and -

**FACTORCORP INC. and
FACTORCORP FINANCIAL INC.**

Respondents



CONFIDENTIALITY ORDER

THIS MOTION, made by the Respondents for a confidentiality and sealing order, was heard this day at 330 University Avenue, 8th Floor, Toronto, Ontario.

ON READING the Motion Record of the Respondents (Moving Parties), the Affidavit of Andre Moniz, sworn October 3, 2007, (filed under seal), the Factum of the Respondents and the Responding Submissions of the Applicant, and on hearing the submissions of counsel for the Applicant and the Respondents (collectively, the "Parties"), and on being informed of the consent of the parties,

1. **THIS COURT ORDERS** that, for the purposes of this Order, "Confidential Information" means any document, report, pleading, affidavit, facta, transcript, exhibit book, undertaking answer, record, chart, information or other material, or any part thereof, regarding or referencing the Respondents' refinancing efforts and negotiations, its assets, its security arrangements with customers or others, its valuations regarding customers or end borrowers, its information regarding interest payments made, its cash receipts and disbursements and its budget, or particulars of negotiations regarding repayments to the Respondents' customers and end borrowers.

2. **THIS COURT ORDERS** that the Confidential Information relating to the Respondents' re-financing efforts and negotiations or the particulars of negotiations regarding repayments to the Respondents' customers and end borrowers will be accessible to, and may be reviewed only by the Parties, counsel for the Parties, KPMG Inc. (acting as Monitor for the Respondents) and any experts counsel for the Parties may retain for the purpose of these proceedings (the Parties, KPMG Inc. and such experts being the "Designated Individuals"), and that under no circumstances shall anyone other than counsel to the Parties or the Designated Individuals have access to or review the Confidential Information, save and except as directed by the Court.

3. **THIS COURT ORDERS** that the Confidential Information relating to the Respondents' assets, its security arrangements with customers or others, its valuations regarding customers or end borrowers, or its information regarding interest payments or principal repayments, its cash receipts and disbursements and its budget will be accessible to, and may be reviewed only by the Parties, counsel for the Parties, KPMG Inc. (acting as Monitor for the Respondents) and any experts counsel for the Parties may retain for the purpose of these proceedings (the Parties, KPMG Inc. and such experts being the "Designated Individuals"), and that under no circumstances shall anyone other than counsel to the Parties or the Designated Individuals have access to or review the Confidential Information, save and except as directed by the Court.

4. **THIS COURT ORDERS** that, notwithstanding paragraph 3 above, the Monitor may finalize a report, on or after October 15, 2007, which discloses the Confidential Information identified in paragraph 3 above, but which redacts any reference to the Confidential Information identified in paragraph 2 above, and for greater certainty, to the extent the disclosure of the Confidential Information identified in paragraph 3 above would reveal the status or terms of the Confidential Information identified in paragraph 2 above, any such references must also be redacted, and not disclosed.

5. **THIS COURT ORDERS** that, subject to paragraphs 2 through 4 above, the Confidential Information shall be used by the Designated Individuals and by the Parties and counsel to the Parties solely for the purpose of these proceedings and for regulatory proceedings commenced by Notice of Hearing issued by the Ontario Securities Commission in relation to the Respondents on July 6, 2007, and no other or collateral purpose.

6. **THIS COURT ORDERS** that, subject to paragraphs 2 through 4 above, prior to the receipt of, disclosure to and the use of the Confidential Information by any Designated Individual, the Designated Individual shall be provided with a copy of this Order and shall acknowledge in writing that the Designated Individual has read this Order, understands this Order, and agrees to be bound by the terms of this Order.

7. **THIS COURT ORDERS** that, subject to paragraphs 2 through 4 above and the original written acknowledgments referred to in paragraph 6 of this Order shall be retained by counsel for the Parties.

8. **THIS COURT ORDERS** that, subject to paragraphs 2 through 4 above, except as expressly provided in this Order or agreed to in writing by the Parties:

- (a) a Designated Individual shall maintain all Confidential Information in strict confidence and shall not:
 - (i) reveal or permit access to the Confidential Information to any person other than another Designated Individual; or

- (ii) reproduce, release, disclose or use that information in any manner for any purpose other than for the Motion.


9. **THIS COURT ORDERS** that a Party may, on notice to all other Parties, seek an Order of this court modifying this Order or seek directions as to the meaning or application of this Order.



A handwritten signature in black ink, appearing to read "A. J. Lawrence", is written over a horizontal line.

ENTREPRENEUR D'ORDRE À TORONTO
N° D'ORDRE NO:
ET DANS LE REGISTRE NO:

OCT 15 2007

VERIFIÉ 

ONTARIO SECURITIES COMMISSION
Applicant

and
FACTORCORP INC. et al
Respondents

Court File No: 07-CL-7124

**ONTARIO
SUPERIOR COURT OF JUSTICE-
COMMERCIAL LIST**

Proceeding commenced at Toronto

CONFIDENTIALITY ORDER

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Solicitors for the Respondents

ONTARIO SECURITIES COMMISSION
Applicant

and

FACTORCORP INC. and FACTORCORP FINANCIAL INC.
Respondents

Court File No.: 07-CL-7124

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
Proceeding commenced in Toronto

ORDER

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LSUC# 45474I

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Solicitors for KPMG Inc., in its capacity as
Receiver and Manager of the property, assets and
undertakings of FactorCorp Inc. and FactorCorp
Financial Inc.