

**ONTARIO
SUPERIOR COURT OF JUSTICE
IN BANKRUPTCY AND INSOLVENCY**

BETWEEN:

DAVROND CORPORATION

Applicant

- and -

UNIVERSAL HANDLING EQUIPMENT COMPANY LIMITED

Respondents

**SUPPLEMENT TO THE FIRST REPORT TO THE COURT
SUBMITTED BY KPMG INC.
IN ITS CAPACITY AS RECEIVER OF
UNIVERSAL HANDLING EQUIPMENT COMPANY LIMITED**

January 14, 2015

1.0 INTRODUCTION AND PURPOSE

- 1.1** On January 9, 2015, KPMG Inc. (the “Receiver”) filed its first report to the Court (the “First Report”). One of the purposes of the First Report was to request the approval of the Receiver’s proposed sale process for Universal Equipment Handling Company Limited’s inventory.
- 1.2** The purpose of this supplement to the First Report is to provide the Court with adjusted versions of the proposed terms and conditions of sale and form of offer provided with the First Report. The Receiver has changed the terms and conditions of sale and form of offer in order to break down the inventory into 12 separate lots. The Receiver believes that by breaking down the inventory into these lots, the value of the inventory can be maximized by allowing different purchasers to purchase individual lots instead of requiring one purchaser to purchase all of the inventory in one transaction. Copies of the revised documents are attached as **Appendix A**.

This First Report is respectfully submitted this 14th day of January, 2015.

**KPMG INC.,
Court Appointed Receiver of
Universal Handling Equipment Company Limited**



Per: Kevin J. Treacy
Senior Vice President