

Court File No. CV-09-8122-00CL

**Indalex Limited
Indalex Holdings (B.C.) Ltd.
6326765 Canada Inc. and
Novar Inc.**

TENTH REPORT OF THE MONITOR
October 21, 2009

Court File No. CV-09-8122-00CL

**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
INDALEX LIMITED
INDALEX HOLDINGS (B.C.) LTD.
6326765 CANADA INC. and
NOVAR INC.

**TENTH REPORT TO THE COURT
SUBMITTED BY FTI CONSULTING CANADA ULC
IN ITS CAPACITY AS MONITOR**

INTRODUCTION

1. On April 3, 2009, Indalex Limited ("**Indalex**"), Indalex Holdings (B.C.) Ltd. ("**Indalex BC**"), 6326765 Canada Inc. ("**632**") and Novar Inc. ("**Novar**") (collectively, the "**Applicants**") made an application under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") and an Initial Order (the "**Initial Order**") was made by the Honourable Mr. Justice Morawetz of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") granting, *inter alia*, a stay of proceedings against the Applicants until May 1, 2009 (the "**Stay Period**"), and appointing FTI Consulting Canada ULC as monitor ("**FTI Canada**" or the "**Monitor**"). The proceedings commenced by the Applicants under the CCAA will be referred to herein as the "**CCAA Proceedings**".

2. Indalex's parent is Indalex Holding Corp. ("**Indalex Holding**"), which is a wholly-owned subsidiary of Indalex Holdings Finance, Inc. ("**Indalex Finance**"). Indalex BC, 632 and Novar are wholly owned subsidiaries of Indalex. On March 20, 2009, Indalex Holding, Indalex Finance, Indalex Inc., Caradon Lebanon, Inc. and Dolton Aluminum Company, Inc. (collectively, the "**US Debtors**") commenced proceedings (the "**Ch.11 Proceedings**") under chapter 11 of the *United States Bankruptcy Code* (the "**USBC**") in the United States Bankruptcy Court, District of Delaware (the "**US Court**"). The case has been assigned to Judge Walsh.
3. On April 8, 2009, the Honourable Mr. Justice Morawetz granted the Amended and Restated Initial Order which, *inter alia*, approved the DIP Credit Agreement (as defined in paragraph 33 of the Amended and Restated Initial Order). The Amended and Restated Order was further amended on May 12, 2009, to correct certain references and typographical errors in the Amended and Restated Initial Order, and on June 12, 2009, to increase the Canadian sub-facility borrowing limit.
4. The Stay Period has been extended a number of times and currently expires October 30, 2009 pursuant to the Order of the Honourable Mr. Justice Campbell granted July 30, 2009.
5. On April 22, 2009, the Honourable Mr. Justice Morawetz granted an Order which, *inter alia*, approved the Marketing Process to identify a Stalking Horse bid for Indalex's assets.
6. On July 2, 2009, the Honourable Mr. Justice Morawetz granted an Order which approved the Stalking-Horse Bid of Sapa Holding AB ("**Sapa**") as a "Qualified Bid" under the Stalking Horse Process and the Bidding Procedures.

7. No additional Qualified Bids were received in connection with the Stalking Horse Process prior to the Bidding Deadline and on July 20, 2009, the sale of substantially all of the assets and business of the Applicants and the US Debtors pursuant to the terms of the Asset Purchase Agreement dated as of June 16, 2009 by and among the US Debtors and the Applicants (other than Novar), as sellers, and Sapa, on its own behalf and on behalf of one or more Canadian Purchasers to be named (the “**Sapa Transaction**”) was approved by the Court pursuant to the Order of the Honourable Mr Justice Campbell (the “**Approval and Vesting Order**”). The US Court approved the Sapa Transaction on the same date.
8. On July 30, 2009, a procedure for the submission, evaluation and adjudication of claims against the Applicants and for the submission of claims, if any, against the current and former directors and officers of the Applicants (the “**Claims Procedure**”) was approved pursuant to the Order of the Honourable Mr Justice Campbell.
9. The Sapa Transaction closed in Canada and the U.S. on July 31, 2009.
10. The purpose of this, the Monitor’s Tenth Report, is to inform the Court on the following:
 - (a) The motion filed by the Retired Executives for an extension of the period to file their motion record and factum for leave to appeal the decision of the Honourable Mr. Justice Morawetz dismissing the Retired Executives’ motion seeking an order requiring the Applicants to reinstate payments under the supplemental executive retirement plan (the “**SERP Extension Motion**”);
 - (b) An update on the status of the Deemed Trust Motions and the Bankruptcy Leave Motion, which are described in the Ninth Report of the Monitor;

- (c) The granting of an Order by the US Court converting the Ch.11 Proceedings to proceedings under Chapter 7 of the USBC (the “**Ch.7 Proceedings**”); and
 - (d) The Monitor’s motion for advice and directions regarding:
 - (i) An expansion of the Monitor’s powers in order to facilitate the completion of the CCAA Proceedings; and
 - (ii) An extension of the Stay Period for approximately three months to February 5, 2010.
11. In preparing this report, the Monitor has relied upon unaudited financial information of the Applicants, the Applicants’ books and records, certain financial information prepared by the Applicants and discussions with the Applicants’ management. The Monitor has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the information. Accordingly, the Monitor expresses no opinion or other form of assurance on the information contained in this report or relied on in its preparation. Future oriented financial information reported or relied on in preparing this report is based on management’s assumptions regarding future events; actual results may vary from forecast and such variations may be material.
12. Unless otherwise stated, all monetary amounts contained herein are expressed in United States Dollars. Capitalized terms not otherwise defined herein have the meanings defined in prior Monitor’s Reports. Copies of the prior Monitor’s Reports and the other materials filed with the Court can be obtained from the Monitor’s website at: <http://cfcanda.fticonsulting.com/indalex/>.

THE SERP EXTENSION MOTION

13. On July 2, 2009, the Retired Executives brought a motion before the Honourable Mr. Justice Morawetz seeking an order requiring the Applicants to reinstate payment of certain supplemental pension benefits (the “**SERP Payments**”)

retroactive to April 2009. Justice Morawetz found, *inter alia*, that (a) the SERP Payments are pre-filing unsecured obligations; (b) breach of the obligation to make the SERP Payments gives rise to an unsecured claim; and (c) the Retired Executives are stayed from enforcing these payment obligations.

- 14. On July 17, 2009, the Retired Executives filed a Notice of Motion with the Ontario Court of Appeal seeking leave to appeal the decision of Justice Morawetz.
- 15. On September 17, 2009, the Registrar of the Court of Appeal issued a Notice of Intention to Dismiss for Delay if the moving party's motion record and factum are not filed by October 2, 2009.
- 16. On October 2, 2009, the Retired Executives filed a motion, returnable October 22, 2009, seeking an order extending the time to file their motion record and factum to the date which is 30 days after the Court of Appeal releases its decision in the *Nortel Networks Corp.* matter, bearing Court of Appeal file numbers M37770 and M37771 (the "Nortel Appeal"), which was heard by the Court of Appeal on October 1, 2009.
- 17. Counsel to the Monitor and counsel to the Applicants discussed the motion with counsel to the Retired Executives and the Applicants and the Monitor, among others, have consented to an extension to the date that is 14 days after the Court of Appeal releases its decision in the Nortel Appeal.

DEEMED TRUST MOTIONS AND BANKRUPTCY LEAVE MOTION

- 18. On August 28, 2009, certain former executives of the Applicants and the United Steelworkers Union brought motions seeking determinations that property of the Applicants is subject to deemed trusts in favour of the beneficiaries of the "Executive Pension Plan" and the "Salaried Pension Plan", respectively.

19. On the same date, the Applicants brought a motion for leave to lift the stay of proceedings for the purpose of allowing one or more of the Applicants to file an assignment in bankruptcy.
20. The motions were heard by the Honourable Mr. Justice Campbell on August 28, 2009. The decision of the Court remains under reserve. As a result, no assignment in bankruptcy has been filed and no trustee in bankruptcy has been appointed in respect of any of the Applicants.

CONVERSION OF THE CH.11 PROCEEDINGS TO CH.7 PROCEEDINGS

21. On October 14, 2009, Judge Walsh of the US Court granted an Order converting the Ch.11 Proceedings to Ch.7 Proceedings, effective as of 4:00 p.m. Eastern Time on October 30, 2009 (the "**Ch.7 Order**"). A copy of the Ch.7 Order is attached hereto as Appendix A.
22. As this Honourable Court is aware, proceedings under Chapter 7 of the USBC are analogous to a bankruptcy under the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended. When the Ch.7 Order become effective, the US Debtors will no longer be "debtors-in-possession" and control of the US Debtors and their estate will pass to the Chapter 7 Trustee.
23. Following the closing of the Sapa Transaction, the directors of the Applicants resigned effective July 31, 2009. Since that date, control of the Applicants has been exercised by the US Court-appointed Chief Restructuring Officer of the US Debtors pursuant to a unanimous shareholder declaration. As a result, as of 4:00 p.m. on October 30, 2009, the Applicants will no longer be under the control of the Chief Restructuring Officer.

EXTENSION OF THE MONITOR'S POWERS

24. Pursuant to various Orders issued in the CCAA Proceedings, the Monitor is currently authorized, *inter alia*, to:
- (a) Hold the Sale Proceeds;
 - (b) Take such acts and make any disbursements required to give effect to, evidence or document the Sapa Transaction; and
 - (c) Pay the fees and disbursements of the Monitor and its counsel and counsel to the Applicants.
25. There remain a number of matters that need to be dealt with in order to complete the CCAA Proceedings, including:
- (a) Finalization of the working capital calculation and any related purchase price adjustment pursuant to the Sapa Transaction;
 - (b) Completion of sales tax audits, collection of sales and other tax refunds currently estimated at approximately Cdn\$1.4 million and filing of future tax returns;
 - (c) Payment of any remaining post-filing liabilities, ongoing legal and professional fees and any incidental costs;
 - (d) Responding to the Retired Executive's leave to appeal motion and any resulting appeal;
 - (e) Any matters resulting from the pending decision of the Honourable Mr. Justice Campbell in relation to the Deemed Trust Motions and the Bankruptcy Leave Motion, including any appeals there from;
 - (f) Completion of the Claims Procedure, including resolution of the Sun Claim;

- (g) Investigating the possibility of a restructuring transaction based on the Applicants' tax loss attributes;
 - (h) The distribution of the Sale Proceeds and other funds in accordance with legal priorities; and
 - (i) Any other matters arising in relation to the CCAA Proceeding.
26. As the Applicants have no remaining employees or management and the effect of the conversion of the Ch.11 Proceedings to Ch.7 Proceedings is that the Chief Restructuring Officer will no longer control the Applicants or have the authority to instruct their counsel, the Monitor is of the view that it is in the best interests of the Applicants and their stakeholders that the Monitor's powers be expanded to empower the Monitor to take all steps necessary to complete the CCAA Proceedings in an orderly and efficient manner.

EXTENSION OF THE STAY PERIOD

27. The Stay Period currently expires on October 30, 2009. Additional time is required to complete the matters necessary for the completion of the CCAA Proceedings. The continuation of the stay of proceedings is necessary to provide for the stability required during that time. Accordingly, the Monitor is seeking an extension of the Stay Period to February 5, 2010.
28. Based on the information currently available, the Monitor believes that creditors would not be materially prejudiced by such an extension.
29. The Monitor also believes that the Applicants have acted, and are acting, in good faith and with due diligence and that circumstances exist that make an extension of the Stay Period appropriate.
30. The Monitor therefore respectfully requests that this Honourable Court grant an extension of the Stay period to February 5, 2010.

The Monitor respectfully submits to the Court this, its Tenth Report.

Dated this 21st day of October, 2009.

FTI Consulting Canada ULC
in its capacity as the Monitor of
Indalex Limited, Indalex Holdings (B.C.) Ltd.,
6326765 Canada Inc. and Novar Inc.



Nigel D. Meakin
Senior Managing Director

TAB A

UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE

-----)	
In re)	Chapter 11
IH 1, Inc., <i>et al.</i> ¹)	Case No. 09-10982-PJW
Debtors.)	(Consolidated for Administration)
-----)	Related to Doc. No. 655, 611, 223, 700
-----)	

AGREED ORDER CONVERTING THE DEBTORS' CHAPTER 11 CASES TO CHAPTER 7 CASES PURSUANT TO 11 U.S.C. § 1112(b) AND REAFFIRMING RIGHTS UNDER FINAL ORDER (I) AUTHORIZING THE DEBTORS (A) TO OBTAIN POST-PETITION FINANCING UNDER 11 U.S.C. §§ 105, 361, 362, 364 (c)(1), 364, 364(c)(2), 364(c)(3), 364(d)(1) AND 364(e) AND (B) TO UTILIZE CASH COLLATERAL UNDER 11 U.S.C. § 363 AND (II) GRANTING ADEQUATE PROTECTION UNDER 11 U.S.C. §§ 361, 362, 363 AND 364

Upon consideration of the Motion of the Official Committee of Unsecured Creditors' of Indalex Holdings Finance, Inc., Indalex Holdings, Indalex, Inc., Caradon and Dolton to Convert the Debtors' Chapter 11 Cases to Chapter 7 Cases Pursuant to 11 U.S.C. §1112(b) (the "Motion"), and finding that due and sufficient notice of the Motion having been given under the circumstances; and it appearing that the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334 and this is a core proceeding under 28 U.S.C. §157(b)(2); and the Debtors, the Creditors' Committee, Sun Indalex Finance, LLC, the DIP Agent and the Prepetition Agent having agreed to the conversion to chapter 7 on the terms set forth herein; and after due deliberation and sufficient cause appearing therefore, it is hereby

¹ The Debtors in these cases and their tax identification numbers are: IH 1, Inc. f/k/a Indalex Holdings Finance, Inc. (XX-XXX0880) ("Indalex Finance"), IH 3, Inc. f/k/a Indalex Holding Corp. (XX-XXX0715) ("Indalex Holdings"), IH 2, Inc. f/k/a Indalex Inc. (XX-XXX7362) ("Indalex Inc."), IH 4, Inc. f/k/a Caradon Lebanon, Inc. (XX-XXX1208) ("Caradon"), and IH 5, Inc. f/k/a Dolton Aluminum Company, Inc. (XX-XXX2781) ("Dolton"). The business address for all of the Debtors is 75 Tri-State International, Suite 450, Lincolnshire, IL 60069.

ORDERED, ADJUDGED and DECREED as follows:

The Motion is GRANTED.

2. The Debtors' chapter 11 cases are converted, pursuant to 11 U.S.C. § 1112(b), to cases under chapter 7 of the United States Bankruptcy Code, effective as of 4:00 p.m. (EST) October 30, 2009 (the "Conversion Date"). Pending the Conversion Date, the Investigatory Period, as defined in the Final DIP Order (defined below), shall continue with all rights preserved. Thereafter, the Investigatory Period shall extend, solely for the chapter 7 trustee, for thirty (30) days following the Conversion Date or as otherwise ordered by this Court upon a showing of cause by the chapter 7 trustee.

3. Notwithstanding any other Order of this Court entered during these bankruptcy cases, all rights to investigate, prosecute, settle or otherwise proceed with the Sun Actions² or the Allocation Motion (Docket No. 658) are hereby reserved for the chapter 7 trustee (including, without limitation, the right to commence and prosecute the Sun Actions and Allocation Motion, and the rights reserved for the chapter 7 trustee and the Committee in the Final DIP Order (defined below) and in the Sale Order (defined below)).

4. The Debtor shall:

a. Forthwith turn over to the chapter 7 trustee all records and property of the estate under its custody and control as required by Federal Rule of Bankruptcy Procedure ("FRBP") 1019(4);

b. Within 15 days of the date of this order file a schedule of unpaid debts incurred after commencement of the superseded cases, including the name and address of each creditor, as required by FRBP 1019(5);

² All capitalized terms that are not defined herein shall have the meaning ascribed to them in the Motion.

c. Within 15 days of the date of this order file the statements and schedules required by FRBP 1019(1)(A) and 1007(b), if such documents have not already been filed; and

d. Within 30 days of the date of this order, file and transmit to the United States Trustee a final report and account as required by FRBP 1019(5)(A).

5. The Debtors shall escrow funds in an amount equal to all unpaid professional fees incurred and costs advanced through the Conversion Date (the "Escrow Funds") for the benefit of professionals, with these estates having a residual interest in the escrowed funds to the extent there are excess funds in such escrow account after such fees are allowed by the Court and paid. The Escrow Funds shall include a good faith estimate of fees and costs to be incurred through the Conversion Date. All parties shall be barred from objecting to professional fees on the basis of the Litigation Cap (used as defined in the DIP Order) set forth in paragraph 21 of the Final Order (I) Authorizing the Debtors (A) To Obtain Post-Petition Financing Under 11 U.S.C. §§ 105, 361, 362, 354(c)(1), 364(c)(2), 364(c)(3) and 364(e) and (b) to Utilize Cash Collateral Under 11 U.S.C. § 363 and (II) Granting Adequate Protection Under 11 U.S.C. §§ 361, 362, 363 and 364 (the "Final DIP Order", Docket No. 223), provided, however, that all other rights are reserved with respect to fee objections not otherwise barred, waived, or estopped by prior orders of the Court.

6. Huron Consulting Group ("Huron") shall immediately submit a disbursement notice to Wilmington Trust Corporation regarding outstanding fees and expenses of \$201,454.20 (80% of fees and 100% of expenses) on account of the Second Monthly Application of Huron Consulting Group As Financial Advisors for the Official Committee of Unsecured Creditors for Allowance of Interim Compensation and for Interim Reimbursement of All Actual and Necessary Expenses Incurred for the Period May 1, 2009 Through May 31, 2009 ("Huron's Second Fee Application"), and Wilmington

Trust Corporation shall immediately pay those funds as permitted in accordance with, and subject to, this Court's Order Authorizing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals (the "Fee Order", Docket No. 149). Nothing herein bars the final allowance and payment of the 20% holdback of fees sought by Huron under Huron's Second Fee Application, or the rights of any party to object to final allowance of any amounts requested in Huron's Second Fee Application.

7. On the Conversion Date, the automatic stay shall be lifted in favor of Sun Indalex Finance, LLC ("Sun"), for the sole purpose of permitting Sun, in consultation with the chapter 7 trustee, to conduct negotiations and settlement (subject to Court approval and pursuant to a budget agreed upon by Sun and the chapter 7 trustee) of (a) working capital adjustment remaining from the Debtors' sale of substantially all of their assets to SAPA Holdings AB and its affiliates (the "Sale"), which Sale was approved by Order of this Court dated July 20, 2009 (the "Sale Order," Docket No. 516) and (b) the monetizing of remaining letters of credit, as well as adjustments to the workers' compensation collateral, provided, however, that any benefit that is derived from such efforts shall inure to the bankruptcy estates and distributions derived therefrom shall be made upon subsequent order of this Court.

8. Upon entry of this Order, Sun shall be paid \$1,800,000 (the "Sun Payment") from the Sale proceeds currently being held by the Debtors. The Sun Payment shall be subject to clawback in the event and to the extent that the chapter 7 trustee prevails in an objection, contest or other challenge to the validity, perfection, priority, extent or enforceability of any amount due Sun, including, without limiting the scope of this paragraph, challenges asserted under chapter 5 of the Bankruptcy Code. Without limiting the rights of any party in interest, all other estate assets shall remain with the bankruptcy estates pending further order of Court.

9. Except as provided in paragraphs 5, 7, 8, 11, 14, 15, 16 and 17 hereof, nothing in this Order shall in any manner modify, impair or otherwise limit any of the rights and remedies granted under the Sale Order or the Final DIP Order to the DIP Agent, the DIP Lenders, the Prepetition Agent, the Prepetition Revolving Lenders, the Prepetition Indenture Trustee (such terms used as defined in the Final DIP Order), the Issuing Bank (used as defined in the Sale Order) the Debtors, the Committee, or the professionals retained in these cases.

10. Notwithstanding anything to the contrary contained herein, the Debtors' estates shall pay to the DIP Agent all remaining fees and expenses owing under the DIP Credit Agreement (used as defined in the Sale Order) as and when due.

11. The chapter 7 trustee shall not have any authority, and is prohibited from requesting authority, under 11 U.S.C. § 363 or otherwise, (1) to use the funds deposited (or any investment of those funds) in the L/C Collateral Account (used as defined in the DIP Credit Agreement) for any purpose at any time during the Debtors' bankruptcy cases or (2) to grant or suffer to exist a lien of any priority on the L/C Collateral Account to secure any obligation of the Debtors or their estates other than the perfected, unavoidable first priority lien, senior to all other prepetition and postpetition liens, under 11 U.S.C. § 364(c)(2), on the L/C Collateral Account and any investment of the funds contained therein for the benefit of the DIP Agent and the Issuing Bank; provided, however, that upon the indefeasible payment in cash in full (whether by direct payment by the Debtors' estates or deduction from the L/C Collateral Account) of each of the remaining obligations under the DIP Credit Agreement owing to the DIP Agent or the Issuing Bank as set forth in the Payoff Letter (used as defined in the Sale Order), the DIP Agent will return to the Debtors' estates the funds remaining in the L/C Collateral Account that are unused for the payment of such obligations.

12. JPMorgan Chase Bank, N.A. ("JPM"), as DIP Agent and Prepetition Agent, consents pursuant to paragraphs 10, 11 and 16 of the Final DIP Order regarding payments of all amounts paid by the Debtors prior to consummation of sale, escrowed in connection with such Sale, and paid after consummation of such Sale, which amounts were intended to ensure payment of all administrative claims that arose from and after consummation of these cases (as budgeted by the Debtors).

13. Nothing contained herein shall preclude JPMorgan Chase Bank, N.A. from resigning as the DIP Agent or from resigning as the Prepetition Agent.

14. Effective immediately upon the effectiveness of this Order, JPM's resignation as Prepetition Agent under the Prepetition Credit Agreement and each of the "Loan Documents" (as defined therein) as provided for in and pursuant to Article VIII of the Prepetition Credit Agreement shall become effective, and Sun is hereby appointed as the Prepetition Agent under the Prepetition Credit Agreement and such Loan Documents. Sun hereby accepts such appointment as provided for in and pursuant to Article VIII of the Prepetition Credit Agreement. The Debtors hereby acknowledge such appointment and confirms such appointment is satisfactory to them. Neither this Order nor any resignation by JPM as the Prepetition Agent shall impair, limit or otherwise affect the validity, priority and/or extent of any lien or security interest granted to JPM as Prepetition Agent for the benefit of Sun.

15. Effective concurrently with the resignation of JPM as the Prepetition Agent, (i) Sun shall automatically and without the necessity of any further action by any Person (including, without limitation, any amendment to, or refilling of, any agreement, documents, instrument or financing statement naming JPM as secured party), be deemed to have been substituted for JPM as the grantee of, the secured party or mortgagee or beneficiary with respect to and/or the holder of all of the security interests, pledges, collateral assignments, mortgage liens, deeds of trust and other liens of any

kind, type or nature granted by any of the Debtors pursuant to the Prepetition Credit Agreement and the "Loan Documents" (as defined in the Prepetition Credit Agreement), specifically including without limitation, any security agreements, mortgages, equity pledge agreements, patent security agreements, trademark security agreements and any and all other security agreements or collateral documents of any type or kind executed by any Debtor or any of their affiliates or any other Person in favor of JPM as Prepetition Agent to secure the obligations owing to Sun under the Prepetition Credit Agreement and such Loan Documents (the "Existing Liens"), (ii) all such Existing Liens hereafter shall be deemed to have been granted and/or given to Sun as Prepetition Agent, and (iii) each reference in the Prepetition Credit Agreement or such other Loan Document to JPM, in its capacity as the Administrative Agent, as the grantee of, the secured party or mortgagee or beneficiary with respect to or the holder of any of the Existing Liens shall hereafter be deemed to be a reference to Sun as the Administrative Agent.

16. Without limiting or contradicting any provision of immediately preceding two paragraphs and without requiring Sun to take any action, (i) Sun and its attorneys are hereby authorized to file any and all amendments with respect to any and all UCC-1 financing statements naming JPM as secured party and any Debtor or any of its affiliates as debtor filed in any jurisdiction in connection with the Prepetition Credit Agreement and such Loan Documents (including without limitation amendments changing the secured party of record with respect to any such financing statement from JPM to Sun) as Sun may in the future elect in its discretion, (ii) JPM, as Prepetition Agent, and the Debtors shall execute and deliver to Sun any and all other agreements, documents or instruments that Sun may hereafter reasonably request to reflect the provisions of this paragraph, and Sun is hereby authorized to file and/or record any such agreement, document or instrument so executed and delivered by JPM or the Debtors in and/or with

any applicable public registry, recorder's office or other governmental authority or agency and (iii) Sun is hereby authorized to provide any applicable public registry, recorder's office or other governmental authority or agency with which any agreements, documents or instruments relating the Existing Liens are filed or any other applicable party in interest (including any applicable court) as evidence of the substitution of Sun for JPM as the grantee of, the secured party or mortgagee or beneficiary with respect to and/or the holder of the Existing Liens. Notwithstanding the foregoing, (i) nothing contained in this decretal paragraphs 14, 15 and 16 shall modify, limit, waive or otherwise impair the right or ability of the chapter 7 trustee (or the Committee pre-conversion) to investigate, initiate or prosecute the Sun Actions or the Allocation Motion in any manner.

17. Any DIP Lender, or its affiliate thereof, that is a party to any account control agreement covering an account of any of the Debtors shall be entitled to terminate such account control agreement in its sole discretion at any time; provided, however, that the liens, if any, on the deposit accounts and all cash and other items on deposit therein, or subject thereto, granted for the benefit of Sun or any affiliate or to the Prepetition Indenture Trustee, shall not in any way be impaired, limited or otherwise affected by such termination.

18. This Court shall retain jurisdiction to hear and determine all matters arising from or relating to this Order.

Dated: October 14, 2009
 Wilmington, Delaware


 Peter J. Walsh
 United States Bankruptcy Judge

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

Court File No. CV-09-8122-00CL

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF INDALEX LIMITED,
INDALEX HOLDINGS (B.C.) LTD. 6326765 CANADA INC. and NOVAR INC.

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at Toronto

TENTH REPORT OF THE MONITOR

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