

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF RENIN CORP.,
RENIN CORP. US and KINGSTAR PRODUCTS (WESTERN) INC.

Dec 22-11

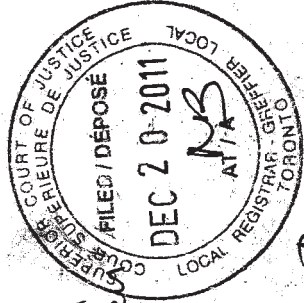
Dec 22/11

The Applicants seek approval of the Plan of Arrangement found at Tab Z of the Record. I have reviewed the Application Record, the 2 orders made by Master G., the Pre-Filing Report of FTI and the 2 reports of the Monitor.

I am satisfied that there has been strict compliance with all statutory requirements and adherence to previous orders of the Court - see Monitor's Dec 19/11 Report, paras. 15 to 20. I am satisfied that the applicant has not taken any action not authorized by the CCAA.

As to fairness and reasonable terms, I am guided by the principles set out in Re Sweeten Airlines (2000), 20 C.B.R. (41) 1:

On the evidence before me, the only alternative to the Plan is the liquidation of the Applicant's assets which might make the First Lien lender whole, but



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ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

Proceeding commenced at Toronto

MOTION RECORD

NORTON ROSE OR LLP
200 Bay Street, Suite 3800
Toronto, Ontario
M5J 2Z4

Mario J. Forte LSUC#: 27293F
Tel: 416-216-4870 / Fax: 416-216-3930

Virginie Gauthier LSUC#: 41097D
Tel: 416-216-4853 / Fax: 416-216-3930

Evan Cobb LSUC #: 55787N
Tel: 416-216-1929 / Fax: 416-216-3930

Lawyers for Renin Corp., Renin Corp. US
and Kingstar Products (Western) Inc.

(2)
would result in a significant shortfall to the Secured
Lien holders. While the Plan essentially enables the
Applicant to "tread water" for the next two years or so,
the Plan would enable the Applicant to continue as a
going concern, continue the employment of its work force,
and position the company to take advantage of any upturn
in the North American housing market which might occur.

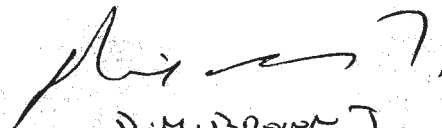
(3) The Plan was approved by the requisite majorities of
the Affected Creditors. The fifth Affected Creditor,
Fortelus, has not participated in this proceeding, although
given notice of it.

(4) The Plan does not involve a compromise of the Affected
Creditors' loans - it extends them and continues the
PIK Interest arrangement. From a practical point of
view, in light of liquidation as the only alternative, it is
difficult to see much prejudice to the rights of the Secured
Lien holders.

(5) Equity rights are unaffected by the Plan. I am satisfied
that proper notice has been given.

Accordingly, I am satisfied that the proposed Plan
is fair and reasonable and I approve it.

Order to go in accordance with draft filed which
I have signed.


D.M. BROWN J.

Counsel:

E. Cobb, for Applicant
T. Sandler, for Monitor
J. Waker, for Wellspring
No one appears, for Fortelus.