

No. S-088488
Vancouver Registry

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

AND

IN THE MATTER OF THE *CANADA BUSINESS CORPORATIONS ACT*

AND

IN THE MATTER OF HYDROXYL SYSTEMS INC.

PETITIONER

ORDER

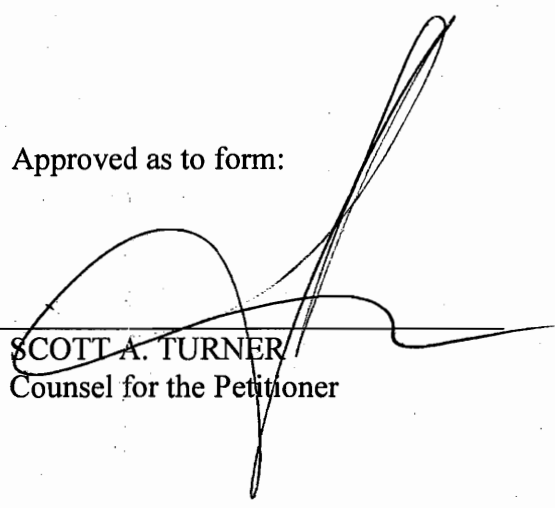
BEFORE THE HONOURABLE) FRIDAY, THE 29TH DAY
)
MR. JUSTICE HINKSON) OF MAY, 2009

THE APPLICATION OF THE PETITIONER, Hydroxyl Systems Inc., having come on for hearing before me this day at Vancouver, British Columbia, and on hearing Scott A. Turner, counsel for the Petitioner; and Chris Simard, counsel for Kan-Pak LLC, appearing by telephone; and on reading the Affidavit #7 of David Gray, sworn May 27, 2009, and the Monitor's Fifth Report dated May 28, 2009; and the materials filed;

THIS COURT ORDERS:

1. That the Settlement Agreement dated as of May 29, 2009, between the Petitioner and Krüger Kaldnes AS ("Krüger Kaldnes"), and in particular the provisions of that agreement whereby the Petitioner has agreed to direct that 22% of payments otherwise due to it by STX Finland Cruise Oy ("STX") pursuant to the terms of a supply agreement dated April 19, 2007, be paid by STX directly to Krüger Kaldnes, be, and is hereby, approved.
2. That the endorsement of the form of this Order by counsel other than counsel for the Petitioner be dispensed with.

Approved as to form:



SCOTT A. TURNER
Counsel for the Petitioner

BY THE COURT



DISTRICT REGISTRAR