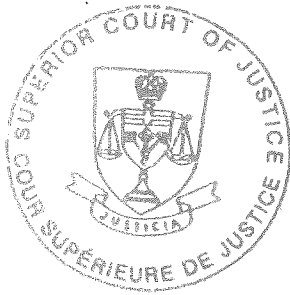


ONTARIO
SUPERIOR COURT OF JUSTICE

COMMERCIAL LIST

THE HONOURABLE) TUESDAY, THE 10th DAY
JUSTICE PATTILLO) OF JULY, 2012

B E T W E E N:



COMERICA BANK

Applicant

- and -

PRECISION-TECH LIMITED

Respondent

APPROVAL AND VESTING ORDER

THIS MOTION, made by Duff & Phelps Canada Restructuring Inc. in its capacity as the Court-appointed receiver (the "**Receiver**") of the undertaking, property and assets of Precision-Tech Limited (the "**Debtor**") for an order approving the continued production of component parts and the sale of certain raw material inventory, work in progress and finished component parts (collectively, the "**Inventory Sale Transaction**") contemplated by an accommodation agreement (the "**Accommodation Agreement**") among the Receiver, Meritor Heavy Vehicle Systems, LLC (the "**Purchaser**") and Comerica Bank dated July 9, 2012 and appended as Confidential Appendix "A" to the Report of the Proposed Receiver dated July 9, 2012 (the "**Report**"), and vesting in the Purchaser the Debtor's right, title and interest in and to the raw material inventory, work in progress and finished component parts described in the Accommodation Agreement (the "**Purchased Assets**"), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Report and on hearing the submissions of counsel for the Receiver, Comerica Bank, the Purchaser and the Debtor, no one appearing for any other person on the service list, although properly served as appears from the affidavit of Christine Doyle sworn July 9, 2012 filed:

1. THIS COURT ORDERS that the time for service of the Notice of Motion and the Motion Record herein be and is hereby abridged, that the Motion is properly returnable today,

that all parties entitled to notice of this Motion have been duly served with notice hereof and that the method of service of this material be and is hereby approved.

2. THIS COURT ORDERS AND DECLARES that the Accommodation Agreement and Inventory Sale Transaction are hereby approved and the Receiver is hereby authorized to perform its obligations under the Accommodation Agreement. The execution of the Accommodation Agreement by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. In completing the Inventory Sale Transaction, the Receiver, subject to the terms of the Accommodation Agreement, is hereby authorized to execute and deliver such additional, related and ancillary documents and assurances governing or giving effect to the Inventory Sale Transaction as the Receiver may, in its discretion, deem necessary or advisable to complete the Inventory Sale Transaction and to take such steps as are necessary and incidental for the completion thereof.
3. THIS COURT ORDERS AND DECLARES that upon the delivery of a Receiver's certificate to the Purchaser substantially in the form attached as Schedule A hereto (the "**Receiver's Certificate**"), all of the Debtor's right, title and interest in and to the Purchased Assets described in the Accommodation Agreement and listed on Schedule B hereto shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Justice Pattillo dated July 10, 2012; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system (all of which are collectively referred to as the "**Encumbrances**"), and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

4. THIS COURT ORDERS that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and that from and after the delivery of the Receiver's Certificate all Claims and Encumbrances shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.
5. THIS COURT ORDERS AND DIRECTS the Receiver to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof.
6. THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver is authorized and permitted to disclose and transfer to the Purchaser all human resources and payroll information in the Company's records pertaining to the Debtor's past and current employees, including personal information. The Purchaser shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the Debtor.
7. THIS COURT ORDERS that, notwithstanding:
 - (a) the pendency of these proceedings;
 - (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Debtor and any bankruptcy order issued pursuant to any such applications; and
 - (c) any assignment in bankruptcy made in respect of the Debtor;

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtor and shall not be void or voidable by creditors of the Debtor, nor shall it constitute nor be

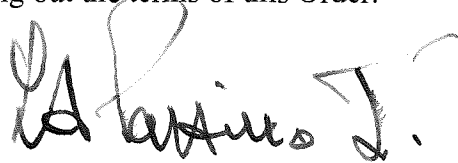
deemed to be a settlement, fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

8. THIS COURT ORDERS AND DECLARES that the Inventory Sale Transaction is exempt from the application of the *Bulk Sales Act* (Ontario).

Sealing of Confidential Appendices

9. THIS COURT ORDERS that Confidential Appendix "A" to the First Report be and is hereby sealed until further order of this Honourable Court.
10. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

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





JUL 10 2012

**SCHEDULE A
FORM OF RECEIVER'S CERTIFICATE**

Court File No. 12978300-CL

ONTARIO
SUPERIOR COURT OF JUSTICE

COMMERCIAL LIST

BETWEEN:

COMERICA BANK

Applicant

- and -

PRECISION-TECH LIMITED

Respondent

RECEIVER'S CERTIFICATE

RECITALS

- A. Pursuant to an Order of the Honourable Justice Pattillo of the Ontario Superior Court of Justice (the "**Court**") dated July 10, 2012, Duff & Phelps Canada Restructuring Inc. was appointed as the receiver (the "**Receiver**") of the undertaking, property and assets of Precision-Tech Limited (the "**Debtor**").
- B. Pursuant to an Order of the Court dated July 10, 2012, the Court approved the accommodation agreement made as of July 9, 2012 (the "**Accommodation Agreement**") between the Receiver and Meritor Heavy Vehicle Systems, LLC (the "**Purchaser**") and provided for the vesting in the Purchaser of the Debtor's right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in section 7 of the Accommodation Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Inventory Sale Transaction has been completed to the satisfaction of the Receiver.

- C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Accommodation Agreement.

THE RECEIVER CERTIFIES the following:

1. The Purchaser has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Accommodation Agreement;
2. The conditions to Closing as set out in section 7 of the Accommodation Agreement have been satisfied or waived by the Receiver and the Purchaser; and
3. The Inventory Sale Transaction has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver at <time> on <*>, 2012.

Duff & Phelps Canada Restructuring Inc., in its capacity as Receiver of the undertaking, property and assets of Precision-Tech Limited, and not in its personal capacity

Per: _____
Name:
Title:

COMERICA BANK

and
Applicant

PRECISION-TECH LIMITED

Respondent

(Short title of proceeding)

Court File No.: CV12978300-CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
PROCEEDING COMMENCED AT
TORONTO**

**APPROVAL AND
VESTING ORDER**

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**Solicitors for Duff & Phelps Canada
Restructuring Inc.**