

ONTARIO  
SUPERIOR COURT OF JUSTICE

**COMMERCIAL LIST**

THE HONOURABLE	)	WEDNESDAY, THE 1ST DAY
	)	
JUSTICE NEWBOULD	)	OF AUGUST, 2012

B E T W E E N:

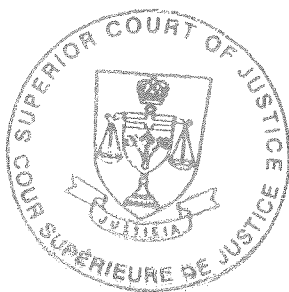
COMERICA BANK

Applicant

- and -

PRECISION-TECH LIMITED

Respondent



**APPROVAL AND VESTING ORDER**  
(HOERBIGER FINE STAMPING INC.)

**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 finished component parts (collectively, the “**Inventory**”) and the release of certain tooling (the “**Customer Owned Tooling**”) located at the property of the Debtor and owned by Hoerbiger Fine Stamping Inc. (the “**Purchaser**”), contemplated by an accommodation agreement (the “**Accommodation Agreement**”) among the Receiver, the Purchaser and Comerica Bank dated July 27, 2012 and appended as Confidential Appendix “B” to the Second Report of the Receiver dated July 27, 2012 (the “**Second Report**”), and vesting in the Purchaser all of the Receiver’s and the Debtor’s right, title and interest in and to the Inventory (including Inventory in existence as of the Effective Date (as defined in the Accommodation Agreement) and Inventory purchased from time to time) (the “**Purchased Assets**”), was heard this day at 330 University Avenue, Toronto, Ontario.

**ON READING** the Second Report and the appendices thereto, and on hearing the submissions of counsel for the Receiver, Comerica Bank, Meritor Heavy Vehicle Systems LLC, the Purchaser, Allison Transmission, Inc. and no one appearing for any other person on the service list, although properly served as appears from the affidavit of Christine Doyle sworn July 30, 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 the transactions contemplated thereby are hereby approved and the Receiver is hereby authorized and directed to perform its obligations under the Accommodation Agreement, including without limitation in connection with the release of the Customer Owned Tooling to the Purchaser in accordance with the Accommodation Agreement. The execution of the Accommodation Agreement by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver, Comerica Bank and the Purchaser may agree. The Receiver is hereby authorized and directed to take such additional steps and to execute and deliver such additional, related and ancillary documents as may be necessary or desirable to give effect to the Accommodation Agreement and the transactions contemplated thereby.
3. **THIS COURT ORDERS AND DECLARES** that upon receipt of the funds in the amounts contemplated by the Accommodation Agreement by the Receiver, all of the Receiver's and the Debtor's right, title and interest in and to the Purchased Assets described in the Accommodation Agreement 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 (the “**Receivership Order**”); (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 receipt of payment by the Receiver in accordance with the Accommodation Agreement 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** 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 Debtor’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.
6. **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.

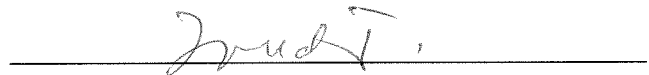
7. **THIS COURT ORDERS AND DECLARES** that the sale of the Purchased Assets is exempt from the application of the *Bulk Sales Act* (Ontario).
8. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United 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 / INSERTE À TORONTO  
ON / BOOK NO:  
LE / DANS LE REGISTRE NO.:

12863884.4

AUG 01 2012

PER/PAR:



**COMERICA BANK**

and

**PRECISION-TECH LIMITED**

Applicant

Respondents

Court File No. CV-129783-00CL

***ONTARIO***  
**SUPERIOR COURT OF JUSTICE**  
**COMMERCIAL LIST**

**Proceedings commenced at Toronto**

**ORDER**

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Solicitors for the Receiver, Duff & Phelps Canada Restructuring Inc.