

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE MR.) THURSDAY, THE 7th DAY
) OF MAY, 2009
)
JUSTICE CAMPBELL)

**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 NMC CANADA, INC. AND
2515080 NOVA SCOTIA COMPANY**



Applicants

ORDER

THIS MOTION made by the applicants, NMC Canada Inc. and 2515080 Nova Scotia Company (the "**Applicants**"), pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"), was heard on April 30, 2009, May 6, 2009 and this day at 330 University Avenue, Toronto, Ontario.

ON READING the Initial Order of this Court dated January 21, 2009, as extended from time to time (the "**Initial Order**"), the affidavits of John Chen sworn April 28, 2009 and May 5, 2009, the Affidavit of Christopher Garrah sworn April 30, 2009 (the "**Garrah Affidavit**"), and the Seventh Report (the "**Seventh Report**") of RSM Richter Inc., the Monitor of the Applicants (the "**Monitor**"), and on hearing submissions from counsel for the Applicants and SKD Company, the general partnership through which the Applicants carry on business ("**SKD**

Company”, and together with the Applicants, the “**CCAA Parties**”, and any one, a “**CCAA Party**”), counsel for the Monitor, as well as counsel for Comerica Bank (“**Comerica**”), Honda of America Mfg., Inc., for itself and on behalf of Honda Canada Mfg., a division of Honda Canada, Inc., Honda Manufacturing of Indiana, LLC and Honda Manufacturing of Alabama, LLC (collectively, “**Honda**”), Ford Motor Company (“**Ford**”), Chrysler LLC, Chrysler Motors LLC and Chrysler Canada Inc. (collectively, “**Chrysler**”) and General Motors Corporation (“**GM**”) and, together with Ford, Honda and Chrysler, the “**Customers**”) and Orlando Corporation and Orion Properties Ltd., no one else on the service list appearing:

1. **THIS COURT ORDERS** that the time for service of the notice of motion and motion record herein is abridged, that this motion is properly returnable today and that further service is dispensed with, having been affected in accordance with paragraph 53 of the Initial Order.

DISTRIBUTION TO COMERICA BANK

2. **THIS COURT ORDERS** that the Monitor is hereby authorized and directed to release from the Liquidation Funds (as defined in the April 30, 2009 Order made in this proceeding) for distribution by SKD Company to Comerica, and SKD Company is hereby authorized and directed to pay to Comerica (i) an amount of up to US\$1,500,000, inclusive of fees and expenses up to approximately May 6, 2009, and (ii) with the concurrence of the Monitor, any other amounts required to pay the outstanding loans and other Obligations (as defined in the revolving credit agreement between Comerica, the SKD Automotive Group, Limited Partnership, the Applicants and affiliated entities (collectively, the “**SKD Loan Parties**”) made December 14, 2004, as subsequently amended (the “**Comerica Credit Agreement**”), owing to Comerica pursuant to the Comerica Credit Agreement (the “**Senior Loan Portion**”), in each case in

indefeasible and permanent repayment to Comerica of the Senior Loan Portion up to April 30, 2009, but not in repayment of all or any portion of the Customer Participation Loan Portion (defined below). For clarity, the Senior Loan Portion does not include any indebtedness or obligations of the SKD Loan Parties to Comerica in relation to the subordinated participations purchased by any of the Customers under the Amended and Restated Subordinated Participation Agreement between the CCAA Parties, Comerica and the Customers dated January 21, 2009, as amended (the “**Subordinated Participation Agreement**”) (the indebtedness relating to such subordinated participations being referred to herein as the “**Customer Participation Loan Portion**”).

3. **THIS COURT ORDERS AND DECLARES** that nothing herein shall be or be deemed to:

- (a) terminate or otherwise impair any obligations of the SKD Loan Parties to Comerica pursuant to the Comerica Credit Agreement that are not paid pursuant to paragraph 2 above, including without limitation, the expense reimbursement, indemnification and other provisions of the Comerica Credit Agreement, which by their own terms survive the repayment of any of the obligations or any of Comerica’s security for any of the foregoing;
- (b) affect the liabilities and obligations of the SKD Loan Parties in relation to the Customer Participation Loan Portion; or
- (c) determine or affect any subrogation issues that may exist in favour of any of the SKD Loan Parties against any other of the SKD Loan Parties, including without limitation, under the Additional Participations and Allocation Agreement dated as

of January 21, 2009, as amended, all rights in relation to which are hereby fully reserved.

AMENDMENT TO FORBEARANCE AGREEMENT

4. **THIS COURT ORDERS** that the CCAA Parties be and they are hereby authorized and empowered to enter into and perform their obligations under a certain Fourth Amendment to the Forbearance Agreement (as defined in the Initial Order), substantially in the form of the amending agreement attached as Exhibit "B" to the Garrah Affidavit (the "**Fourth Forbearance Amending Agreement**"), and that the Fourth Forbearance Amending Agreement be and is hereby approved.

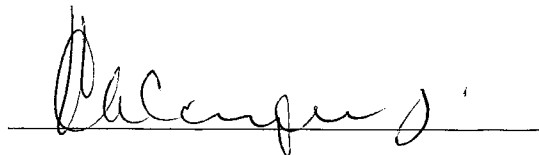
SUBORDINATED PARTICIPATIONS

5. **THIS COURT ORDERS** that, pending further order of this Court, no one may accept any distribution of funds under or in relation to the Subordinated Participation Agreement, save and except (a) in accordance with paragraph 7 of the Subordinated Participation Agreement and upon final approval by this Court of the issues referenced in section 2 of the Additional Participation and Allocation Agreement, as amended (the "**APAA**") and section 5 of the Monitor's Seventh Report (the "**Allocation Issues**"); or (b) such payments and partial payments provided for under section 2(i)(x) of the APAA or payments that are senior in priority to such payments, if any, as may be agreed upon by the parties to the APAA and consented to by the Monitor. Provided further that nothing in this Order shall affect, modify or amend or be deemed to affect, modify or amend the terms of the APAA or the Subordinated Participation Agreement.

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

MAY 07 2009

PER / PAR:



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 NMC CANADA, INC. AND
2515080 NOVA SCOTIA COMPANY

Applicants

Court File No. 09-CL- 7960

ONTARIO

**SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at TORONTO

ORDER

LANG MICHENER LLP

Lawyers – Patent & Trade Mark Agents
Brookfield Place, P.O. Box 747
181 Bay Street, Suite 2500
Toronto, ON M5J 2T7

Sheryl E. Seigel (LSUC No. 21850H)

Tel: 416-307-4063

Fax: 416-365-1719

E-mail: sseigel@langmichener.ca

John S. Contini (LSUC #30610B)

Tel: 416-307-4148

Fax: (416) 365-1719

E-mail : jcontini@langmichener.ca

Lawyers for the Applicants