

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

**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**

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MOTION RECORD

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TAB 1

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

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

NOTICE OF MOTION

The applicants named in this application (collectively, the “**Applicants**” and, any one, an “**Applicant**”) will make a motion to a judge presiding on the Commercial List on Friday, April 3, 2009 at 10:00 a.m., or as soon after that time as the motion can be heard, at 330 University Avenue, Toronto.

PROPOSED METHOD OF HEARING: The motion is to be heard orally.

THIS MOTION IS FOR:

1. an order substantially in form attached as Schedule “A” hereto:
 - (a) abridging the time for service of the notice of motion and motion record and dispensing with further service;
 - (b) authorizing and empowering SKD Company, by the Applicants as its general partners, to enter into the following agreements:
 - (i) the Third Amendment to Accommodation Agreement, substantially in the form of the amending agreement attached as Exhibit “A” to the Affidavit of Christopher Garrah sworn April 3, 2009 (the “**Third Accommodation Amending Agreement**”); and

- (ii) the Third Amendment to Forbearance Agreement, substantially in the form of the amending agreement attached as Exhibit “**B**” to the Affidavit of Christopher Garrah sworn April 3, 2009 (the “**Third Forbearance Amending Agreement**”); and

2. such further and other relief as this Honourable Court may deem just.

THE GROUNDS FOR THE MOTION ARE:

- (a) The Applicant, NMC Canada, Inc. (“**NMC**”), is incorporated under the Ontario *Business Corporations Act*. The Applicant, 2515080 Nova Scotia Company (“**2515080**”), is an unlimited liability company incorporated under the Nova Scotia *Companies Act*. NMC and 2515080 are each general partners of SKD Company, a general partnership registered under the Ontario *Partnership Act*. NMC is the managing partner of SKD Company;
- (b) SKD Company is a Tier I automotive parts supplier that designs and manufactures metal components and weldments for automakers in the North American automotive industry, including Chrysler Canada Inc. and Chrysler LLC (collectively, “**Chrysler**”), Ford Motor Company (“**Ford**”) and Honda of America Mfg., Inc., Honda Canada Mfg., a division of Honda Canada, Inc., Honda Manufacturing of Indiana, LLC and Honda Manufacturing of Alabama, LLC (collectively, “**Honda**”, and together with Chrysler and Ford, the “**Customers**”) from facilities located in Mississauga, Milton and Brampton, Ontario;
- (c) on January 21, 2009 the Applicants commenced an application under the *Companies’ Creditors Arrangement Act* (the “**CCAA**”) and on that date obtained the Initial Order of this Honourable Court;
- (d) by Orders of this Honourable Court dated February 27, 2009, March 9, 2009, March 10, 2009, March 11, 2009 and March 31, 2009, the Stay Period as defined in the Initial Order was further extended until and including April 30, 2009;

- (e) the Initial Order approved of the Forbearance Agreement and Accommodation Agreement (each as defined in the Initial Order), and empowered and directed the CCAA Parties to enter into these agreements;
- (f) in order to facilitate previous extensions of the Stay Period, the Forbearance Agreement and Accommodation Agreement were amended by amending agreements approved by Orders of this Honourable Court dated February 27, 2009 and March 11, 2009;
- (g) the further amendments to the Forbearance Agreement and Accommodation Agreement contemplated by the Third Forbearance Amending Agreement and the Third Accommodation Amending Agreement are necessary in order to facilitate the further extension of the Stay Period to April 30, 2009;
- (h) the Applicants have been acting in good faith and with due diligence in fulfilling their obligations under the Initial Order and the subsequent Orders made by this Honourable Court;
- (i) pursuant to paragraph 27 of the Initial Order, RSM Richter Inc. was appointed as Monitor. The rights and obligations of the Monitor are detailed in paragraph 28 of the Initial Order;
- (j) paragraph 53 of the Initial Order permits the Applicants to serve any motion materials in these proceedings by means of, among other methods, facsimile or electronic transmission;
- (k) the provisions of the CCAA, and in particular s.11 thereof, and the inherent and equitable jurisdiction of this Honourable Court;
- (l) Rules 2.03, 3.02, 37 and 60.11 of the Ontario *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194, as amended, and section 106 of the Ontario *Courts of Justice Act*, R.S.O. 1990, c.C.43, as amended; and
- (m) such further and other grounds as counsel may advise and this Honourable Court may permit.

THE FOLLOWING DOCUMENTARY EVIDENCE will be used at the hearing of the motion:

1. the affidavit of Christopher Garrah sworn April 3, 2009, and the exhibits attached thereto;
2. the Report of RSM Richter Inc. as the proposed Monitor, and the First Report, the Second Report, the Third Report, the Fourth Report, the Fifth Report and the Sixth Report of RSM Richter Inc., as Monitor; and
3. such further and other evidence as counsel may advise and this Honourable Court may permit.

Dated: April 3, 2009

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IN THE MATTER OF THE COMPANIES' CREDITORS
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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

NOTICE OF MOTION

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SCHEDULE "A"

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE MR.) FRIDAY, THE 3rd DAY
JUSTICE MORAWETZ) OF APRIL 2009

**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 pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c.C-36, as amended (the "CCAA"), was heard 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 affidavit of Christopher Garrah sworn April 3, 2009 (the "**Garrah Affidavit**") and the Sixth 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,

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**”) and Chrysler LLC, Chrysler Motors LLC and Chrysler Canada Inc. (collectively, “**Chrysler**” and, together with Ford and Honda, the “**Customers**”), the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers Union (the “**USW**”), the National Automobile, Aerospace, Transportation and General Workers of Canada and its Local 1285 (the “**CAW**”), Martinrea Jonesville LLC (“**Martinrea Jonesville**”) and Martinrea International Inc. (“**Martinrea International**”), and Orlando Corporation, 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, service having been effected in accordance with paragraph 53 of the Initial Order.

AMENDMENTS TO ACCOMMODATION, ACCESS AND FORBEARANCE AGREEMENTS

2. **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 Third Amendment to the Accommodation Agreement (as defined in the Initial Order), substantially in the form of the amending agreement attached as Exhibit “A” to the Garrah Affidavit (the “**Third Accommodation Amending Agreement**”), and that the Third Accommodation Amending Agreement be and is hereby approved.

3. **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 Third 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 “**Third Forbearance Amending Agreement**”), and that the Third Forbearance Amending Agreement be and is hereby approved.

4. **THIS COURT ORDERS AND DECLARES** that the terms of the Initial Order relating to the Accommodation Agreement and the Forbearance Agreement continue to apply with full force and effect to the Accommodation Agreement and the Forbearance Agreement as amended by the Accommodation Amending Agreement and the Forbearance Amending Agreement (as each are defined in the Order of this Court made on February 27, 2009), by the Second Accommodation Amending Agreement and the Second Forbearance Amending Agreement (as each are defined in the Order of this Court made on March 11, 2009), and by the Third Accommodation Amending Agreement and the Third Forbearance Amending Agreement, respectively.

IN THE MATTER OF THE COMPANIES' CREDITORS
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Applicants

Court File No. 09-CL- 7960

ONTARIO

**SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at TORONTO

ORDER

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TAB 2

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SUPERIOR COURT OF JUSTICE

COMMERCIAL LIST

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

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Applicants

AFFIDAVIT OF CHRISTOPHER GARRAH

I, Christopher Garrah, of the City of Toronto, in the Province of Ontario, solicitor,
MAKE OATH AND SAY:

1. I am a partner with Lang Michener LLP, solicitors for the Applicants herein, and as such have knowledge of the matters to which I hereinafter depose, except where otherwise stated to be on the information and belief of others, in which case I verily believe them to be true.

2. This affidavit is sworn in support of a motion returnable April 3, 2009 to approve certain agreements amending the Forbearance Agreement and Accommodation Agreement (each as defined in the Initial Order and attached as exhibits to the affidavit of John Chen sworn in this proceeding on January 21, 2009).

3. My affidavit supplements the Affidavit of John Chen sworn in this proceeding on March 31, 2009, and adopts the definitions utilized in that Affidavit.

FURTHER AMENDMENTS TO ACCOMMODATION, ACCESS AND FORBEARANCE AGREEMENTS

4. In order to facilitate previous extensions of the Stay Period, it was necessary for SKD Company, the Customers and Comerica to negotiate amendments to the Accommodation Agreement and the Forbearance Agreement.

5. Pursuant to the Order of this Court made on February 27, 2009, the CCAA Parties were authorized and empowered to enter into the Accommodation Amending Agreement and Forbearance Amending Agreement (each as defined in the Order dated February 27, 2009 and attached as Exhibits to my Affidavit sworn in this proceeding on February 27, 2009 (collectively, the “**First Amending Agreements**”)).

6. Pursuant to the Order of this Court made on March 11, 2009, the CCAA Parties were authorized and empowered to enter into the Second Accommodation Amending Agreement and the Second Forbearance Amending Agreement (each as defined in the March 11, 2009 Order and attached as Exhibits to the Affidavit of John Chen sworn in this proceeding on March 11, 2009 (collectively, the “**Second Amending Agreements**”)).

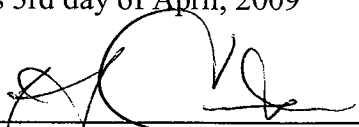
7. In order to facilitate the further extension of the Stay Period to April 30, 2009 pursuant to the Order of this Honourable Court dated March 31, 2009, and subject to the approval of this Honourable Court, I understand that the parties have settled upon and are prepared to execute a Third Amendment to the Accommodation Agreement (the “**Third Accommodation Amending Agreement**”), substantially in the proposed form of the Third Accommodation Amending Agreement attached hereto as Exhibit “A”.

8. Subject to the approval of this Honourable Court, I understand that the parties have also settled upon and are prepared to execute a Third Amendment to the Forbearance Agreement (the “**Third Forbearance Amending Agreement**,” and, collectively with the Third Accommodation Amending Agreement, the “**Third Amending Agreements**”), substantially in the proposed form of the Third Forbearance Amending Agreement attached hereto as Exhibit “B”.

9. In the event that the Third Amending Agreements are approved by this Honourable Court, I understand that the parties have further agreed that the terms of the Initial Order relating to the Accommodation Agreement and the Forbearance Agreement shall continue to apply with full force and effect to the Accommodation Agreement and the Forbearance Agreement as amended by the First Amending Agreements, the Second Amending Agreements, and the Third Amending Agreements, respectively.

10. This affidavit is sworn in support of the motion of the Applicants for an order authorizing and empowering SKD Company to enter into the Third Amending Agreements, and for no other or improper purpose.

SWORN BEFORE ME at the)
City of Toronto)
in the Province of Ontario,)
this 3rd day of April, 2009)



A commissioner, etc.

John S. Conkin



Christopher Garrah

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

Court File No: 09-CL-7960

**ONTARIO
SUPERIOR COURT OF JUSTICE**

Proceeding commenced at Toronto

AFFIDAVIT OF CHRISTOPHER GARRAH

LANG MICHENER LLP

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Lawyers for the Applicants

TAB A

**This is Exhibit "A" referred to in the
affidavit of Christopher Garrah
sworn before me, this 3rd
day of April, 2009**



A Commissioner, etc.

THIRD AMENDMENT TO ACCOMMODATION AGREEMENT

SKD Company ("Supplier"), Ford Motor Company ("Ford"), Chrysler Canada Inc. ("Chrysler Canada"), Chrysler LLC, on behalf of itself and Chrysler Motors LLC (together with Chrysler Canada, "Chrysler"), 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") (collectively, the "Customers") and Comerica Bank ("Comerica") enter into this Third Amendment to Accommodation Agreement (the "Amendment") effective as of April 1, 2009.

RECITALS

A. Supplier, the Customers and Comerica entered into an Accommodation Agreement dated January 21, 2009, as amended by an Amendment to the Accommodation Agreement dated February 27, 2009 and the Second Amendment to the Accommodation Agreement effective as of March 1, 2009 (collectively, the "Accommodation Agreement") providing for continued production, subject to the terms and conditions set forth therein, through March 31, 2009.

B. Supplier, the Customers and Comerica have agreed to extend the term of the Accommodation Agreement through April 30, 2009 and make certain other modifications set forth herein.

BASED UPON THE FOREGOING RECITALS and other good and valuable consideration, the receipt and adequacy of which are acknowledged, the parties agree as follows:

TERMS AND CONDITIONS

1. Amendment to Section 1. Section 1 of the Accommodation Agreement is hereby amended and restated in its entirety as follows:

1. Term. The term of this Agreement (the "Term") shall commence on the Effective Date and continue until the earliest of (a) April 30, 2009, (b) an Event of Default (defined below), and (c) Comerica ceases to advance to the Supplier funds from the subordinated participations purchased by Customers.

2. Amendments to Section 2.9(A) and Exhibit C. In the fourth line of Section 2.9(A) of the Accommodation Agreement, the words "up to US\$11,480,987" are hereby deleted and are replaced with the words "up to US\$12,571,218".

The Accommodation Agreement is hereby amended by adding the following sentence to the end of Section 2.9(A):

For greater certainty, the Cap does not include the subordinated participations in the amount of \$1,095,541 purchased by the Customers to fund the employee retention plan escrow agreement.

The form of Budget attached to the Accommodation Agreement as "Exhibit C" shall be supplemented by the additional budget attached as Exhibit A to this Amendment (the "April Budget"). The April Budget is the estimated operating budget of Supplier for the period from and including March 31, 2009 to and including April 30, 2009. The April Budget shall be incorporated into and form part of Exhibit C to the Accommodation Agreement.

3. Amendments to Section 2.9(B). Section 2.9(B) of the Accommodation Agreement is hereby amended by adding the following paragraph to the end of Section 2.9(B):

Notwithstanding the foregoing provisions of this Section 2.9(B), Customers will no later than April 3, 2009 purchase subordinated participations from Comerica in an additional amount of US\$2,187,000, estimated by Supplier as being required to satisfy the obligations of Supplier to operate from and including April 1, 2009 to and including April 30, 2009.

4. Reaffirmation of Obligations. Each of the Customers, Supplier and Comerica hereby reaffirm all of their respective obligations under the Accommodation Agreement.

5. Continued Effectiveness. Except as explicitly amended hereby, the Accommodation Agreement remains in full force and effect.

6. Execution. This Amendment may be executed in any number of duplicate originals or counterparts, each of such duplicate originals or counterparts shall be deemed to be an original and taken together will constitute but one and the same instrument. The parties agree that their respective signatures may be delivered by facsimile or other electronic means, and that facsimile or electronic signatures will be treated as originals for all purposes.

7. Capitalized Terms. Unless otherwise defined herein, capitalized terms are as defined in the Accommodation Agreement.

(Signatures contained on next page)

CHRYSLER CANADA INC.

By: _____
I have authority to bind the Corporation

print name

FORD MOTOR COMPANY

By: _____
I have authority to bind the Corporation

print name

**CHRYSLER LLC on behalf of itself and
CHRYSLER MOTORS LLC**

By: _____
I have authority to bind the Corporation

print name

HONDA OF AMERICA MFG., INC.

By: _____
I have authority to bind the Corporation

print name

**SKD COMPANY, by its partners, NMC
CANADA, INC. and 2515080 NOVA
SCOTIA COMPANY**

By: _____
I have authority to bind the NMC
Canada, Inc.

print name

COMERICA BANK

By: _____
I have authority to bind the Corporation

print name

By: _____
I have authority to bind the 2515080
Nova Scotia Company

print name

Each of undersigned consent and agree to all terms and conditions of the foregoing Amendment.

**SKD AUTOMOTIVE GROUP,
LIMITED PARTNERSHIP**

By: PL International Corporation
Its: General Partner

By: _____

Its:

“GUARANTORS”

NMC CANADA INC.

By: _____

Its:

SKD HOLDING, L.P.

By: SKD Holding, Inc.
Its: General Partner

By: _____

John Chen
Its: Vice President/Treasurer

SKD, L.P.

By: Quincy Holdings, Inc.
Its: General Partner

By: _____

Its:

2515080 NOVA SCOTIA COMPANY

By: _____

John Chen
Its: Vice President

EASSA MEXICO, S. DE R.L. DE C.V.

By: _____

Its:

SKD DE MEXICO, S. DE R.L. DE C.V.

By: _____

John Chen
Its: Treasurer

**EXHIBIT A
Budget**

See attached.

SKD Canada Consolidated US\$
Weekly Cash Flow Forecast

	<u>3-Apr</u>	<u>10-Apr</u>	<u>17-Apr</u>	<u>24-Apr</u>	<u>30-Apr</u>	<u>Apr</u> <u>2009</u>
Chrysler Collections	-	-	301	602	602	1,505
Canada Asset Proceeds	-	1,330	1,330	1,330	-	3,991
US Asset Proceeds	-	337	748	748	411	2,243
Tooling	-	-	-	-	-	-
Use of Escrow and Retainers	-	-	-	261	243	504
Customer Funding	2,178	-	-	-	-	2,178
Total Receipts	2,178	1,667	2,379	2,941	1,256	10,421
Disbursements						
Customer Steel Autodebit/Scrap Rebate	-	-	128	257	257	642
Accounts Payable - Trade	342	195	188	236	254	1,215
Payroll	58	597	282	347	58	1,343
Customer Setoffs	-	-	15	30	30	75
Restructuring Fees	90	138	228	228	228	912
Canada Asset Proceeds Applied to Line	-	1,330	1,330	1,330	-	3,991
US Asset Proceeds Applied to Cash Coll.	-	337	748	748	411	2,243
Total Disbursements	490	2,598	2,919	3,176	1,238	10,421
Net Cash Flow	1,688	(931)	(540)	(235)	18	(0)
Opening Cash Balance	-	1,688	757	217	(18)	-
Closing Cash Balance	1,688	757	217	(18)	(0)	(0)

TAB B

**This is Exhibit "B" referred to in the
affidavit of Christopher Garrah
sworn before me, this 3rd
day of April, 2009**

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke, positioned above a solid horizontal line.

A Commisstoner, etc.

April 3, 2009

SKD Automotive Group, Limited Partnership
1965 Pratt Boulevard
Elk Grove, IL 60007

- and -

SKD Company
375 Wheelabrator Way
Milton, Ontario, Canada L9T 3C1

RE: FORBEARANCE AGREEMENT DATED JANUARY 21, 2009 (AS AMENDED BY A FIRST AMENDMENT DATED FEBRUARY 27, 2009 AND A SECOND AMENDMENT DATED MARCH 10, 2009, "FORBEARANCE AGREEMENT") AMONG COMERICA BANK ("BANK"), SKD AUTOMOTIVE GROUP, LIMITED PARTNERSHIP ("AUTOMOTIVE"), SKD COMPANY ("SKD," TOGETHER WITH AUTOMOTIVE, "BORROWERS"), 2515080 NOVA SCOTIA COMPANY ("NOVA SCOTIA"), NMC CANADA, INC. ("NMC"), EASSA MEXICO, S. DE R.L. DE C.V. ("EASSA"), SKD DE MEXICO, S. DE R.L. DE C.V. ("SKD MEXICO"), SKD, L.P. ("SKD LP"), AND SKD HOLDING, L.P. ("HOLDING," COLLECTIVELY WITH NOVA SCOTIA, NMC, EASSA, SKD MEXICO, AND SKD LP, "GUARANTORS")

Ladies and Gentlemen:

All capitalized terms not defined in this third amendment ("Third Amendment") to the Forbearance Agreement shall have the meanings described in the Loan Documents, which include the Forbearance Agreement.

Borrowers and Guarantors have requested an extension of Bank's forbearance.

Subject to (i) the conditions precedent in paragraph 1 below, and (ii) timely, written acceptance by Borrowers and Guarantors of the following conditions, Bank is willing to forbear until April 30, 2009, subject to earlier termination as provided below, from further action to collect the Liabilities:

1. Bank's agreement to extend its forbearance beyond March 31, 2009 is conditioned on fulfillment of the following condition precedent: this Third Amendment is approved by an order satisfactory to Comerica and its Canadian counsel by the Ontario Superior Court of Justice (the "Court") in the CCAA proceeding of NMC and Nova Scotia (Court File No. 09-CL-7960) ("CCAA Proceeding").
2. Future administration of the Liabilities and the financing arrangements among Bank, Borrowers, and Guarantors shall continue to be governed by the covenants, terms, and conditions of the Loan Documents, which are ratified and confirmed and incorporated by this reference, except to the extent that the Loan Documents have been superseded,

amended, modified, or supplemented by this Third Amendment or are inconsistent with this Third Amendment, then this Third Amendment shall govern. For clarity, the Guarantors ratify and confirm their guaranties of the Liabilities.

3. Borrowers have advised Bank that they do not require, and will not request, additional funding from Bank under Bank's senior portion of the Loans (although additional subordinated participations will continue to be purchased by certain customers of Borrowers and Guarantors). Accordingly, Borrowers and Guarantors acknowledge Bank is under no obligation to, and does not intend to, advance funds or extend credit to Borrowers under the Loan Documents, or otherwise, except as provided in paragraph 4(b) of the Forbearance Agreement.
4. All collections of accounts receivable for sales by SKD and Canadian based Guarantors based on sales prior to April 1, 2009 shall be applied to the Liabilities as permanent reductions of the senior portion of the Loans. All collections of accounts receivable for sales by Automotive and U.S. or Mexican based Guarantors shall continue to be held by Bank as cash collateral to secure the Liabilities. SKD will have the use of all accounts receivable collected for sales of inventory in the ordinary course of business generated from and following April 1, 2009 up to \$2,500,000, for its continuing operations, which amounts, for clarity, will not be applied to reduce the Liabilities.
5. Nova Scotia and NMC will file a motion in the CCAA Proceeding seeking approval of a distribution to Bank, from the sale proceeds held by the Monitor, of an amount equal to the balance outstanding on Bank's senior portion of the Loans (but not the portion of the Loans funded through the purchase of subordinated participations by customers of the Borrowers and Guarantors), which Motion will be scheduled for a hearing on or prior to April 30, 2009. It will be a default under this Third Amendment in the event that the senior portion of the Loans is not fully repaid by such distribution, or otherwise, by April 30, 2009.
6. Concurrently with execution of this Third Amendment, Borrowers shall pay to Bank a fee of U.S. \$100,000 (the "Fee"), which shall be fully earned and non-refundable. The Fee may be added to the Bank's senior portion of the Loans, if not immediately paid to Bank.
7. This Third Amendment shall be governed and controlled in all respects by the laws of the State of Michigan, without reference to its conflict of law provisions, including interpretation, enforceability, validity, and construction. This Third Amendment will inure to the benefit of Bank and all its past, present, and future parents, subsidiaries, affiliates, predecessors, and successor corporations and all of their subsidiaries and affiliates.
8. Bank anticipates that discussions addressing the Liabilities may take place in the future. During the course of such discussions, Bank, Borrowers, and Guarantors, may touch upon and possibly reach a preliminary understanding on one or more issues prior to concluding negotiations. Notwithstanding this fact and absent an express written waiver by Bank, Bank will not be bound by an agreement on any individual issues unless and until an agreement is reached on all issues and such agreement is reduced to writing and signed by Borrowers, Guarantors and Bank.

9. As of the date of this Third Amendment, there are no other offers outstanding from Bank to Borrowers and Guarantors. Any prior offer by Bank, whether oral or written is hereby rescinded in full. There are no oral agreements between Bank and Borrowers and Guarantors; any agreements concerning the Liabilities are expressed only in the existing Loan Documents. The duties and obligations of Borrowers and Guarantors and Bank shall be only as set forth in the Loan Documents and this Third Amendment, when executed by all parties.
10. Borrowers and Guarantors acknowledge that they have reviewed (or have had the opportunity to review) this Third Amendment with counsel of their choice and have executed this Third Amendment of their own free will and accord and without duress or coercion of any kind by Bank or any other person or entity.
11. **BORROWERS, GUARANTORS, AND BANK ACKNOWLEDGE AND AGREE THAT THE RIGHT TO TRIAL BY JURY IS A CONSTITUTIONAL ONE, BUT THAT IT MAY BE WAIVED. EACH PARTY, AFTER CONSULTING (OR HAVING HAD THE OPPORTUNITY TO CONSULT) WITH COUNSEL OF THEIR CHOICE, KNOWINGLY AND VOLUNTARILY, AND FOR THEIR MUTUAL BENEFIT WAIVES ANY RIGHT TO TRIAL BY JURY IN THE EVENT OF LITIGATION REGARDING THE PERFORMANCE OR ENFORCEMENT OF, OR IN ANY WAY RELATED TO, THIS THIRD AMENDMENT, THE OTHER LOAN DOCUMENTS OR THE LIABILITIES.**
12. **DEFAULTS HAVE OCCURRED UNDER THE LOAN DOCUMENTS. BORROWERS AND GUARANTORS, TO THE FULLEST EXTENT ALLOWED UNDER APPLICABLE LAW, WAIVE ALL NOTICES THAT BANK MIGHT BE REQUIRED TO GIVE BUT FOR THIS WAIVER, INCLUDING ANY NOTICES OTHERWISE REQUIRED UNDER SECTION 6 OF ARTICLE 9 OF THE UNIFORM COMMERCIAL CODE AS ENACTED IN THE STATE OF MICHIGAN OR THE RELEVANT STATE CONCERNING THE APPLICABLE COLLATERAL (AND UNDER ANY SIMILAR RIGHTS TO NOTICE GRANTED IN ANY ENACTMENT OF REVISED ARTICLE 9 OF THE UNIFORM COMMERCIAL CODE). FURTHERMORE, BORROWERS AND GUARANTORS WAIVE (A) THE RIGHT TO NOTIFICATION OF DISPOSITION OF THE COLLATERAL UNDER § 9-611 OF THE UNIFORM COMMERCIAL CODE, (B) THE RIGHT TO REQUIRE DISPOSITION OF THE COLLATERAL UNDER § 9-620(E) OF THE UNIFORM COMMERCIAL CODE, AND (C) ALL RIGHTS TO REDEEM ANY OF THE COLLATERAL UNDER § 9-623 OF THE UNIFORM COMMERCIAL CODE.**
13. **BORROWERS AND GUARANTORS, IN EVERY CAPACITY, INCLUDING, BUT NOT LIMITED TO, AS SHAREHOLDERS, PARTNERS, OFFICERS, DIRECTORS, INVESTORS AND/OR CREDITORS OF BORROWERS AND/OR GUARANTORS, OR ANY ONE OR MORE OF THEM, HEREBY WAIVE, DISCHARGE AND FOREVER RELEASE BANK, BANK'S EMPLOYEES, OFFICERS, DIRECTORS, ATTORNEYS, STOCKHOLDERS, AFFILIATES AND SUCCESSORS AND ASSIGNS, FROM AND OF ANY AND ALL CLAIMS,**

CAUSES OF ACTION, DEFENSES, COUNTERCLAIMS OR OFFSETS AND/OR ALLEGATIONS BORROWERS AND/OR GUARANTORS MAY HAVE OR MAY HAVE MADE OR WHICH ARE BASED ON FACTS OR CIRCUMSTANCES ARISING AT ANY TIME UP THROUGH AND INCLUDING THE DATE OF THIS THIRD AMENDMENT, WHETHER KNOWN OR UNKNOWN, AGAINST ANY OR ALL OF BANK, BANK'S EMPLOYEES, OFFICERS, DIRECTORS, ATTORNEYS, STOCKHOLDERS, AFFILIATES AND SUCCESSORS AND ASSIGNS.

14. This Third Amendment may be executed in counterparts and delivered by facsimile and the counterparts and/or facsimiles, when properly executed and delivered by the signing deadline, will constitute a fully executed complete Third Amendment. Except as modified by this Third Amendment, the Forbearance Agreement and other Loan Documents shall be unaltered, and shall remain in full force and effect.
15. Borrowers and Guarantors shall properly execute this Third Amendment and deliver same to the undersigned, and the order approving this Third Amendment by no later than April 3, 2009.

Bank reserves the right to terminate its forbearance prior to April 30, 2009, in the event of any new defaults under the Loan Documents, defaults under this Third Amendment or the Forbearance Agreement, defaults under either of the Accommodation Agreements among Borrowers, Guarantors, Bank, and certain customers dated January 21, 2009, as amended, in the event of further deterioration in the financial condition of Borrowers or Guarantors, or further deterioration in Bank's collateral position, or in the event Bank, for any reason, believes that the prospect of payment or performance is impaired.

Very truly yours,

Gary P. Mach
Vice President
Comerica Bank
One Detroit Center
500 Woodward Avenue, 4th Floor
Detroit, MI 48226
(313) 222-3687
Fax: (313) 222-1244

ACKNOWLEDGED AND AGREED:

"BORROWERS"

**SKD AUTOMOTIVE GROUP,
LIMITED PARTNERSHIP**

By: PL International Corporation
Its: General Partner

By: _____
Vytas Ambutas
Its: Secretary

SKD COMPANY

By: 2515080 Nova Scotia Company
Its: General Partner

By: _____
John Chen
Its: Vice President

"GUARANTORS"

NMC CANADA INC.

By: _____
Vytas Ambutas
Its: Secretary

SKD HOLDING, L.P.

By: SKD Holding, Inc.
Its: General Partner

By: _____
John Chen
Its: Vice President/Treasurer

SKD, L.P.

By: Quincy Holdings, Inc.
Its: General Partner

By: _____
Vytas Ambutas
Its: Secretary

2515080 NOVA SCOTIA COMPANY

By: _____
John Chen
Its: Vice President

EASSA MEXICO, S. DE R.L. DE C.V.

By: _____
John Williams
Its: Treasurer

SKD DE MEXICO, S. DE R.L. DE C.V.

By: _____
John Chen
Its: Treasurer

NMC CANADA INC.

By: _____
Vytas Ambutas
Its: Secretary

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

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SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

Proceeding commenced at TORONTO

MOTION RECORD

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Fax: (416) 365-1719

Lawyers for the Applicants