

**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

**MOTION RECORD**

**LANG MICHENER LLP**

Brookfield Place  
Suite 2500, P.O. Box 747  
181 Bay Street  
Toronto, Ontario  
M5J 2T7

**Sheryl Seigel**

LSUC #21850H  
Tel: (416) 307-4063  
E-mail: [sseigel@langmichener.ca](mailto:sseigel@langmichener.ca)

**John S. Contini**

LSUC #30610B  
Tel: (416) 307-4148  
E-mail: [jcontini@langmichener.ca](mailto:jcontini@langmichener.ca)

**Alex A. Ilchenko**

LSUC #33944Q  
Tel: (416) 307-4116  
E-mail: [ailchenko@langmichener.ca](mailto:ailchenko@langmichener.ca)

Fax: (416) 365-1719

Lawyers for the Applicants

**TO: Service List Attached**

**Service List**

TO: **RSM RICHTER INC.**  
200 King St. W., Suite 1100  
P.O. Box 48  
Toronto, ON M5H 3T4

**Robert Kofman**  
Tel: (416) 932-6228  
Fax: (416) 932-6200  
Email: Bkofman@RSMRichter.com

**Lana Bezner**  
Tel: (416) 932-6009  
Fax: (416) 932-6200  
Email: Lbezner@RSMRichter.com

Monitor

AND TO: **GOODMANS LLP**  
250 Yonge Street, Suite 2400  
Toronto, ON M5B 2M6

**Joseph Latham**  
Tel: (416) 597-4211  
Fax: (416) 979-1234  
Email: jlatham@goodmans.ca

**Caterina Costa**  
Tel: (416) 597-6273  
Fax: (416) 979-1234  
Email: ccosta@goodmans.ca

Lawyers for the Monitor

AND TO: **BLAKE, CASSELS & GRAYDON LLP**  
Box 25, Commerce Court West  
Toronto, ON M5L 1A9

**Steven J. Weisz**  
Tel: (416) 863-2616  
Fax: (416) 863-2653  
Email: steven.weisz@blakes.com

**Linc Rogers**  
Tel: (416) 863-4168  
Fax: (416) 863-2653  
Email: linc.rogers@blakes.com

Lawyers for Honda of America Mfg., Honda Canada Mfg. a division of Honda Canada Inc., Honda Manufacturing of Indiana LLC and Honda Manufacturing of Alabama, LLC

AND TO: **MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.**  
Windsor  
443 Ouellette Avenue, Suite 300  
Windsor, ON N9A 6R4

Toronto  
Brookfield Place, TD Canada Trust Tower  
161 Bay Street, 27<sup>th</sup> Floor  
Toronto, ON M5J 2S1

**John D. Leslie**

Windsor  
Tel: (519) 561-7422  
Fax: (519) 977-1565

Toronto  
Tel: (647) 259-6277  
Fax: (647) 259-6288

Email: [leslie@millercanfield.com](mailto:leslie@millercanfield.com)

Lawyers for Ford Motor Company

AND TO: **THORNTONGROUTFINNIGAN LLP**  
Suite 3200, Canadian Pacific Tower  
100 Wellington Street West  
P.O. Box 329  
Toronto-Dominion Centre  
Toronto, ON M5K 1K7

**James H. Grout**

Tel: (416) 304-0557  
Fax: (416) 304-1313  
Email: [jgrout@tgf.ca](mailto:jgrout@tgf.ca)

**Kim Ferreira**

Tel: (416) 304-0591  
Fax: (416) 304-1313  
Email: [kferreira@tgf.ca](mailto:kferreira@tgf.ca)

Lawyers for General Motors Corporation

AND TO: **BORDEN LADNER GERVAIS LLP**  
Scotia Plaza  
40 King Street West  
Toronto, ON M5H 3Y4

**Craig J. Hill**  
Tel: (416) 367-6156  
Fax: (416) 361-7301  
Email: chill@blgcanada.com

**Sam P. Rappos**  
Tel: (416) 367-6033  
Fax: (416) 361-7306  
Email: srappos@blgcanada.com

Lawyers for Chrysler LLC, Chrysler Motors LLC and Chrysler Canada Inc.

AND TO: **MCMILLAN LLP**  
Brookfield Place, Suite 440  
Bay-Wellington Tower  
181 Bay Street  
Toronto, ON M5J 2T3

**Lawrence J. Crozier**  
Tel: (416) 865-7178  
Fax: (416) 865-7048  
Email: lawrence.crozier@mcmillan.ca

**Adam Maerov**  
Tel: (416) 865-7285  
Fax: (416) 865-7048  
Email: adam.maerov@mcmillan.ca

Canadian Lawyers for Comerica Bank

AND TO: **BODMAN LLP**  
1901 St. Antoine St.  
6<sup>th</sup> Floor at Ford Field  
Detroit, Michigan 48226

**Ralph E. McDowell**  
Tel: (313) 393-7592  
Fax: (313) 393-7579  
Email: rmcdowell@bodmanllp.com

U.S. Counsel for Comerica Bank

AND TO: **CAW – CANADA**  
Legal Department  
205 Placer Court  
Toronto, ON M2H 3H9

**Barry E. Wadsworth**  
Tel: (416) 495-3776  
Fax: (416) 495-3786  
Email: [barry.wadsworth@caw.ca](mailto:barry.wadsworth@caw.ca)

Lawyers for the Canadian Auto Workers and Canadian Auto Workers Local 1285

AND TO: **GROSMAN, GROSMAN & GALE LLP**  
390 Bay Street, Suite 1100  
Toronto, ON M5H 2Y2

**William R. Gale**  
Tel: (416) 364-9599  
Fax: (416) 364-2490  
Email: [wgale@grosman.com](mailto:wgale@grosman.com)

Lawyers for Roberto Costantino and Tony Wong

AND TO: **UNITED STEELWORKERS**  
234 Eglinton Ave. East, Suite 800  
Toronto, ON M4P 1K7

**Mark Rowlinson**  
Tel: (416) 544-5983  
Fax: (416) 487-8826  
Email: [mrowlinson@usw.ca](mailto:mrowlinson@usw.ca)

Lawyers for United Steelworkers

AND TO: **BENNETT JONES LLP**  
P.O. Box 130  
3400 One First Canadian Place  
Toronto, ON M5X 1A4

**Kevin J. Zych**  
Tel: (416) 777-5738  
Fax: (416) 863-1716  
Email: [ZychK@bennettjones.com](mailto:ZychK@bennettjones.com)

**Raj Sahni**  
Tel: (416) 777-4804  
Fax: (416) 863-1716  
Email: [SahniR@bennettjones.com](mailto:SahniR@bennettjones.com)

Lawyers for Martinrea

AND TO: **FOGLER RUBINOFF LLP**  
1200-95 Wellington St. W.  
Toronto, ON, M5J 2Z9

**Martin R. Kaplan**  
Tel: (416) 941-8822  
Fax: (416) 941-8852  
Email: mkaplan@foglers.com

Lawyers for Dietron Tool and Die Inc.

AND TO: **ECCLESTON LLP**  
3820-66 Wellington St. W.  
P.O. Box 230, Toronto-Dominion Centre  
Toronto, ON, M5K 1J3

**Kenneth Eccleston**  
Tel: (416) 913-2043  
Fax: (416) 504-2686  
Email: ken@ecclestonllp.com

Lawyers for O'Brien Installations Ltd.

AND TO: **MILLER THOMSON LLP**  
Scotia Plaza  
40 King Street West, Suite 5800  
P.O. Box 1011  
Toronto, ON M5H 3S1

**Maurice Fleming**  
Tel: (416) 595-8686  
Fax: (416) 595-8695  
Email: mfleming@millertthomson.com

**Margaret Sims**  
Tel: (416) 595-8577  
Fax: (416) 595-8695  
Email: msims@millertthomson.com

Lawyers for Orlando Corporation

AND TO: **LAVERY, DE BILLY, L.L.P.**  
Suite 2400, 600 De La Gauchetiere West,  
Montreal, PQ H3B 4L8

**Jean-Yves Simard**  
Tel: (514) 877-3039  
Fax: (514) 871-8977  
Email: jysimard@lavery.ca

Lawyers for Info Global Solutions

AND TO: **CANADA REVENUE AGENCY**  
Toronto West Insolvency Team  
Collections Enforcement  
Taxpayer Services and Debt Management Branch  
5800 Hurontario Street  
P.O. Box 6000  
Mississauga, Ontario  
L5A 4E9

**Brian J. Webb**  
Tel: 905-615-2358  
Fax: 905-277-6247  
Email: BrianJ.Webb@cra-arc.gc.ca

AND TO: **CANADA REVENUE AGENCY**  
55 Bay Street North  
Hamilton, ON L8N 3E1

**Brian Clements**  
Tel: 905-572-4426  
Fax: 905-546-1615  
Email: Brian.Clements@cra-arc.gc.ca

AND TO: **WSIB**  
Regulatory Services Division  
200 Front Street West  
Toronto, Ontario  
M5V 3J1

**Debra Cameron**  
Tel: 416-344-3791  
Email: debra\_cameron@wsib.on.ca

AND TO: **MINISTRY OF FINANCE [Ontario]**  
Office of Legal Services  
33 King Street West, 6<sup>th</sup> Floor  
Oshawa, Ontario L1H 8H5

**Kevin J. O'Hara**  
Tel: (905) 433-6934  
Fax: (905) 436-4510  
Email: kevin.ohara@fin.gov.on.ca

Lawyers for Ontario Ministry of Finance

AND TO: **CBSC CAPITAL INC.**  
1235 North Service Road West, Unit 100  
Oakville, Ontario L6M 2W2

**Faseeh Ahmad**  
Tel: 1-877-523-5515 ext. 2370  
Fax: 1-866-318-3447  
Email: fahmad@leasedirect.com

AND TO: **STELLARBRIDGE MANAGEMENT INC.**  
111 Creditstone Road  
Concord, Ontario L4K 1N3

**Celeste Iacobelli**  
Tel: (905) 669-2126  
Fax: (905) 669-2049  
Email: ciacobelli@arggroup.com

AND TO: **INTEGRATED DISTRIBUTION SYSTEMS LP O/A WAJAX INDUSTRIES**  
16745-111 Avenue  
Edmonton, Alberta T5M 2S4

**John Knight**  
Tel: (780) 487-6700  
Fax: (780) 669-7028  
Email: jknight@wajax.com

AND TO: **ANSWER PRECISION TOOL INC.**  
190 Washburn Drive  
Kitchener, Ontario N2R 1S2

**Dave Henning**  
Tel: (519) 748-0079  
Fax: (519) 748-0081  
Email: dhenning@answerprecision.com



AND TO: **READY MACHINERY & EQUIPMENT [CANADA] INC.**  
8080 Lawson Road  
Milton, Ontario L9T 5C4

**Tamara Amabile**  
Tel: 1-800-211-2500 or (905) 875-1990  
Fax: (905) 875-1995  
Email: tamara@readymachinery.com

AND TO: **ORION PROPERTIES LTD. O/A ORLANDO CORPORATION**  
500-6205 Airport Road  
Mississauga, Ontario L4V 1E3

**Louis Pilla**  
Tel: (905) 677-5480 ext. 329  
Fax: (905) 677-1851  
Email: pillal@orlandocorp.com

AND TO: **MARTINI BARILE MARUSIC LLP**  
2845 Ouellette Avenue, Suite 200  
Windsor, Ontario N8X 1L5

**Claudio Martini**  
Tel: (519) 969-1817  
Fax: (519) 969-9655  
Email: cmartini@martinibarile.com

Lawyers for Dimond Enterprises, LLC

AND TO: **CARTERS PROFESSIONAL CORPORATION**  
70 Gloucester Street  
Ottawa, Ontario K2P 0A2

**Barry W. Kwasniewski**  
Tel: (613) 235-4774  
Fax: (613) 235-9838  
Email: bwk@carters.ca

Lawyers for Barry Mabee

AND TO: **KOSKIE MINSKY LLP**  
20 Queen Street West, Suite 900  
Toronto, Ontario M5H 3R3

**Andrew J. Hatnay**  
Tel: (416) 595-2083  
Fax: (416) 204-2872  
Email: ahatnay@kmlaw.ca

Lawyers for Roberto Costantino and Tony Wong

AND TO: **TEAMSTERS LOCAL UNION NO. 419**  
1890 Meyerside Drive  
Mississauga, Ontario L5T 1B4

**Jason Sweet**  
Tel: (416) 819-5923  
Fax: (905) 838-4095  
Email: jason@teamsters419.ca

AND TO: **DUNLOP & ASSOCIATES**  
3556 Commerce Court  
Burlington, Ontario L7N 3L7

**William D. Dunlop**  
Tel: (905) 681-3311  
Fax: (905) 681-3565  
Email: william.dunlop@dunloplaw.com

Lawyers for General Electric Canada Equipment Finance

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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 Thursday, April 30, 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:
  - (a) abridging the time for service of the notice of motion and motion record and dispensing with further service;
  - (b) extending the Stay Period (the “**Stay Period**”), as defined in paragraph 17 of the Order of the Honourable Mr. Justice Campbell made in these proceedings on January 21, 2009 (the “**Initial Order**”), as extended by Orders of this Court made February 18, 2009, February 27, 2009, March 9, 2009, March 10, 2009, March 11, 2009 and March 31, 2009, until and including May 31, 2009;

- (c) authorizing and directing RSM Richter Inc., in its capacity as monitor of the applicants (the “**Monitor**”), to release to SKD Company from the proceeds of the asset sales approved by Order of the Court made April 3, 2009 (the “**Liquidation Proceeds**”), such amounts from time to time as may be necessary to permit payment by SKD Company of costs and expenses of the liquidation and wind down of SKD Company’s operations and assets for the period to and including May 31, 2009, in accordance with the May 31 Wind-down Cashflow Projections attached as Exhibit “B” to the Affidavit of John Chen sworn April 28, 2009;
  
- (d) authorizing and directing the Monitor to release from the Liquidation Funds, and authorizing and directing SKD Company to pay to Comerica, 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 (the “**Senior Loan Portion**”), in defeasible and permanent repayment to Comerica of the Senior Loan Portion, but not in repayment any portion of any indebtedness and obligations of the SKD Loan Parties to Comerica in respect of subordinated participations purchased by the Customers (defined below) and General Motors Corporation (“**GM**”) under the Amended and Restated Subordination Participation Agreement dated January 21, 2009, as amended (the indebtedness relating to such subordinated participations being hereafter referred to as the “**Customer Participation Loan Portion**”);
  
- (e) declaring that nothing in the order shall:
  - (i) terminate or otherwise impair any other obligations of the SKD Loan Parties to Comerica;
  
  - (ii) affect the obligations of the SKD Loan Parties in relation to the Customer Participation Loan Portion; or

- (iii) 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;
  - (f) authorizing the CCAA Parties to enter into and approving a Fourth Amendment to the Forbearance Agreement (defined below);
  - (g) approving the report to be filed by the Monitor in relation to this motion (the “**Seventh Report**”) and the actions and activities of the Monitor as reported therein.
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 or formerly 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 18, 2009, 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 extended until and including April 30, 2009;
- (e) SKD Company is a co-borrower under the Comerica Credit Agreement, pursuant to which Comerica provided working capital financing to the SKD Group;
- (f) under the Initial Order, SKD Company was authorized to enter into a forbearance agreement with Comerica (the "**Forbearance Agreement**"), and a multi-party customer agreement (the "**Accommodation Agreement**") with Comerica and the Customers which provided, among other things, for the provision of additional funding to permit SKD Company to continue production of component parts for the Customers, which funding was made available to the SKD Borrowers through the purchase by the Customers and GM of subordinated participations in the Comerica Facility pursuant to the Subordinated Participation Agreement;
- (g) to facilitate the extensions of the Stay Period, SKD Company has been authorized by Orders of this Court to enter into agreements amending the Forbearance Agreement and the Accommodation Agreement;
- (h) the Third Forbearance Amending Agreement approved by Order of the Honourable Mr. Justice Morawetz dated April 3, 2009 obligates the Applicants to repay the Senior Loan Portion to Comerica by April 30, 2009;
- (i) the Liquidation Proceeds held by the Monitor are sufficient to permit the release to SKD Company of the amounts described above;

- (j) the Applicants are seeking a further extension of the Stay Period to May 31, 2009, to permit them to proceed with the arrangements for the orderly liquidation of their remaining assets and to preserve their business and property in the interim;
- (k) the further amendments to the Forbearance Agreement contemplated by the Fourth Amendment to the Forbearance Agreement are necessary in order to facilitate the further extension of the Stay Period to May 31, 2009;
- (l) 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;
- (m) it is believed to be in the best interests of the creditors and other stakeholders of the CCAA Parties for the requested extension of the stay of proceedings to be granted by this Honourable Court;
- (n) 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. It is anticipated that the Monitor will file the Fourth Report with this Honourable Court in relation to the extension of stay proceedings being sought and detailing the actions and activities of the Monitor since the date of its last report to this Honourable Court;
- (o) 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;
- (p) the provisions of the CCAA, and in particular s.11 thereof, and the inherent and equitable jurisdiction of this Honourable Court;
- (q) 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

- (r) 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 John Chen sworn April 28, 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, the Sixth Report and the Seventh 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 28, 2009

**LANG MICHENER LLP**  
Barristers and Solicitors  
P.O. Box 747, Suite 2500  
Brookfield Place, 181 Bay Street  
Toronto, Ontario M5J 2T7

**Sheryl Seigel** (LSUC#21850H)  
Tel: (416) 307-4063

**John S. Contini** (LSUC#30610B)  
Tel: (416) 307-4148

**Alex A. Ilchenko** (LSUC#33944Q)  
Tel: (416) 307-4116  
Fax: (416) 365-1719

Lawyers for the Applicants

**TO: See Service List Attached**

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

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*ONTARIO*

**SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

Proceeding commenced at TORONTO

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**NOTICE OF MOTION**

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**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](mailto:sseigel@langmichener.ca)

**John S. Contini** (LSUC #30610B)

Tel : 416-307-4148

Fax: (416) 365-1719

E-mail : [jcontini@langmichener.ca](mailto:jcontini@langmichener.ca)

Lawyers for the Applicants

# TAB 2

**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

**AFFIDAVIT OF JOHN CHEN**

I, **John Chen**, of the City of Birmingham, in the State of Michigan, U.S.A.  
**MAKE OATH AND SAY:**

**INTRODUCTION**

1. I am the President of the Applicant, NMC Canada Inc. ("NMC"), 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. 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 (collectively, the "**Applicants**") are each general partners of SKD Company, a general partnership registered under the Ontario *Partnerships Act* ("**SKD Company**"). The Applicants are holding companies whose only assets and liabilities relate to SKD Company and who carry on business through SKD Company.

3. SKD Company, NMC, and 2515080 (collectively, the “**CCAA Parties**”) are part of a group of affiliated corporations and partnerships carrying on business in Canada, the United States and Mexico (collectively, the “**SKD Group**”).

4. SKD Company is a Tier I supplier of metal stampings and welded assemblies to automotive manufacturers in the North American automotive industry, including (or formerly 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**”). The manufacturing operations of SKD Group are or were conducted by SKD Company in Canada, SKD L.P. (“**SKD U.S.**”) in the United States and SKD de Mexico, S. de R.L. de C.V. (“**SKD Mexico**”) in Mexico.

5. On January 21, 2009, this Honourable Court made an order (the “**Initial Order**”) pursuant to the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”) in relation to the Applicants, which Order also extended the stay of proceedings to and granted relief in relation to SKD Company, as if it were an Applicant.

6. The Initial Order, among other things, approved of the Forbearance Agreement, Accommodation Agreement and Access Agreement (each as defined in the Initial Order and attached as exhibits to the affidavit of John Chen sworn January 21, 2009 (the “**January Chen Affidavit**”), and empowered and directed the CCAA Parties to enter into these agreements.

7. The Initial Order imposed a stay of proceedings extending to and including February 19, 2009 (the “**Stay Period**”). By Orders of this Honourable Court dated February 18, 2009, February 27, 2009, March 9, 2009, March 10, 2009, March 11, 2009 and March 31, 2009, the Stay Period has been extended to April 30, 2009.

8. This affidavit is being sworn in support of a motion to further extend the Stay Period to May 31, 2009, and to approve the distribution to Comerica Bank (“**Comerica**”) described below.

9. The background to this matter is further described in the January Chen Affidavit and my other Affidavits sworn in this proceeding on February 13, 2009, February 26, 2009, March 11,

2009, March 28, 2009, and March 31, 2009, and the Affidavits of Christopher Garrah sworn on February 27, 2009 and April 3, 2009.

#### **STATUS OF WIND DOWN AND SALES**

10. My Affidavits filed in this proceeding, and the reports filed by RSM Richter Inc., the Monitor of the Applicants (the "**Monitor**"), have described the progress of the steps that have been ongoing to wind down the operations of SKD Company and effect sales of assets used to manufacture component parts and related assets to a purchaser acceptable to the Customers, in accordance with Orders made by this Honourable Court. In addition, inventory is being sold to Customers in accordance with the Accommodation Agreement, as amended, approved by this Court.

11. The assets sales to Martinrea Jonesville LLC and Martinrea International Inc., pursuant to the Purchase Agreements (collectively, the "**Martinrea Purchase Agreements**") authorized by Order of the Honourable Mr. Justice Morawetz made in this proceeding on April 3, 2009, have now been substantially completed. The purchase prices payable under the Martinrea Purchase Agreements have been paid to the Monitor. The related Union Memoranda and Escrow Agreements authorized by that Order have been executed, and the amounts to be funded by the Customers under the Escrow Agreements have been paid by the Customers to the Monitor in its capacity as escrow agent under the Escrow Agreements.

12. The asset sale to Ford contemplated by the "Ford Bill of Sale" authorized by separate Order of the Honourable Mr. Justice Morawetz made April 3, 2009 has also been completed, and the amounts due from Ford pursuant to the Ford Bill of Sale have also been paid to the Monitor.

13. Production at SKD Company's facilities in Milton and Mississauga has now ceased. SKD Company has given notice in accordance with the terms of the Initial Order to the landlord of SKD Company's leased premises located at 7345 and 7345A East Danbro Crescent, Mississauga (the "**Danbro Premises**") that SKD Company will vacate the Danbro Premises by April 30, 2009. SKD Company is in the process of making arrangements, with the assistance of the Monitor, for the sales of certain of SKD Company's other remaining assets through a third party liquidator. SKD also contemplates that it will take steps shortly to vacate the premises



leased by SKD Company at 6495 Tomken Road, Mississauga and to list SKD Company's Milton facility for sale.

14. On April 21, 2009, SKD Company provided a Resourcing Notice pursuant to the Accommodation Agreement to the Customers, a copy of which is attached as Exhibit "A" to this Affidavit. The delivery of the Resourcing Notice triggered an obligation by such Customers to purchase certain inventory in accordance with Section 2.5 of the Accommodation Agreement.

15. SKD Company has been negotiating with Chrysler to make arrangements to continue production at SKD Company's Brampton facility for Chrysler, on the basis that Chrysler will provide the funding required for these operations. If these arrangements are finalized, and, for so long as Chrysler provides the necessary funding, it is possible that these production activities will be ongoing up to October 31, 2009. In the interim, SKD Company will also proceed with arrangements to list the Brampton facility for sale. As at the time of swearing of this Affidavit, SKD Company has been unable to conclude an agreement with Chrysler regarding continued production. SKD Company has requested funding for the operations of Brampton through the month of May from Chrysler to allow the parties to negotiate an ongoing agreement to operate Brampton for a period up to but no later than October 31, 2009. SKD Company has no funds with which to conduct operations at Brampton. If there is not going to be continuing production at Brampton, there will be no reason to delay disposition of the Brampton assets. If SKD Company does not receive interim funding from Chrysler by April 30, 2009, SKD Company will have no alternative but to consider the appropriate arrangements to be made to wind-down the Brampton facility and dispose of the related assets.

#### **DISTRIBUTION TO COMERICA BANK**

16. As referenced in the January Chen Affidavit, SKD Company and SKD Automotive Group, Limited Partnership ("SKD AG" and, together with SKD Company, the "SKD Borrowers") are co-borrowers under a revolving credit agreement (the "Comerica Credit Agreement") among Comerica and SKD Company (as Canadian borrower), SKD AG (as U.S. Borrower) and SKD L.P., EASSA Mexico, SKD Mexico, and the Applicants (as additional loan parties) made December 14, 2004, as subsequently amended. Pursuant to the Comerica Credit

Agreement, Comerica provided working capital financing (the "**Comerica Facility**") to the SKD Group through loans made to the SKD Borrowers.

17. In addition to being a co-borrower under the Comerica Facility with SKD AG, SKD Company has guaranteed the indebtedness of SKD AG to Comerica. SKD Company's obligations to Comerica are secured by security agreements granted by SKD Company and the Applicants dated December 14, 2004, covering all of the present and after acquired personal property and undertaking of SKD Company and the Applicants (the "**SKD Canada SAs**"), as well as real property charges against the lands and premises municipally known as 38-40 Holtby Avenue, Brampton, Ontario and 375 Wheelabrator Way, Milton, Ontario (collectively, the "**Charges**"). Copies of the SKD Canada SAs and the real property Charges were attached as exhibits to the January Chen Affidavit. Comerica has also been granted a guarantee and security by each of the Applicants and SKD L.P. and an unsecured guarantee from SKD Holding, L.P. and SKD Mexico.

18. As at January 16, 2009, the amount of the aggregate borrowings under the Comerica Facility was approximately US\$12.9 million, comprised of approximately US\$6.5 million of outstanding advances of Comerica to SKD Company and approximately US\$6.4 of outstanding advances of Comerica to SKD AG. (These amounts excluded interest, costs and expenses, and interim funding provided by the Customers to that date through the purchase of subordinated participations.)

19. Pursuant to the Initial Order, SKD Company was authorized to enter into The Forbearance Agreement (as defined in the Initial Order) with Comerica, pursuant to which Comerica, on terms, agreed to forbear in requiring repayment of the amounts owing to Comerica.

20. SKD Company was also authorized to enter into the Accommodation Agreement (as defined in the Initial Order) with Comerica and the Customers which provided, among other things, for the provision of additional funding to permit SKD Company to continue production of component parts for the Customers and pursue the Sales Process. The funding was made available to the SKD Borrowers through the purchase by the Customers and General Motors Corporation ("**GM**") of subordinated participations in the Comerica Facility pursuant to an

Amended and Restated Subordinated Participation Agreement (the "**Subordinated Participation Agreement**").

21. In connection with the Subordinated Participation Agreement, Comerica, the Customers, GM, SKD AG, SKD Company, the Applicants, SKD Holding, SKD, L.P., EASSA Mexico and SKD Mexico entered into an Additional Participations and Allocation Agreement (the "**Additional Participations and Allocation Agreement**"), which set forth certain requirements for the distribution of the proceeds of the collateral of SKD Company and SKD AG. Among other things, the Additional Participations and Allocation Agreement provides a waterfall mechanism for the payment of the proceeds remaining after repayment of the senior obligations of the SKD Borrowers to Comerica. It also provides that in the event that Comerica does not agree to the allocation of the loans and proceeds of collateral between SKD AG and SKD Company, and if Comerica is repaid with proceeds of collateral owned by SKD AG or other Guarantors organized in the United States or Mexico (the "**U.S. Collateral**") to satisfy loans to SKD Company, then SKD AG and each U.S. Guarantor including SKD L.P., shall be subrogated to the rights of Comerica to collect from SKD Company the amounts that were paid to Comerica from proceeds of U.S. Collateral to satisfy the loans to SKD Company.

22. 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 Forbearance Agreement and the Accommodation Agreement. Agreements amending the Forbearance Agreement and the Accommodation Agreement were authorized by Orders of this Honourable Court dated February 27, 2009, March 11, 2009 and April 3, 2009.

23. Most recently, pursuant to an Order of the Honourable Mr. Justice Morawetz dated April 3, 2009, the CCAA Parties were authorized to enter into the "Third Forbearance Amending Agreement" (as defined in that Order) with Comerica, which requires that the amounts due to Comerica be repaid by April 30, 2009. The Third Forbearance Amending Agreement states, in part, that:

[The Applicants] will file a motion in the CCAA Proceeding seeking approval of a distribution to [Comerica], from the sale proceeds held by the Monitor, of an amount equal to the balance outstanding on [Comerica]'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.

24. As at April 27, 2009, the remaining portion of the senior loans owing to Comerica (the "**Senior Loan Portion**") under the Comerica Credit Agreement, exclusive of the amounts owing to the Customers and GM as a result of their purchases of subordinated participations under the Subordinated Participation Agreement, was approximately US\$1.4 million, or approximately CDN\$1.7 million. The US\$1.4 million amount may vary somewhat by the return date of the motion on April 30, 2009, but it is not expected to change materially.

25. I understand that the Monitor is presently holding approximately CDN\$7 million (net of taxes) on SKD Company's behalf from proceeds of sale received during the Sales Process. The Monitor therefore has sufficient proceeds in its possession to release funds to permit SKD Company to make a distribution to Comerica in relation to the Senior Loan Portion by April 30, 2009, in accordance with the terms of the Third Forbearance Amending Agreement described above, and the CCAA Parties respectfully request that the Monitor be authorized to do so.

#### **INTERIM FUNDING AND CASH FLOW PROJECTIONS**

26. As a result of the present request for the extension of the Stay Period to May 31, 2009, SKD Company has prepared cash flow projections for the period ending May 31, 2009 (the "**May 31 Wind-down Cashflow Projections**"), a true copy of which is attached to my Affidavit as Exhibit "B". The May 31 Wind-down Cashflow Projections do not include costs relating to the Brampton facility of SKD Company.

27. It will be necessary that funds of SKD Company currently held by the Monitor, in an aggregate amount consistent with the May 31 Wind-down Cashflow Projections, be released to SKD Company, in order to permit SKD Company to proceed with the wind down and liquidation of SKD Company's operations and assets for the period to and including May 31, 2009.

28. If agreement is reached with Chrysler for continued operations at the Brampton facility, separate cash flow projections will be filed with respect to those operations. If agreement with

Chrysler is not reached, separate cash flow projections will have to be prepared to budget for the additional costs necessary for the wind down and liquidation of the Brampton operations and assets.

#### **FURTHER AMENDMENTS TO FORBEARANCE AGREEMENT**

29. Following the payment to Comerica in relation to the Senior Loan Portion, amounts will still be owing relating to the purchases by the Customers and GM of subordinated participations under the Subordinated Participation Agreement, as described above. In order to facilitate a further extension of the Stay Period, it therefore will be necessary that SKD Company, the Customers and Comerica agree to further amendments to the Forbearance Agreement. The parties are presently discussing a form of Fourth Amendment to the Forbearance Agreement to be filed with the Court prior to the return of the motion.

#### **EXTENSION OF THE STAY PERIOD**

30. The Applicants are seeking an extension of the Stay Period to May 31, 2009.

31. During this period, it is envisioned that SKD Company will continue to proceed with the arrangements for the orderly liquidation of its remaining assets and, if it can reach agreement with Chrysler regarding funding and other terms, that SKD Company may continue production at the Brampton facility on a limited basis for Chrysler.

32. The extension of the Stay Period to May 31, 2009 will permit SKD Company to pursue an orderly shut down and liquidation of its assets, preserve and protect the remaining assets and business of SKD Company in the interim period, and provide for a better outcome for creditors, the Customers and other stakeholders than would otherwise be the case, and is in the best interests of the stakeholders of the CCAA Parties. I believe that the extension of the stay of proceedings as proposed will permit the CCAA Parties an opportunity to take other steps as are appropriate in relation to the orderly wind down of their businesses.

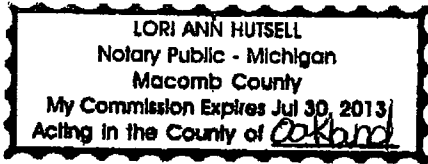
33. The Applicants have been acting in good faith and with due diligence in fulfilling their obligations under the Initial Order and subsequent Orders of this Court.

34. This affidavit is sworn in support of the motion of the Applicants for an order for the

relief sought in the Notice of Motion, and for no other or improper purpose.

SWORN BEFORE ME at the )  
City of )  
in the State of )  
this 28<sup>th</sup> day of April, 2009 )  
Lori Ann Hutsell )  
Notary Public )

John Chen  
John Chen

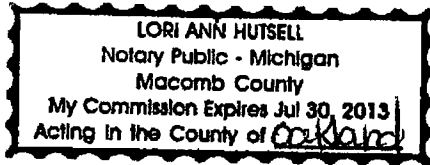


# TAB A

This is Exhibit "A" referred to in the  
affidavit of John Chen  
sworn before me, this  
28th day of April, 2009

*Lori Ann Hutsell*

Notary Public







1460 W. Long Lake Rd., Suite 210  
Troy, MI 48068

April 20, 2009

BY EMAIL ONLY  
seh43@chrysler.com

Chrysler LLC  
800 Chrysler Drive  
CIMS 485-14-78  
Auburn Hills, Michigan 48326

Attention: Sigmund Huber  
Director, Supplier  
Relations

BY EMAIL ONLY  
wstrong@ford.com

Ford Motor Company  
Building 3  
20100 Rotunda Drive  
Number 3A041  
Dearborn, Michigan 48124

Attention: Bill Strong

BY EMAIL ONLY  
Bryan\_Clay@ham.honda.com

Honda of America Mfg., Inc.  
North American Purchasing Office  
21001-A State Route 739  
Raymond, Ohio 43067

Attention: Bryan Clay

Dear Sirs:

**RE: Accommodation Agreement dated January 21, 2009 by and among SKD Company, Ford Motor Company, Chrysler Canada Inc., Chrysler LLC, on behalf of itself and Chrysler Motors LLC, 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 and Comerica Bank, as amended (the "Accommodation Agreement").**

Notice is hereby given that SKD Company and Comerica Bank have determined that no sale of the business of SKD Company or plan of arrangement under the *Companies' Creditors Arrangement Act* will be successfully concluded. Accordingly, this notice is given pursuant to Section 2.1(b) of the Accommodation Agreement, constitutes a Resourcing Notice as defined in the Accommodation Agreement for all non-floor pan related products, and triggers your rights and obligations under the Accommodation Agreement with respect to a Resourcing Trigger Event, including the obligation to purchase certain inventory pursuant to Section 2.5.

Yours truly,

SKD COMPANY

A handwritten signature in black ink, appearing to read "John P. Chen", is written over the typed name.

Per: John P. Chen  
President

copy:

Chrysler LLC  
CIMS 485-14-78  
1000 Chrysler Drive  
Auburn Hills, Michigan  
48326-2766  
Attention: Kim R. Kolb  
Senior Staff Counsel  
Email: krk4@chrysler.com

Dickinson Wright PLLC  
500 Woodward Ave., Suite 4000  
Detroit, Michigan 48226  
Attention: James A. Plemmons  
Email:  
jplemmons@dickinsonwright.com

Borden Ladner Gervais LLP  
Scotia Plaza  
46 King Street West  
Toronto, Ontario, Canada  
M5H 3Y4  
Attention: Craig J. Hill  
Email: chill@blgcanada.com

Ford Motor Company  
One America Road  
World Headquarters  
Suite 416  
Dearborn, Michigan 48126  
Attention: Daniella Saltz  
Email: dsaltz@ford.com

Miller Canfield Paddock and  
Stone, PLC  
150 West Jefferson, Suite 2500  
Detroit, Michigan 48226  
Attention: Stephen S. LaPlante  
Email: laplante@meps.com

Joseph F. LaFleur, Esq.  
Honda of America Mfg., Inc.  
24000 Honda Parkway  
Marysville, Ohio 43040-9251  
Email:  
Joe\_LaFleur@ham.honda.com

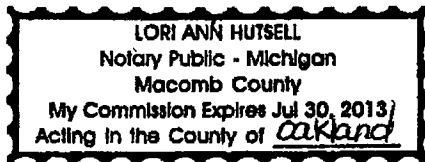
Robert A. Bell, Jr.  
Vorys, Sater, Seymour and Pease  
LLP  
52 East Gay Street  
Columbus, Ohio 43216-1008  
Email: rabell@vorys.com

# TAB B

This is Exhibit "B" referred to in the  
affidavit of John Chen  
sworn before me, this  
28th day of April, 2009

*Lori Ann Hutsell*

Notary Public



SKD Canada Consolidated US\$  
Monthly Cash Flow Forecast

	<u>31-May</u>
Total Receipts	-
Disbursements	
Customer Steel Autodebit/Scrap Rebate	-
Accounts Payable - Trade	310
Payroll	65
Customer Setoffs	-
Restructuring Fees	<u>400</u>
Total Disbursements	807
Net Cash Flow	(807)
Opening Cash Balance	-
Closing Cash Balance	(807)

**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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**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
**COMMERCIAL LIST**  
Proceeding commenced at TORONTO

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**MOTION RECORD**

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

Sheryl Seigel  
LSUC #21850H  
Tel: (416) 307-4063  
E-mail: [sseigel@langmichener.ca](mailto:sseigel@langmichener.ca)

John S. Contini  
LSUC #30610B  
Tel: (416) 307-4148  
E-mail: [jcontini@langmichener.ca](mailto:jcontini@langmichener.ca)

Fax: (416) 365-1719

Lawyers for the Applicants