

**RSM** Richter

**Fifth Report of RSM Richter Inc.  
as CCAA Monitor of  
NMC Canada, Inc., 2515080 Nova Scotia  
Company and SKD Company**

**RSM Richter Inc.**  
Toronto, March 27, 2009

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**Court File No.: 09-CL-7960**

**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**

**FIFTH REPORT OF RSM RICHTER INC.  
AS CCAA MONITOR OF  
NMC CANADA, INC., 2515080 NOVA SCOTIA COMPANY  
AND SKD COMPANY**

**March 27, 2009**

**1. INTRODUCTION**

Pursuant to an order (the "Initial Order") of the *Ontario* Superior Court of Justice (the "Court") made on January 21, 2009, NMC Canada, Inc. ("NMC"), 2515080 Nova Scotia Company ("2515") and SKD Company ("SKD") (collectively, the "Company") commenced proceedings under the *Companies' Creditors Arrangement Act* ("CCAA") and RSM Richter Inc. ("Richter") was appointed the monitor (the "Monitor"). A copy of the Initial Order can be found at Tab "1" of the Company's compendium of orders, filed with the Court in these proceedings.

The Company's stay of proceedings expires on March 31, 2009.

## 1.1 Purposes of this Report

The purposes of this report (“Report”) are to:

- a) Provide background information about the Company and these CCAA proceedings, including the rationale for an extension of the stay of proceedings to April 30, 2009;
- b) Summarize an escrow agreement entered into among:
  - The Company;
  - Honda of America Mfg. Inc., Honda Manufacturing of Indiana, LLC and Honda Manufacturing of Alabama, LLC (collectively, “Honda”);
  - Ford Motor Company (“Ford”);
  - Chrysler Canada Inc. and Chrysler LLC (jointly, “Chrysler”) (collectively, Honda, Ford and Chrysler are referred to as the “Customers”);
  - General Motors Corporation (“GM”); and
  - The Monitorwith respect to retention payments for “non-go-forward employees<sup>1</sup>” (“Non-Go-Forward Employees”) which are to be paid to the Monitor in trust (the “Retention Escrow Agreement”) and disbursed by the Monitor, on the Company’s behalf, to Non-Go-Forward Employees upon termination;
- c) Summarize the Monitor’s activities since the date of its fourth report in these proceedings, being March 11, 2009; and
- d) Recommend that this Honourable Court issue an order approving:
  - The Retention Escrow Agreement;
  - The Company’s request for an extension of the stay of proceedings to April 30, 2009; and
  - The Monitor activities as detailed herein.

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<sup>1</sup> Salaried employees who are not being offered employment by any purchaser of any of the Company’s businesses.

## **1.2 Currency**

Unless otherwise noted, all currency references in this Report are to Canadian dollars.

## **1.3 Terms of Reference**

In preparing this Report, the Monitor has relied upon unaudited financial information prepared by the Company's management, the Company's advisors, the Company's books and records and discussions with its management. The Monitor has not performed an audit or other verification of such information. An examination of the Company's financial forecasts as outlined in the *Canadian Institute of Chartered Accountants Handbook* has not been performed. Future oriented financial information relied upon in this Report is based on management's assumptions regarding future events; actual results achieved may vary from this information and these variations may be material. The Monitor expresses no opinion or other form of assurance with respect to the accuracy of any financial information presented in this Report, or relied upon by the Monitor in preparing this Report.

All capitalized terms not otherwise defined herein have the meaning ascribed to them in the Initial Order.

## **2. BACKGROUND**

NMC and 2515 are the general partners of SKD. The only assets and liabilities of NMC and 2515 relate to SKD. NMC and 2515 own 1% and 99% of SKD, respectively. In addition to SKD's Canadian manufacturing operations, automotive parts manufacturing is carried on by SKD L.P. ("SKD US") in the US and SKD de Mexico, S. de R.L. de C.V. in Mexico ("SKD Mexico") (collectively, SKD and its related entities are referred to as the "SKD Group").

The SKD Group is primarily a tier-one supplier of stampings and welded assemblies to the North American automotive industry.

Additional information concerning the Company and these proceedings is provided in the proposed monitor's report and the Monitor's four reports filed in these proceedings. Copies of these reports can be found on the Monitor's website at [www.rsmrichter.com](http://www.rsmrichter.com).

### **3. COMPANY'S AND CUSTOMER'S PROGRESS REGARDING TRANSACTIONS**

As at the date of this Report, the Company and the Customers have been working to complete transactions ("Transactions") that will see, with one potential exception, a substantial portion of each Customer's business and assets sold to a well known supplier in the automotive sector (the "Purchaser"). The Purchaser is acceptable to each of the Customers and the majority of the major business issues have been resolved. Contemporaneously, one of the Customers is working with the Company to determine the basis on which production may continue for it in one of the Company's facilities. The terms under which such production would continue have not been finalized. The Monitor is optimistic that within a short period of time the Company will bring an application seeking approval of the Transactions. The Transactions are subject to completion of agreements that will provide for certain payments to the Company's hourly workers.

In addition to the Transactions with the Purchaser, it is anticipated that approval will be sought for the sale of certain assets used in the production by the Company of one Customer's component parts.

#### 4. RETENTION ESCROW AGREEMENT

Pursuant to an agreement entitled the Additional Participations and Allocations Agreement (the “APAA”) entered into among the Company and the Customers at the commencement of the CCAA proceedings, the Customers agreed to fund retention amounts for Non-Go-Forward Employees of the Company. Pursuant to an e-mail agreement entered into among the Company and the Customers on February 27, 2009, and the second amendment to the Accommodation Agreement entered into among the parties on March 11, 2009, the Customers agreed to fund participations<sup>2</sup> in the amount of US\$1.1 million (the “Retention Amount”). The Retention Amount is to be paid to an escrow agent (being the Monitor) in trust to be disbursed at such time as Non-Go-Forward Employees are terminated by the Company. The Monitor, the Company and the Customers entered into the Retention Escrow Agreement, which is made as of March 19, 2009.

Pursuant to the Retention Escrow Agreement, the Monitor is entitled to its fees for acting as Escrow Agent as part of the fees of the Monitor in the CCAA proceedings. The parties have further agreed that the protections in favour of the Monitor under the Initial Order will be extended in all respects to the Monitor in its capacity as Escrow Agent and that the parties will seek an order from this Honourable Court that such protections are extended to the Monitor in its capacity as Escrow Agent.

A copy of the Retention Escrow Agreement is attached as Appendix “A”.

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<sup>2</sup> Funding throughout these proceedings has been provided by the Customers by way of participations, being amounts secured under the Company’s secured loan facility with Comerica Bank.



## **5. CASH FLOW**

As at the date of this Report, the Company and its advisors, the Customers and their advisors and the Monitor, to the extent required, have made substantial progress toward finalizing a cash flow budget for the extension period. The budget should be finalized shortly and is to be filed with this Honourable Court on the return of this motion.

## **6. EXTENSION**

The Company is seeking an extension of the stay of proceedings to April 30, 2009. The Monitor supports the Company's request for an extension of the stay of proceedings, for the following reasons:

- The Company is acting in good faith and with due diligence;
- It should not prejudice any employee or creditor, as arrangements are to be in place to pay post-filing services and supplies, provided the cash flow is finalized and agreed among the parties;
- It would allow the Company the opportunity to complete the Transactions which will assist to maximize value and to allow for monies to be paid to the hourly workers;
- It would allow for an opportunity for parties to consider an orderly transition and/or continued production for those portions of the business that are not subject to the Transactions; and
- It would allow the Company the opportunity to consider a strategy for realizing upon the Company's remaining assets.

## 7. SUMMARY OF MONITOR'S ACTIVITIES

In addition to its activities related to the above, the Monitor's activities since the date of the Fourth Report include:

- Attending at the Company's premises on a near daily basis in order to carry out its activities in accordance with the Initial Order;
- Assisting the Company to deal with post-filing issues, including supplier issues;
- Assisting the Company to prepare weekly variance analyses for distribution to Comerica and the Customers in accordance with the terms of the Forbearance Agreement, the Accommodation Agreement and the Initial Order;
- Reviewing weekly variance analyses with the Company and its financial advisors;
- Monitoring the Company's receipts and disbursements in accordance with the provisions of the Initial Order;
- Responding to creditor inquiries regarding these proceedings;
- Reviewing the Company's draft motion materials in respect of a motion returnable on March 11, 2009;
- Reviewing amendments to the Agreements and discussing same with the Company, its advisors, the Customers and their advisors;
- Corresponding with the Company, the Company's counsel, the Company's financial advisors, the Customers' financial advisors, the Customers' counsel and Goodmans to deal with various matters in respect of this mandate;
- Placing on its website copies of materials filed in these proceedings;
- Drafting this Report; and
- Other matters pertaining to the administration of this mandate.

**8. CONCLUSION AND RECOMMENDATION**

Based on the foregoing, the Monitor respectfully recommends that this Honourable Court make an order granting the relief detailed in Section 1.1(d) of this Report.

\* \* \*

All of which is respectfully submitted,

A handwritten signature in black ink, appearing to read "RSM Richter Inc.", written in a cursive style.

**RSM RICHTER INC.  
IN ITS CAPACITY AS CCAA MONITOR OF  
NMC CANADA, INC., 2515080 NOVA SCOTIA COMPANY  
AND SKD COMPANY  
AND NOT IN ITS PERSONAL CAPACITY**

## Appendix "A"

## ESCROW AGREEMENT

This Escrow Agreement (the "**Escrow Agreement**") among the parties referred to below is dated as of March 19, 2009

### RECITALS:

#### WHEREAS

- A. General Motors Corporation ("**GM**"), Ford Motor Company ("**Ford**"), Chrysler LLC ("**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**") (Honda, collectively with GM, Ford and Chrysler, the "**Participants**", or the "**Customers**" and each individually a "**Participant**" or a "**Customer**") have entered into the Additional Participations and Allocations Agreement dated January 21, 2009, as amended ("**APAA**") contemplated by the Amended and Restated Subordinated Participation Agreement dated January 21, 2009 (the "**Participation Agreement**"), as amended, among Comerica Bank ("**Comerica**"), the Participants and SKD Company and others;
- B. For the purposes of this Escrow Agreement, SKD Company together with SKD Automotive Group, Limited Partnership are each an "**Employer**" and are collectively referred to as "**Employers**";
- C. Each Participant has agreed to purchase additional Participations in accordance with the terms and conditions of the Participation Agreement from Comerica for cash, at par, in exchange for undivided subordinated interest (each a "**Participation**") in the Loans (as defined in the Participation Agreement) as more fully set forth in the Participation Agreement;
- D. The Participants have agreed to allow the Employers to use certain of the proceeds from the Participations pursuant to the terms of the APAA to fund payments under the existing employee retention plan for the Non-Go Forward Employees (as defined in the APAA) in accordance with the per employee allocation under the existing employee retention plan as set forth on Exhibit 1 attached to the APAA (the "**Retention Plan**");
- E. Each Participant has agreed to purchase its Respective Percentage (as defined in the Participation Agreement) of the Participations to fund the loans to the Employers for payments to the Non-Go Forward Employees (the "**Non-Go Forward Employee Participations**") in an aggregate amount not to exceed \$1,475,831.00;
- F. RSM Richter Inc., in its capacity as the court-appointed monitor (the "**Monitor**") in the proceeding (the "**CCAA Proceeding**") commenced in the Ontario Superior Court of Justice (the "**Court**") under the *Companies' Creditors Arrangement Act* by NMC Canada Inc. and 2515080 Nova Scotia Company, the general partners of SKD Company, is appointed as escrow agent (the "**Escrow Agent**") pursuant hereto and the Escrow Agent has agreed to act in such capacity;

- G. The Participants have agreed to fund the Non-Go Forward Employee Participations pursuant to the terms of the APAA and SKD Company has agreed pursuant to an e-mail agreement dated February 27, 2009 between SKD Company, Honda, Ford and Chrysler to direct Comerica to wire the proceeds of the Non-Go Forward Employee Participations to the Escrow Agent to be held in escrow in accordance with the terms hereof (such funds hereinafter referred to as the "**Retention Fund**").

**THE PARTIES HERETO AGREE AS FOLLOWS:**

1. The amount of U.S.\$1,095,542.00, is being established as the Retention Fund. The Customers will purchase an additional Participation from Comerica in such amount which Comerica will advance to SKD Company for payment to the Escrow Agent as described in the recitals above and shall be held in trust in an interest-bearing account for the benefit of Comerica and the Employers jointly in accordance with their respective rights and interests under this Escrow Agreement and shall be dealt with and disbursed by the Escrow Agent pursuant to the terms hereof.
2. The parties acknowledge that the Retention Fund is being made available to the Employers through the accommodations of the Customers, upon and subject to the terms of this Escrow Agreement and the APAA, for the sole and specific purpose of enabling the Employers to fund payments under the Retention Plan. The Employers and the Customers understand, confirm and agree, as evidenced by their execution of this Escrow Agreement that the Customers, in providing the Retention Fund, and the Monitor, in disbursing any of the Retention Fund to facilitate the payment of any of the payments under the Retention Plan, shall have and be under no liability to the Employers or the Non-Go Forward Employees, on any basis whatsoever. The Employers and the Customers further acknowledge that any order of the Court to be made approving this Escrow Agreement shall also contain a provision to this effect.
3. The Employers acknowledge and agree, on behalf of itself and the Non-Go Forward Employees, that the indirect funding of the Retention Fund by the Customers to permit the Employers to pay obligations under the Retention Plan does not make any of the Customers and/or Employers, in any combination or all together, a related employer and/or successor employer as contemplated by the *Labour Relations Act*, 1995, S.O. 1995 c.1, as amended (the "LRA") or the *Employment Standards Act*, 2000, S.O. 2000, c.41, as amended (the "ESA"). Each of the Employers, on behalf of itself and the Non-Go Forward Employees hereby waives and releases any claims in this regard that it could have made, or could make in the future, against any of the Customers under the LRA and the ESA.
4. The Escrow Agent agrees to act as Escrow Agent pursuant to the terms hereof. The parties acknowledge that the Escrow Agent is acting solely for the convenience of the parties for the purposes outlined in this Escrow Agreement, and that the Escrow Agent shall not be nor be deemed on any basis to be the agent of any of the parties or an employer, related of successor employer to any employee of the Employers or the Customers.

Distribution of Retention Fund

5. The Escrow Agent shall distribute the Retention Fund as follows:
- (a) The Employers and the Customers shall provide the Escrow Agent with a joint direction in writing to pay, on behalf of the Employers, as soon as reasonably practicable, the applicable portion of the Retention Fund to the payroll service used by the Employers for the purpose of funding the portion of the Retention Fund due to any particular employee pursuant to the APAA upon such employee's termination of employment with the relevant Employer, which amount shall be paid by the Escrow Agent, subject to the terms of this paragraph 5, within 7 days following such employee's last day of work with the Employer, the details of which shall be set out in the joint direction;
  - (b) The Retention Fund may be released or disbursed by the Escrow Agent only in accordance with Sections 5 and 6 of the Escrow Agreement;
  - (c) Any portion of the Retention Fund determined to be surplus to the requirements of the Retention Plan as certified by joint direction in writing of the Employers and the Customers or as determined by a final decision of the Court shall be paid by the Escrow Agent to Comerica (or the assignee of the Loans) as payment under the Loan Documents (as defined in the APAA) as soon as reasonably practicable in accordance with such joint direction or such final decision of the Court;
  - (d) The portion of the Retention Fund (or such portion then remaining, including interest earned thereon) relating to a particular Non-Go Forward Employee shall be paid by the Escrow Agent to Comerica (or the assignee of the Loans) as soon as reasonably practicable upon receipt of a joint written notice from the Customers and the relevant Employer certifying, or a final decision of the Court determining, that (i) the supply of automotive component parts has been interrupted as a result, directly or indirectly, of the acts or omissions of such Non-Go Forward Employee, and/or (iii) such Non-Go Forward Employee has failed to reasonably assist the Customers in the resourcing of the supply of component parts (such resourcing shall include the removal of tooling, equipment and inventory) including to a purchaser of the relevant Employer's business or assets or any part thereof; and
  - (e) The Retention Fund (or such portion remaining, including interest earned thereon) shall be paid by the Escrow Agent to Comerica (or the assignee of the Loans) as payment under the Loan Documents (as defined in the APAA) upon the Employers certifying to the Escrow Agent that the Retention Fund obligations of the Employers referenced in the APAA have been fully satisfied and upon receipt of a joint direction in writing from the Customers and the Employers directing the Escrow Agent to make such payment.

Escrow Agent's Duties

6. In relation to the duties and responsibilities of the Escrow Agent, the parties agree as follows:
- (a) the Escrow Agent's duties and responsibilities shall be as specifically set forth herein and there shall be no implied duties or obligations other than as provided for herein and the Escrow Agent shall have no obligations, responsibilities or liability arising under any other agreements to which the Escrow Agent is not a party, even though reference to such other agreements may be made in this Agreement. The Escrow Agent shall not be liable for any action taken or omitted to be taken by it in good faith and in the exercise of its own judgment, unless such action involved gross negligence or wilful misconduct;
  - (b) disbursement by the Escrow Agent of the Retention Fund in accordance with the provisions of this Escrow Agreement shall constitute a complete discharge and satisfaction of the obligations of the Escrow Agent hereunder;
  - (c) the Escrow Agent shall have no responsibility to inquire into the genuineness or validity of any documents delivered to it and reasonably believed by it to have been signed by the proper person or persons and shall be entitled to rely thereon and shall not be liable or responsible for any action taken or omitted in accordance with the provisions thereof;
  - (d) the Escrow Agent shall not be responsible to enforce any obligation of any person, whether under the APAA or otherwise;
  - (e) the Escrow Agent shall be entitled to rely upon the advice and directions of the Court in respect of any matter relating to the discharge of its duties provided only such directions are obtained upon notice to the Customers and the Employers, such advice may include directions as to the payment of the Retention Fund (or any portion thereof);
  - (f) in the event the Employers and the Customers become involved in any dispute process involving the APAA affecting the Retention Fund, the Escrow Agent shall have standing to participate in such proceedings. The Escrow Agent shall be authorized to rely upon any decision arising from such proceedings, providing such decision shall be final and shall not have been stayed, reversed or varied;
  - (g) in the event of any controversy or dispute under this Escrow Agreement or with respect to any question regarding the construction hereof or any action to be taken or omitted to be taken by the Escrow Agent, the Escrow Agent may pay the Retention Fund (or such remaining portion thereof, including interest earned thereon) into the Court to be disbursed pursuant to further order of the Court and shall notify the Customers and the Employers of such payment into Court and the Escrow Agent shall be relieved of and discharged from any and all obligations and liabilities hereunder;



- (h) the Escrow Agent may resign at any time upon thirty days written notice to the Employers and the Customers or such shorter notice as they may accept in writing as sufficient and shall thereafter pay the Retention Fund (or any remaining portion thereof, including interest earned thereon) to such replacement escrow agent in accordance with the joint direction of the Employers and the Customers or into the Court in accordance with the preceding paragraph if the parties shall not have jointly designated a replacement escrow agent;
- (i) the Employers shall jointly and severally indemnify the Escrow Agent, its partners, agents and employees from, and hold them harmless against, any loss, liability or expense incurred or suffered by them arising out of or in connection with the administration of this Escrow Agreement and the carrying out of the Escrow Agent's duties hereunder, including the costs and expenses of legal counsel (on a solicitor and his own client basis) in defending itself against any claim made against it hereunder; provided, however, that such loss, liability or expense is not the result of the gross negligence or wilful misconduct of the Escrow Agent. The provisions of this 6(i) shall survive the termination of this Agreement and the resignation of the Escrow Agent for any reason;
- (j) the fees of the Escrow Agent for so acting shall be allowed to it as part of the fees of the Monitor in the CCAA Proceeding; and
- (k) the protections provided to the Monitor pursuant to the initial order of the Court dated January 21, 2009, in respect of the CCAA Proceeding, shall apply in all respects to the Escrow Agent, and the parties hereto shall seek an order of the Court, on terms satisfactory to the Escrow Agent, in its sole discretion, to ensure that such protections are extended to the Monitor in its capacity as Escrow Agent.

Miscellaneous Matters

7. All notices shall be given in writing (including facsimile or email) and shall be given to the addresses set forth below:

(a) If to the Employers:

**SKD Company**  
c/o SKD Automotive Group  
1450 W. Long Lake Rd., Suite 210  
Troy, MI 48098

Attention: John P. Chen  
Fax: (248) 267-9669

And to:

SKD Automotive Group  
1965 Pratt Boulevard  
Elk Grove Village, IL 60007

Attention: Vytas Ambutas  
Facsimile: (847) 806-7244  
E-Mail: vambutas@nmlp.com

With a copy to:

**Lang Michener LLP**  
Brookfield Place  
181 Bay Street, Suite 2500  
Toronto, ON M5J 2T7

Attention: Sheryl E. Seigel  
Fax: (416) 365-1719  
Email: sseigel@langmichener.ca

(b) If to the Escrow Agent:

**RSM Richter Inc.**  
200 King Street W., Suite 1100  
P.O. Box 48  
Toronto, ON M5H 3T4

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

With a copy to:

**Goodmans LLP**  
250 Yonge Street, Suite 2400  
Toronto, ON M5B 2M6

Attention: Joseph Latham  
Fax: (416) 979-1234  
Email: jlatham@goodmans.ca

(c) If to the Chrysler:

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

Attention: Sigmund Huber  
Fax: (248) 512-1771  
Email: seh43@chrysler.com

With a copy to:

**Chrysler LLC**  
1000 Chrysler Drive  
CIMS 485-14-78  
Auburn Hills, MI 48326-2766

Attention: Kim R. Kolb  
Fax: (248) 512-1771  
Email: krk4@chrysler.com

And:

**Dickinson Wright PLLC**  
500 Woodward Avenue, Suite 4000  
Detroit, MI 48226

Attention: James A. Plemmons  
Fax: (313) 223-3598  
E-mail: jplemmons@dicksonwright.com

With a copy to:

**Borden Ladner Gervais LLP**  
Scotia Plaza, 40 King St. W.  
Toronto, ON M5H 3Y4

Attention: Craig J. Hill  
Fax: (416) 361-7301  
Email: chill@blgcanada.com

(d) If to Ford:

**Ford Motor Company**  
Once America Road  
World Headquarters, Suite 416  
Dearborn, MI 48126

Attention: Daniella Saltz  
Fax: (313) 322-3084  
Email: dsaltz@ford.com

With a copy to:

**Miller Canfield Paddock and Stone, PLC**  
150 West Jefferson, Suite 2500  
Detroit, MI 48226

Attention: John Leslie  
Fax: (519) 977-1565  
Email: leslie@millercanfield.com

(e) If to Honda:

**Honda of America Mfg., Inc.**  
24000 Honda Parkway  
Marysville, OH 43040-9251

Attention: Joseph F. LaFleur  
Fax: (937) 644-6583  
Email: Joe\_LaFleur@ham.honda.com

With a copy to:

**Vorys, Sater, Seymour and Pease LLP**  
52 East Gay Street  
Columbus, OH 43216-1008

Attention: Robert A. Bell, Jr.  
Fax: (614) 719-5169  
Email: rabell@vorys.com

And:

**Blake, Cassels & Graydon LLP**

199 Bay Street, Suite 2800  
Commerce Court West  
Toronto, ON M5L 1A9

Attention: Steven J. Weisz  
Fax: (416) 863-2653  
E-mail: [steven.weisz@blakes.com](mailto:steven.weisz@blakes.com)

(f) If to GM:

**General Motors Corporation**

Cadillac Building  
Mail Code: 480-206-136  
30009 Van Dyke  
Warren, Michigan 48090-9025

Attention: Mark W. Fischer  
Fax: (586) 575-3404  
E-mail: [mark.w.fischer@gm.com](mailto:mark.w.fischer@gm.com)

With a copy to:

**Honigman Miller Schwartz and Cohn LLP**

2290 First National Building  
660 Woodward Avenue  
Detroit, Michigan 48226

Attention: Donald F. Baty, Jr,  
Fax: (313) 465-7549  
E-mail: [dbaty@honigman.com](mailto:dbaty@honigman.com)


8. The term of this Escrow Agreement shall commence on the date hereof and shall continue until the Escrow Agent has released all amounts in respect of the Retention Fund, including interest earned thereon, in accordance with this Escrow Agreement.
9. This Escrow Agreement reflects the entire agreement between the parties with respect to the matters contained herein and contained in paragraph 5 of the e-mail agreement dated February 27, 2009 between the SKD Company, Honda, Ford and Chrysler.
10. Comerica Bank and any Customers that have directly or indirectly provided funds for the Retention Fund are intended to be third party beneficiaries hereto and entitled to enforce the provisions hereof.

11. This Escrow Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective successors and assigns provided that the Escrow Agent shall not be permitted to assign its obligations hereunder except as specifically contemplated herein.
12. If any term shall be found to be unenforceable, illegal or invalid by a court of competent jurisdiction, the remainder of this agreement shall continue in full force and effect and shall not thereby be affected, invalidated or impaired.
13. No waiver of any of the provisions of this Escrow Agreement shall be binding unless in writing delivered in accordance with the provisions hereof.
14. The parties agree to deliver to each other such further and other assurances as may be reasonably necessary or desirable to give effect to this Escrow Agreement.
15. Time shall be of the essence to this Escrow Agreement.
16. This Escrow Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable herein and the parties attorn to the jurisdiction of Ontario in the event of a dispute hereunder.
17. This Escrow Agreement may be signed in any number of counterparts each of which shall be an original with the same effect as if the signatures were each upon the same instrument. This Escrow Agreement shall be effective when each party hereto shall have received by facsimile or electronic transmission a counterpart hereof signed by each of the other parties.
18. The Recitals hereto shall be incorporated and form part of this Agreement.

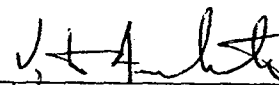
[THE REMAINDER OF THIS PAGE WAS INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties have caused this Escrow Agreement to be duly executed as of the date first above written.

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

By:   
Name: J. T. Amouras  
Title: Secretary

I have the authority to bind NMC Canada,  
Inc.

By:   
Name: J. T. Amouras  
Title: Secretary

I have the authority to bind 2515080 Nova  
Scotia Company

**RSM Richter Inc., in its capacity as Court-  
appointed Monitor of NMC CANADA INC.,  
2515080 NOVA SCOTIA COMPANY and SKD  
COMPANY and not in its personal or corporate  
capacity**

By: \_\_\_\_\_  
Name:  
Title:

I have the authority to bind the company

**IN WITNESS WHEREOF**, the parties have caused this Escrow Agreement to be duly executed as of the date first above written.

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

By: \_\_\_\_\_  
Name:  
Title:

I have the authority to bind NMC Canada,  
Inc.

By: \_\_\_\_\_  
Name:  
Title:

I have the authority to bind 2515080 Nova  
Scotia Company

**RSM Richter Inc., in its capacity as Court-  
appointed Monitor of NMC CANADA INC.,  
2515080 NOVA SCOTIA COMPANY and SKD  
COMPANY and not in its personal or corporate  
capacity**


By: \_\_\_\_\_  
Name: *Robert Richter*  
Title: *r.p.*

I have the authority to bind the company



**SKD AUTOMOTIVE GROUP,  
LIMITED PARTNERSHIP**

By: PL International Corporation  
Its: General Partner

By:   
Vytas Ambutas  
Its: Secretary

**FORD MOTOR COMPANY**

By: \_\_\_\_\_  
Name:  
Title:

**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**

By: \_\_\_\_\_  
Name:  
Title:

**CHRYSLER LLC**

By: \_\_\_\_\_  
Name:  
Title:

**SKD AUTOMOTIVE GROUP,  
LIMITED PARTNERSHIP**

By: PL International Corporation  
Its: General Partner

By: \_\_\_\_\_  
Vytas Ambutas  
Its: Secretary

**FORD MOTOR COMPANY**

By: Yusef K. Kiani  
Name: Yusef K. Kiani  
Title: Purchasing Director

**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**

By: \_\_\_\_\_  
Name:  
Title:

**CHRYSLER LLC**

By: \_\_\_\_\_  
Name:  
Title:

**SKD AUTOMOTIVE GROUP,  
LIMITED PARTNERSHIP**

By: PL International Corporation  
Its: General Partner

By: \_\_\_\_\_  
Vytas Ambutas  
Its: Secretary

**FORD MOTOR COMPANY**

By: \_\_\_\_\_  
Name:  
Title:

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and on Behalf of HONDA CANADA MFG., a  
division of HONDA CANADA, INC., HONDA  
MANUFACTURING OF INDIANA, LLC and  
HONDA MANUFACTURING OF ALABAMA,  
LLC**

By: Mark VanDeVelde  
Name: Mark VanDeVelde  
Title: Senior Manager, NAEP

**CHRYSLER LLC**

By: \_\_\_\_\_  
Name:  
Title:

**SKD AUTOMOTIVE GROUP,  
LIMITED PARTNERSHIP**

By: PL International Corporation  
Its: General Partner

By: \_\_\_\_\_  
Vytas Ambutas  
Its: Secretary

**FORD MOTOR COMPANY**

By: \_\_\_\_\_  
Name:  
Title:

**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**

By: \_\_\_\_\_  
Name  
Title:

**CHRYSLER LLC**

By: *Jan A. Bertsch*  
Name: Jan A. Bertsch 3/24/09  
Title: SVP, Treasurer, CIO

*KRR*

*W*

HOND

**GENERAL MOTORS COMPANY**

*Akash Raj*

By:

Name: *AKASH RAO*

Title: *Manager, Business Development*