

# **RSM! Richter**

## **Third Report of RSM Richter Inc. as Court-Appointed Receiver of NMC Canada, Inc., 2515080 Nova Scotia Company and SKD Company**

**RSM Richter Inc.**  
Toronto, August 13, 2010

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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**

**THIRD REPORT OF RSM RICHTER INC.  
AS COURT-APPOINTED RECEIVER OF  
NMC CANADA, INC., 2515080 NOVA SCOTIA COMPANY  
AND SKD COMPANY**

**August 13, 2010**

**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 Monitor. On June 11, 2009, the Court issued an order amending the Initial Order, placing the Company in receivership and appointing Richter as Receiver of the Company's property, assets and undertaking ("Receivership Order"). Copies of the Initial Order and the Receivership Order are provided in Appendices "A" and "B", respectively.

## 1.1 Purposes of this Report

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

- a) Advise the Court of an offer submitted by Mayflower Properties Inc. (the “Purchaser”) to purchase the Company’s property at 375 Wheelabrator Way, Milton (the “Milton Property”), including the terms of the offer and the events leading to an agreement of purchase and sale between the Purchaser and the Receiver (the “Transaction”); the Transaction is subject to Court approval; and
- b) Recommend that this Honourable Court make an order:
  - Approving the Transaction and authorizing the Receiver to execute such documents and take such additional steps as are necessary to complete the Transaction;
  - Vesting in the Purchaser, as of closing, title to the Milton Property, free and clear of all liens, charges, security interests and other encumbrances;
  - Authorizing the Receiver to dispose of the books and records included in Appendix “D”; and
  - Approving the Receiver’s actions and activities as described in this Report.

## 1.2 Terms of Reference

In preparing this Report, the Receiver has relied upon the Company’s books and records, including information assembled by and analyses performed by Company employees. The Receiver 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 the Receiver’s assumptions regarding future events; actual results achieved may vary from this information and these variations may be material. The Receiver 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 Receiver in preparing this Report.

Unless otherwise noted in this Report, all capitalized terms not defined herein have the meaning ascribed to them in the Initial Order and/or the Receivership 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 was carried on by SKD L.P. in the US and SKD de Mexico, S. de R.L. de C.V. ("SKD Mexico") in Mexico (SKD L.P. and SKD Mexico are jointly referred to as "SKD US") (collectively, SKD and its related entities are referred to as the "SKD Group").

The SKD Group was 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 Richter's report dated January 21, 2009 (filed as proposed monitor), Richter's reports filed in the CCAA proceedings in its capacity as Monitor and in Richter's report filed in the receivership proceedings as Receiver. Copies of these reports can be found on Richter's website at [www.rsmrichter.com](http://www.rsmrichter.com).

## **3. REAL ESTATE**

At the end of June, 2009 the Receiver engaged Colliers MaCaulay Nicolls (Ontario) Inc. ("Colliers") to market for sale the Milton Property and the Company's real estate at 40 Holtby Avenue, Brampton, Ontario (the "Brampton Property"). At the expiration of the listing agreement with Colliers at the end of January, 2010, the Receiver terminated Colliers and engaged CB Richard Ellis Limited ("CBRE") to continue to market the Brampton and Milton Properties.

A transaction for the sale of the Brampton Property was approved by the Court on April 29, 2010 and closed on April 30, 2010.

### **3.1 Milton Property**

Based on the advice of Colliers and other information available at the time of the Colliers listing agreement, the Milton Property was originally listed for sale at \$7.448 million. In consultation with CBRE, in February, 2010 the listing price was reduced to \$6.5 million and CBRE commenced marketing the Milton Property.

The Purchaser originally submitted a letter of intent of \$2 million for the Milton Property on April 7, 2010. The Receiver did not counter this offer. On April 20, 2010, the Purchaser re-submitted a letter of intent of \$2.7 million and on May 6, 2010, the Purchaser submitted an offer in the Receiver's form of offer in the amount of \$3.5 million. On May 19, 2010, following several rounds of "sign backs", the Receiver accepted the Purchaser's offer in the amount of \$3.75 million. The offer was conditional upon the Purchaser's review of a supplementary environmental report that was in the process of being prepared. The conditional period, as amended, expired on July 15, 2010 at which time the Purchaser approached the Receiver requesting that the purchase price be amended to \$3.05 million, a reduction of \$700,000, citing the costs related to environmental clean-up and roof repairs as the primary reason for the request. The Receiver did not respond to this request. The Purchaser subsequently requested an amended purchase price of \$3.3 million, a reduction of \$450,000 from the original purchase price. The Receiver responded at the original purchase price of \$3.75 million. On July 20, 2010, the Purchaser responded with an amended purchase price of \$3.45 million. After various discussions with CBRE and the Purchaser, the Receiver accepted the amended purchase price of \$3.45 million on July 22, 2010, but all with reference to the agreement of purchase and sale dated May 19, 2010.

The Transaction is subject to Court approval, contemplates a closing date of August 25, 2010 and is consistent with standard insolvency transactions, i.e. limited representations and warranties. On May 21, 2010, the Purchaser paid a deposit of \$100,000 to CBRE, which is currently being held in trust by it pending closing.

Throughout the negotiation process, the Receiver kept the Customers<sup>1</sup> apprised of its dealings with respect to the sale of the Milton Property; however, due to the quick pace and the tight deadlines of the final negotiations, the Receiver was only able to provide the Customers with less than one day notice in advance of accepting the amended purchase price. The Receiver wrote to counsel for the Customers to advise of the developments and to recommend the Transaction. The Receiver advised counsel that if they did not have the opportunity to obtain instructions from their clients, they would be provided ample notice to raise any objection at the return of this motion. As of the date of this report, none of the Customers has advised the Receiver that it objects to the Transaction.

A copy of the Purchaser's offer is attached as Appendix "C".

### **3.2 Recommendation Re: Sale of the Milton Property**

The Receiver recommends that the Court issue an order approving the Transaction and vesting title in the Purchaser for the following reasons:

- The Milton Property has been exposed to the market by professional real estate firms since June, 2009. Conventional methods for selling real estate have been utilized;

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<sup>1</sup> The Customers funded approximately \$10.1 million to the Company on an unsecured basis during the CCAA proceedings to fund various payments that were made to the Company's employees under union settlement agreements approved by the Court on April 3, 2009. As a group, the Customers are the largest unsecured creditors.



- CBRE, which is familiar with the local real estate market and the specific attributes of the Milton Property, has advised the Receiver that, based on their knowledge and on feedback received from other parties which have toured the Milton Property, it is unlikely that a better offer would be presented for the Milton Property in the near term or at all;
- The Purchaser's offer is the highest and best received and is now conditional only upon Court approval;
- In CBRE's view, the purchase price represents the current market value for this property given a) that it is being sold in a receivership without representations and warranties, b) there are known environmental issues with the property and c) the current market conditions for similar commercial real estate – there have not been many comparable commercial real estate transactions in the Greater Toronto Area West market since January, 2010<sup>2</sup>; and
- Ongoing costs associated with maintaining the Milton Property would be eliminated – these total approximately \$35,000 per month.

#### **4. BOOKS AND RECORDS**

The majority of the Company's books and records are presently being stored at the Milton Property. There are approximately 1400 boxes at the Milton Property and a further 142 boxes being stored by PricewaterhouseCoopers Inc., the administrator of the Company's pension plans appointed by Financial Services Commission of Ontario.

The Receiver is seeking this Honourable Court's approval to dispose of 485 boxes ("Boxes"), containing the Company's books and records related to the period prior to January 1, 2004 and certain other books and records related to the period after January 1, 2004.

Pursuant to paragraph 6 of the Office of the Superintendent of Bankruptcy's Directive 17, it is recommended that a trustee<sup>3</sup> retain up to two years of books and records of a bankrupt in order to fulfill its obligation to make any return that the bankrupt was required to make to

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<sup>2</sup> Excludes the sale of the Brampton Property which closed on April 30, 2010.

<sup>3</sup> Pursuant to an order of the Court made on April 29, 2010, the Receiver is authorized to assign the Company into bankruptcy and to act as trustee in the bankruptcy proceedings.

one year prior to the commencement of the calendar year of the bankruptcy. Paragraph 7(2) of the directive goes on to say that a trustee should extend the retention period of documents where other statutes (including the *Income Tax Act* (“ITA”)) require that documents be kept for a longer time period.

Pursuant to the rules of the ITA<sup>4</sup>, a company is required to retain books and records related to the determination of taxes payable for a period that is six years from the end of the last taxation year to which the books and records relate. The last tax returns filed for the Company were for the 2008 tax year.

The books and records that the Receiver is seeking to dispose of are not required for the administration of the receivership, will not be required for the administration of the bankruptcy estates and are not required to be retained pursuant to the rules of the ITA. Accordingly, the Receiver is seeking to dispose of the Boxes to reduce the storage and destruction costs related thereto. As discussed in Section 3 above, subject to this Honourable Court’s approval, the Transaction is scheduled to close on August 25, 2010; accordingly, all of the boxes must be removed from the Milton Property prior to that date. A list of the information contained in the Boxes is provided in Appendix “D”.

On August 12, 2010, the Receiver contacted Lang Michener LLP, counsel to the Company’s former directors and advised that it did not have an interest in continuing to store the Boxes and that it would release the Boxes to former directors, at their request. As of the date of this Report the Receiver is awaiting a response from the former directors.

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<sup>4</sup> The rules of the ITA related to storage of books and records are consistent with the rules set out in the Excise Tax Act, the Employment Insurance Act and the Canada Pension Plan Act.

Since the records contained in the Boxes are not required pursuant to the rules of the ITA, nor for administering the receivership or for administering the bankruptcy estates, the Receiver is seeking authorization from this Honourable Court to dispose of the Boxes in an appropriate manner (by shredding and/or recycling) if the former directors do not take possession of them.

## 5. OVERVIEW OF THE RECEIVER'S ACTIVITIES

In addition to the activities detailed above and related to the above, since the date of the Second Report, the Receiver's activities have included:

- Negotiating the Transaction and the agreement of purchase and sale for the sale of the Milton Property;
- Corresponding with CBRE regarding various matters concerning the marketing of the Company's real estate;
- Corresponding with Golder Associates Ltd. ("Golder") regarding a supplemental phase II environmental audit of the Milton Property;
- Reviewing environmental reports prepared by Golder;
- Dealing with other matters pertaining to the maintenance of the Milton and Brampton Properties;
- Dealing with closing matters related to the completion of the sale transaction for the Brampton Property;
- Drafting and finalizing the second interim report of the Receiver prepared pursuant to subsection 246(2) of the *Bankruptcy and Insolvency Act*;
- Disbursing funds to the Company's secured creditors pursuant to the terms of the Court order made on June 7, 2010;
- Disbursing funds from the post-receivership bank accounts in satisfaction of obligations incurred during the receivership period;
- Dealing with employee claims under the *Wage Earner Protection Program Act*;
- Responding to creditors and former employees regarding these proceedings;

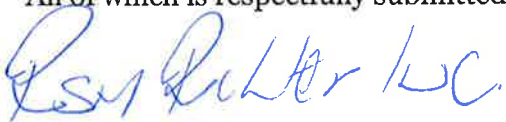
- Corresponding with the Receiver's counsel to deal with various matters in respect of this mandate;
- Placing on its website copies of materials filed in these proceedings;
- Drafting this Report; and
- Other matters pertaining to the administration of this mandate.

## 6. RECOMMENDATION

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

\* \* \*

All of which is respectfully submitted,

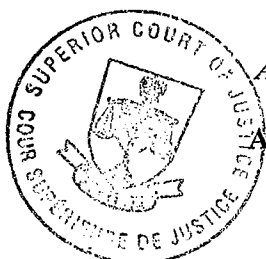
A handwritten signature in blue ink, appearing to read "RSM Richter Inc.", is written over the typed name of the company.

**RSM RICHTER INC.  
IN ITS CAPACITY AS COURT-APPOINTED  
RECEIVER OF NMC CANADA, INC.,  
2515080 NOVA SCOTIA COMPANY AND SKD COMPANY  
AND NOT IN ITS PERSONAL CAPACITY**

## **Appendix “A”**

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

THE HONOURABLE MR. ) WEDNESDAY, THE 21ST DAY  
OF JANUARY, 2009  
)  
JUSTICE CAMPBELL )



**IN THE MATTER OF THE COMPANIES' CREDITORS  
ARRANGEMENT ACT, R.S.C. 1985, C. C-36, AS AMENDED  
AND IN THE MATTER OF A PLAN OF COMPROMISE OR  
ARRANGEMENT OF NMC CANADA, INC. AND  
2515080 NOVA SCOTIA COMPANY**

Applicants

**INITIAL ORDER**

THIS APPLICATION, made by NMC Canada, Inc. ("NMC") and 2515080 Nova Scotia Company ("2515080") (collectively, the "Applicants" and any one, an "Applicant"), 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 affidavit of John Chen sworn January 21, 2009 (the "Chen Affidavit") and the Exhibits thereto and the report of RSM Richter Inc. ("Richter") as the proposed monitor in these proceedings (the "Monitor"), and on hearing the submissions of counsel for the Applicants, and counsel for Richter, Comerica Bank ("Comerica"), the Customers (as defined below), General Motors Corporation ("GM"), the National Automobile, Aerospace, Transportation and General Workers of Canada and its Local 1285 (the "CAW"), the United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers Union (the "USW") and the Teamsters Local Union No. 419 (the "Teamsters" and, together with the CAW and USW, the "Unions" and, any one, a "Union"), no one else on the Service List appearing and on reading the consent of Richter to act as the Monitor,

## **SERVICE**

1. THIS COURT ORDERS that the time for service of the Notice of Application and the Application Record is hereby abridged so that this Application is properly returnable today and hereby dispenses with further service thereof.

## **APPLICATION**

2. THIS COURT ORDERS AND DECLARES that the Applicants are debtor companies to which the CCAA applies. Although not an Applicant, this Court further orders and declares that SKD Company, as 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”), shall enjoy the benefits of the protections provided by this Order and shall be treated as if an applicant under this Order.

## **PLAN OF ARRANGEMENT**

3. THIS COURT ORDERS that the Applicants shall have the authority to file and may, subject to further order of this Court, file with this Court one or more plans of compromise or arrangement (hereinafter referred to as the “Plan”) between, *inter alia*, the CCAA Parties or any of them and one or more classes of their secured and/or unsecured creditors, as they deem appropriate.

## **POSSESSION OF PROPERTY AND OPERATIONS**

4. THIS COURT ORDERS that the CCAA Parties shall remain in possession and control of their current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including all proceeds thereof (the “Property”). Subject to further Order of this Court, the CCAA Parties shall continue to carry on business in a manner consistent with the preservation of their businesses (the business of the CCAA Parties, collectively, the “Business”) and Property. The CCAA Parties shall be authorized and empowered to continue to retain and employ the employees, consultants, financial advisors, agents, experts, accountants, counsel, appraisers and such other persons (collectively, “Assistants”) currently retained or employed by them, with liberty to retain such further Assistants as they deem reasonably

necessary or desirable in the ordinary course of business, for the carrying out of the terms of this Order or to assist the CCAA Parties with their restructuring activities as contemplated by this Order.

5. THIS COURT ORDERS that the CCAA Parties shall be entitled to continue to utilize their existing bank accounts and any other bank accounts permitted under the Forbearance Agreement (as defined below) (the “**Bank Accounts**”) and that all banks in which the CCAA Parties maintain any Bank Account are authorized and directed to continue to maintain, service and administer the Bank Accounts in accordance with the documents governing the Bank Accounts.

6. THIS COURT ORDERS that the CCAA Parties are authorized and empowered to continue to manage their cash and cash equivalents and transfer funds among their respective Bank Accounts pursuant to the cash management system currently in place, as described in the Chen Affidavit, or replace it with another substantially similar central cash management system satisfactory to Comerica (the “**Cash Management System**”), and that any present or future bank providing or participating in the Cash Management System shall not be under any obligation whatsoever to inquire into the propriety, validity or legality of any transfer, payment, collection or other action taken under the Cash Management System, or as to the use or application by the CCAA Parties of funds transferred, paid, collected or otherwise dealt with in the Cash Management System, shall be entitled to provide the Cash Management System without any liability in respect thereof to any Person (as defined below) other than the CCAA Parties and Comerica pursuant to the terms of the documentation applicable to the Bank Accounts and the Cash Management System, and shall be, in their capacity as provider of the Cash Management System, an unaffected creditor under the Plan with regard to any claims or expenses it may suffer or incur in connection with the provision of the Bank Accounts and the Cash Management System and that the CCAA Parties may use the funds standing to their credit from time to time in their bank accounts within the Cash Management System.

7. THIS COURT ORDERS that the CCAA Parties shall be entitled but not required to pay the following expenses, whether incurred prior to or after this Order:



- (a) all outstanding and future wages, salaries, employee and pension benefits, vacation pay, contributions to registered retirement pension plans, bonuses, expenses and retention plan payments pursuant to plans and programs currently in place payable on or after the date of this Order, in each case incurred in the ordinary course of business and consistent with or pursuant to existing compensation policies and arrangements; and
- (b) the fees and disbursements of any Assistants retained or employed by the CCAA Parties in respect of these proceedings, at their standard rates and charges.

8. THIS COURT ORDERS that, except as otherwise provided to the contrary herein, the CCAA Parties shall be entitled but not required to pay all reasonable expenses incurred by the CCAA Parties to carry on and preserve the Business in the ordinary course from and after the date of this Order, and in carrying out the provisions of this Order, which expenses shall include, without limitation:

- (a) all expenses and capital expenditures reasonably necessary for the preservation of and operation of the Property or the Business including, without limitation, payments on account of insurance (including directors and officers insurance), maintenance and security services; and
- (b) payment for goods or services actually supplied to the CCAA Parties following the date of this Order.

9. THIS COURT ORDERS that the CCAA Parties, as applicable, shall remit, in accordance with legal requirements, or pay:

- (a) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from employees' wages, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, (iii) Quebec Pension Plan, and (iv) income taxes;

- (b) all goods and services or other applicable sales taxes (collectively, “Sales Taxes”) required to be remitted by the CCAA Parties in connection with the sale of goods and services by the CCAA Parties; and
- (c) any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and which are attributable to or in respect of the carrying on of the Business by the CCAA Parties.

10. THIS COURT ORDERS that the CCAA Parties may pay to SKD Automotive Group, Limited Partnership (“SKD AG”) and to SKD, L.P., the amounts described in the Chen Affidavit in respect of the head office management, accounting, record-keeping, budgeting, financial reporting, cash management, payroll, human resources, information technology, purchasing, sales, engineering, research and development and other administrative functions provided by SKD AG and SKD L.P. to the CCAA Parties, unless objected to by the Monitor.

11. THIS COURT ORDERS that until such time as a CCAA Party repudiates a real property lease in accordance with paragraph 13(c) of this Order, such CCAA Party shall pay all amounts constituting rent or payable as rent under real property leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable to the landlord under the lease) or as otherwise may be negotiated by such CCAA Party from time to time (“Rent”), for the period commencing from and including the date of this Order, twice-monthly in equal payments on the first and fifteenth day of each month, or the next business day thereafter, in advance (but not in arrears).

12. THIS COURT ORDERS that, except as specifically permitted under this Order, the CCAA Parties are hereby directed, until further Order of this Court: (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the CCAA Parties to any of their creditors as of this date; (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of their Property; and (c) to not grant credit or incur liabilities except in the ordinary course of the Business.

## RESTRUCTURING

13. THIS COURT ORDERS that the CCAA Parties shall have the right to:
- (a) permanently or temporarily cease, downsize or shut down any of their business or operations and, subject to the prior consent of Comerica, to dispose of redundant or non-material assets, which are currently not used in the production of component parts for any of the Customers: (i) not exceeding \$100,000 in any one transaction; or (ii) with the consent of the Monitor, not exceeding \$500,000 in any one transaction or \$1,000,000 in the aggregate, subject to paragraph 13(c), if applicable; and for further certainty the proceeds of sale of these assets shall remain subject to the terms of any valid and existing liens and security interests affecting the Property and its proceeds;
  - (b) subject to any applicable seniority provisions of any applicable collective bargaining agreement, or as may be agreed between SKD Company and the applicable collective bargaining unit, terminate the employment of such of their employees or temporarily lay off such of their employees as they deem appropriate on such terms as may be agreed upon between the CCAA Parties and such employee or, failing such agreement, to deal with the consequences thereof in the Plan;
  - (c) in accordance with paragraphs 14 and 15, vacate, abandon or quit any leased premises and/or repudiate any real property lease and any ancillary agreements relating to any leased premises, on not less than seven (7) days' notice in writing to the relevant landlord or on such terms as may be agreed upon between an applicable CCAA Party and such landlord, or failing such agreement, to deal with the consequences thereof in the Plan;
  - (d) repudiate such of their arrangements or agreements of any nature whatsoever, whether oral or written, as the CCAA Parties deem appropriate on such terms as may be agreed upon between the applicable CCAA Party and such counterparties, or failing such agreement, to deal with the consequences thereof in the

Plan, and to negotiate any new or replacement arrangements or agreements as the applicable CCAA Party deems appropriate (provided that the Monitor does not object to such new or replacement arrangements or agreements); provided that, notwithstanding this paragraph, SKD Company shall not repudiate any collective bargaining agreement with any Union; and

- (e) pursue avenues of refinancing and restructuring and the sale of material parts of the Business or Property, in whole or part, subject to prior approval of this Court being obtained before any material refinancing or any sale (except as permitted by paragraph 13(a), above);

all of the foregoing to permit the CCAA Parties to proceed with an orderly restructuring, sale or wind down of the Business (the “**Restructuring**”).

14. THIS COURT ORDERS that the applicable CCAA Party shall provide each of the relevant landlords with notice of their intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes a CCAA Party’s entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the applicable CCAA Party, or by further Order of this Court upon application by the CCAA Parties on at least two (2) days’ notice to such landlord and any such secured creditors. If a CCAA Party repudiates the lease governing such leased premises in accordance with paragraph 13(c) of this Order, it shall not be required to pay Rent under such lease pending resolution of any such dispute, and the repudiation of the lease shall be without prejudice to the CCAA Party’s claim to the fixtures in dispute.

15. THIS COURT ORDERS that if a lease is repudiated by a CCAA Party in accordance with paragraph 13(c) of this Order, then (a) during the notice period prior to the effective time of the repudiation, the landlord may show the affected leased premises to prospective tenants during normal business hours, on giving the applicable CCAA Party and the Monitor 24 hours’ prior written notice, and (b) at the effective time of the repudiation, the relevant landlord shall be entitled to take possession of any such leased premises without waiver of or prejudice to any

claims or rights such landlord may have against the applicable CCAA Party in respect of such lease or leased premises and such landlord shall be entitled to notify the applicable CCAA Party of the basis on which it is taking possession and to gain possession of and re-lease such leased premises to any third party or parties on such terms as such landlord considers advisable, provided that nothing herein shall relieve such landlord of their obligation to mitigate any damages claimed in connection therewith.

16. THIS COURT ORDERS that, subject to the other provisions of this Order (including the payment of Rent as herein provided) and any further Order of this Court, the CCAA Parties shall be permitted to dispose of any or all of the Property located (or formerly located) at such leased premises without any interference of any kind from landlords (notwithstanding the terms of any leases) and, for greater certainty, the CCAA Parties shall have the right to realize upon the Property and other assets in such manner and at such locations, including leased premises, as it deems suitable or desirable for the purpose of maximizing the proceeds and recovery therefrom.

#### **NO PROCEEDINGS AGAINST THE CCAA PARTIES OR THE PROPERTY**

17. THIS COURT ORDERS that until and including February 19, 2009 or such later date as this Court may order (the "**Stay Period**"), no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**") shall be commenced or continued against or in respect of the CCAA Parties or the Monitor, or affecting any of the Business or the Property, except with the written consent of the CCAA Parties and the Monitor, or with leave of this Court, and any and all Proceedings currently under way against or in respect of the CCAA Parties or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court. Notwithstanding the foregoing, nothing in this Order shall stay the exercise by Comerica of any of its rights or remedies under the Credit Agreement or the Loan Documents (as defined below), provided however that Comerica shall provide notice to the CCAA Parties, the Customers and the Monitor in accordance with paragraph 38(b).

18. THIS COURT ORDERS that no proceeding, enforcement process or any other remedy available to the judgment creditors Roberto Costantino and Tony Wong (the "**Judgment Creditors**") pursuant to the Judgment issued in Action 06 CV 308 185 PD1 commenced at Toronto (the "**Judgment**") shall be commenced or continued as against the CCAA Parties or the

Property, including with respect to any amounts payable to the CCAA Parties by the Customers (as defined below) and GM, including, without limitation, that:

- (a) the effect of any notices of garnishment issued by the Judgment Creditors and served on any Person, including the Customers (as defined below) and GM, under the Judgment (the “**Notices of Garnishment**”) is hereby stayed;
- (b) the expiry of any time periods under the Notices of Garnishment for the filing of garnishees’ statements is hereby stayed and any Persons having been served with the Notices of Garnishment, including the Customers (as defined below) and GM (collectively, the “**Garnishees**”), are hereby relieved of any requirement to file with the Court garnishee’s statements with respect to the Notices of Garnishment;
- (c) five (5) days after this order has been served on the Sheriff for the Regional Municipality of Halton (the “**Sheriff**”) and the Judgment Creditors in accordance with sub-paragraph (d) below, the Garnishees are authorized and empowered to continue to make all payments of any amounts owing to any of the CCAA Parties directly to the CCAA Parties, rather than to the Sheriff, without regard to the Notices of Garnishment, shall incur no liability to the Judgment Creditors by doing so, shall be relieved of any obligations the Garnishees may have had under the Notices of Garnishment, and upon payment of amounts by the Garnishees to the CCAA Parties, the liabilities of the Garnishees to the Judgment Creditors, or to the CCAA Parties in respect of the amounts paid to the CCAA Parties, is extinguished; and
- (d) the CCAA Parties are hereby directed to deliver a copy of this Order to the Sheriff, as well as to counsel for the Judgment Creditors, with a cover letter advising that all proceedings, enforcement processes or any other remedy available in relation to the Judgment, including the enforcement of the Notices of Garnishment against any Person, including the Garnishees, have been stayed pursuant to this Order.

### **NO EXERCISE OF RIGHTS OR REMEDIES**

19. THIS COURT ORDERS that during the Stay Period, all rights and remedies of any individual, firm, corporation, partnership, governmental body or agency, or any other persons or entities (all of the foregoing, collectively being “Persons” and each being a “Person”) against or in respect of the CCAA Parties or the Monitor, or affecting the Business or the Property, are hereby stayed and suspended except with the written consent of the CCAA Parties and the Monitor, or leave of this Court, provided that nothing in this Order shall (i) empower the CCAA Parties to carry on any business which the CCAA Parties are not lawfully entitled to carry on, (ii) exempt the CCAA Parties from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, (iv) prevent the filing of any grievance pursuant to the *Labour Relations Act, 1995* or any collective agreements, provided that, subject to further order of the Court, no further steps of any kind shall be taken pursuant to or in connection with any such grievance by any party (for greater certainty, neither the CCAA Parties nor any other party shall be obligated to file any form of response or reply to any such grievance, or (v) prevent the registration of a claim for lien.

### **NO INTERFERENCE WITH RIGHTS**

20. THIS COURT ORDERS that during the Stay Period, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the CCAA Parties, except with the written consent of the CCAA Parties and the Monitor, or leave of this Court.

### **CONTINUATION OF SERVICES**

21. THIS COURT ORDERS that during the Stay Period, all Persons having oral or written agreements with any of the CCAA Parties or statutory or regulatory mandates for the supply of goods and/or services, including without limitation all raw materials, metals, components, subcomponents, tools and tooling, dies, tests and assembly fixtures, gauges, jigs, computer software, communication and other data services, centralized and other banking services, payroll services, customs, customs brokerage (or similar) services, insurance, transportation, shipping services, utilities, gas, electricity and other services to the Business, or any of the CCAA Parties, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services, utilities, gas and electricity as may be required by any of the CCAA Parties, and that the CCAA Parties shall be entitled to the continued use of their current premises, utilities, telephone numbers, facsimile numbers, internet

addresses and domain names, provided in each case that the normal prices or charges for all such goods, services, utilities, gas and electricity received after the date of this Order are paid by the CCAA Parties in accordance with normal payment practices of the CCAA Parties or such other practices as may be agreed upon by the supplier, utility provider or service provider and each of the CCAA Parties and the Monitor, or as may be ordered by this Court.

#### **NON-DEROGATION OF RIGHTS**

22. THIS COURT ORDERS that, notwithstanding anything else contained herein, no creditor of any of the CCAA Parties shall be under any obligation after the making of this Order to advance or re-advance any monies or otherwise extend any credit to any CCAA Party. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA, provided however that, except as provided in the Accommodation Agreement, any Person that seeks to advance a claim of, or analogous to set-off or equitable set-off to justify the non-payment of any existing or accruing debt to any of the CCAA Parties shall advise the CCAA Parties and the Monitor in writing prior to so doing so as to enable the CCAA Parties to have the validity of the set-off adjudicated upon by this Honourable Court on an urgent basis if so advised.

#### **PROCEEDINGS AGAINST DIRECTORS AND OFFICERS**

23. THIS COURT ORDERS that during the Stay Period, and except as permitted by subsection 11.5(2) of the CCAA, no Proceeding may be commenced or continued against any of the former, current or future directors or officers of the Applicants with respect to any claim against the directors or officers that arose before the date hereof and that relates to any obligations of any of the CCAA Parties whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations, until a compromise or arrangement in respect of the Applicants, if one is filed, is sanctioned by this Court or is refused by the creditors of the Applicants or this Court.

#### **DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE**

24. THIS COURT ORDERS that the Applicants shall indemnify their directors and officers from all claims, costs, charges and expenses (i) relating to the failure of any CCAA Party, after



the date hereof, to make payments of the nature referred to in subparagraphs 7(a), 9(a), 9(b) and 9(c) of this Order which they sustain or incur by reason of or in relation to their respective capacities as directors and/or officers of the Applicants, and (ii) which they sustain or incur by reason of or in relation to their respective capacities as directors and/or officers of the Applicants from and after the date of this Order (each, and any of (i) and (ii) , a “**D&O Claim**”), including without limitation, by reason of the Restructuring or in relation to any Plan, except to the extent that, with respect to any officer or director, such officer or director has actively participated in the breach of any related fiduciary duties or has been grossly negligent or guilty of wilful misconduct.

25. THIS COURT ORDERS that the directors and officers of the Applicants shall be entitled to the benefit of and are hereby granted a charge (the “**Directors’ Charge**”) on the Property of the Applicants, which charge shall not exceed an aggregate amount of \$3,000,000, as security for the indemnity provided in paragraph 24 of this Order. The Directors’ Charge shall have the priority set out in paragraphs 45 and 47 herein. The Applicants’ directors and officers shall only be entitled to the benefit of the Directors’ Charge to the extent that they do not have coverage under any directors’ and officers’ insurance policy, or to the extent that such coverage is insufficient to pay amounts indemnified in accordance with paragraph 24 of this Order.

26. THIS COURT ORDERS that, notwithstanding any language in any applicable insurance policy to the contrary, no insurer shall be entitled to be subrogated to or claim the benefit of the Directors’ Charge.

#### **APPOINTMENT OF MONITOR**

27. THIS COURT ORDERS that Richter is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the Property and the conduct of the Business with the powers and obligations set out in the CCAA or set forth herein and that the Applicants and their shareholders, officers, directors, SKD Company and the Assistants shall advise the Monitor of all material steps taken by the CCAA Parties pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations.

28. THIS COURT ORDERS that the Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:

- (a) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, the Restructuring, the Sales Process (as defined below) and such other matters as may be relevant to the proceedings herein;
- (b) monitor and review the CCAA Parties' receipts and disbursements;
- (c) monitor and review any transactions and obligations between the CCAA Parties and any affiliated entities or partnerships;
- (d) assist the CCAA Parties in preparing the cash flow projections, budgets and any other reporting or information they may require in relation to the Business and the Property, and to report to Comerica and the Customers (as defined below) as required in relation to the Forbearance Agreement and the Accommodation Agreement (each as defined below), which information shall be reviewed with the Monitor;
- (e) assist the CCAA Parties in their dissemination to Comerica and its counsel of financial and other information requested by Comerica and as otherwise required by the CCAA Parties, which may be used by the CCAA Parties in these proceedings;
- (f) assist the CCAA Parties, to the extent required by the CCAA Parties, in dealing with their respective creditors, customers, vendors and other interested Persons;
- (g) with the assistance of the CCAA Parties, conduct the Sales Process as provided for in this Order and report to this Court in relation to the status of the Sales Process from time to time as it considers appropriate;
- (h) advise the Applicants in their development of the Plan and any amendments to the Plan and, to the extent required by the CCAA Parties in their negotiations with creditors, customers, vendors and other interested Persons;

- (i) assist the CCAA Parties with their financing and restructuring activities to the extent required by the CCAA Parties;
- (j) carry out the responsibilities of the Monitor under the Accommodation Agreement and, to the extent requested by the CCAA Parties, to otherwise assist the CCAA Parties in the performance of their obligations under the Accommodation Agreement and the Access Agreement (each as defined below and together, the “**Customer Agreements**”);
- (k) give any consent or approval as is contemplated by this Order and any other orders made in this proceeding;
- (l) assist the Applicants, to the extent required by the Applicants, with the holding and administering of creditors’ or shareholders’ meetings for voting on the Plan;
- (m) have full and complete access to the books, records and management, employees and advisors of the CCAA Parties and to the Business and the Property to the extent required to perform its duties arising under this Order;
- (n) be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order;
- (o) be at liberty to serve as a “foreign representative” of any of the CCAA Parties in any proceeding outside of Canada, including if deemed advisable by the CCAA Parties and the Monitor, to file Chapter 15 proceedings as a foreign representative of the CCAA Parties;
- (p) consider, and if deemed advisable by the Monitor, prepare a report and assessment on the Plan; and
- (q) perform such other duties as are required by this Order or by this Court from time to time.

29. THIS COURT ORDERS that the Monitor shall not take possession of the Property and shall take no part whatsoever in the management or supervision of the management of the Business and shall not, by fulfilling its obligations hereunder, be deemed to have taken or maintained possession or control of the Business or Property, or any part thereof.

30. THIS COURT ORDERS that nothing herein contained shall require the Monitor to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law or guideline respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the "**Environmental Legislation**"), provided however that nothing herein shall exempt the Monitor from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

31. THIS COURT ORDERS that the Monitor shall provide any creditor of the CCAA Parties with information provided by the CCAA Parties in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the CCAA Parties is confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the CCAA Parties may agree.

32. THIS COURT ORDERS that, in addition to the rights and protections afforded the Monitor under the CCAA or as an officer of this Court, the Monitor shall incur no liability or

obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.

#### **PAYMENT OF FEES AND ADMINISTRATION CHARGE**

33. THIS COURT ORDERS that the Monitor, counsel to the Monitor and counsel to the CCAA Parties shall be paid their reasonable fees and disbursements incurred both before and after the making of this Order, in each case at their standard rates and charges, by the CCAA Parties as part of the costs of these proceedings. The CCAA Parties are hereby authorized and directed to pay the accounts of the Monitor, counsel for the Monitor and counsel for the Applicants on a weekly basis.

34. THIS COURT ORDERS that the Monitor, counsel to the Monitor and counsel to the Applicants shall undertake a final assessment of their accounts, if requested by the Applicants, or as directed by this Court pursuant to a request made by a creditor of the CCAA Parties, and for this purpose such accounts are referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

35. THIS COURT ORDERS that the Monitor, counsel to the Monitor, counsel to the CCAA Parties and the financial advisor to the CCAA Parties, Conway MacKenzie, Inc. (collectively, the “**Professionals**”) shall be entitled to the benefit of and are hereby granted a charge (the “**Administration Charge**”) on the Property, which charge shall not exceed an aggregate amount of \$1,000,000, as security for their unpaid professional fees and disbursements incurred at the standard rates and charges of such Professionals, both before and after the making of this Order in respect of these proceedings. The Administration Charge shall have the priority set out in paragraphs 45 and 47 hereof.

#### **COMERICA FACILITY**

36. THIS COURT ORDERS that, notwithstanding any other provision of this Order:

- (a) SKD Company is authorized and empowered to continue to borrow under the revolving credit agreement among Comerica and SKD Company (as Canadian

borrower), SKD AG (as US Borrower) and SKD, L.P., EASSA Mexico, S de R.I. de C.V., SKD de Mexico, S de R.I. de C.V. and the Applicants (as additional loan parties) made December 14, 2004, as subsequently amended, modified and supplemented, most recently pursuant to the Forbearance Agreement (defined below), including, without limitation, in relation to the subordinated participations in the Comerica loan facility purchased or to be purchased by the Customers in relation to the Customer Operations Funding (as described in the Chen Affidavit) in accordance with the Amended and Restated Subordinated Participation Agreement (as described in the Chen Affidavit) (the "**Credit Agreement**");

- (b) the CCAA Parties are authorized and directed to perform all obligations to Comerica under the Credit Agreement and any security or other documents contemplated thereby, including those relating to the Customer Operations Funding (as defined below), whether arising before or after the making of this Order as and when the same become due and are to be performed, but subject to the priority set out in paragraph 45 hereof (the "**Loan Documents**"); and
- (c) the CCAA Parties are authorized, empowered and directed to enter into and perform their obligations under a certain forbearance agreement, substantially in the form of the agreement attached as Exhibit "H" to the Chen Affidavit (the "**Forbearance Agreement**") to which the CCAA Parties are party, and are directed and shall comply with the Loan Documents and the Forbearance Agreement and shall make all payments to Comerica provided for under the Forbearance Agreement and Loan Documents, including without limitation, in relation to the Customer Operations Funding (as defined below).

37. THIS COURT ORDERS that Comerica shall be entitled to the benefits of and is hereby granted a charge (the "**Comerica Charge**") as security for the existing and future obligations of the CCAA Parties to Comerica under the Credit Agreement and Loan Documents, which charge shall not exceed the aggregate amount owed to Comerica under the Credit Agreement and Loan Documents. The Comerica Charge shall have the priority set out in paragraphs 45 and 47 hereof.

38. THIS COURT ORDERS that, notwithstanding any other provision of this Order:

- (a) Comerica may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the Comerica Charge;
- (b) subject to the terms of the Customer Agreements, the Forbearance Agreement and the Credit Agreement, Comerica may (i) without notice to the CCAA Parties or any other Person cease making advances to SKD Company and set off and/or consolidate any amounts owing by Comerica to the CCAA Parties, other than in relation to amounts deposited to the Trust Accounts (as defined in the Forbearance Agreement) in accordance with the Forbearance Agreement, against the obligations of the CCAA Parties to Comerica under the Credit Agreement, the Loan Documents or the Comerica Charge, and (ii) upon the occurrence of a default (other than an Existing Default as defined in the Forbearance Agreement) under the Credit Agreement and the Loan Documents, and upon two (2) business days notice to the CCAA Parties, the Customers and the Monitor, exercise any and all of its rights and remedies against the CCAA Parties or the Property under or pursuant to the Forbearance Agreement, the Credit Agreement, the Loan Documents and the Comerica Charge, including without limitation, to apply to this Court for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against the CCAA Parties or for the appointment of a trustee in bankruptcy of the CCAA Parties, but subject to the priorities as set out in paragraphs 45 and 47 of this Order; and
- (c) the foregoing rights and remedies of Comerica shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the CCAA Parties or the Property.

39. THIS COURT ORDERS AND DECLARES that Comerica shall be treated as unaffected in any plan of arrangement or compromise filed by the Applicants under the CCAA, or any proposal filed by any of the CCAA Parties under the *Bankruptcy and Insolvency Act* of Canada (the "BIA"), with respect to any advances made under the Credit Agreement or the Loan Documents.

## CUSTOMER ACCOMMODATION AND ACCESS AGREEMENTS

40. THIS COURT ORDERS that notwithstanding any other provision of this Order, the CCAA Parties be and they are hereby authorized, empowered and directed to enter into and perform their obligations under a certain accommodation agreement, substantially in the form of the agreement attached as Exhibit "J" to the Chen Affidavit (the "**Accommodation Agreement**") 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 (collectively, the "**Customers**") and Comerica.

41. THIS COURT ORDERS that the Accommodation Agreement and the exhibits thereto, including, without limitation (i) an access agreement, substantially in the form of the agreement among SKD Company and the Customers attached as Exhibit B to the Accommodation Agreement (the "**Access Agreement**"), (ii) the Customer Operations Funding (as defined in and to be provided under the Accommodation Agreement), and (iii) the transactions contemplated by the Accommodation Agreement (the "**Accommodation Agreement Transactions**"), be and they are hereby approved.

42. THIS COURT ORDERS that in completing the Accommodation Agreement Transactions, the CCAA Parties, and the Monitor, subject to the terms and conditions of the Accommodation Agreement, are hereby authorized to execute and deliver such additional, related and ancillary documents and assurances governing or giving effect to the Accommodation Agreement Transactions as the CCAA Parties, in their discretion, may deem to be reasonably necessary or advisable to complete the Accommodation Agreement Transactions and to take such steps as are necessary or incidental for the completion thereof.

43. THIS COURT ORDERS that the CCAA Parties be and they are hereby authorized, empowered and directed to enter into and perform their obligations under the Access Agreement and enter into and complete the transactions contemplated by the Access Agreement (the "**Access Agreement Transactions**") and to grant the security interests provided for under the Access Agreement (the "**Customers' Security**") in accordance with the Access Agreement and



with such amendments, deletions and additions as the parties thereto may agree to, and to perform the obligations contained in the Access Agreement.

44. THIS COURT ORDERS that in completing the Access Agreement Transactions, the CCAA Parties, subject to the terms and conditions of the Access Agreement, are hereby authorized and directed to execute and deliver such additional, related and ancillary documents and assurances governing or giving effect to the Access Agreement Transactions as each of the CCAA Parties, in their discretion, may deem to be reasonably necessary or advisable to complete the Access Agreement Transactions and to take such steps as are necessary or incidental for the completion thereof.

#### **VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER**

45. THIS COURT ORDERS that the priorities of the Administration Charge, the Directors' Charge, and the Comerica Charge shall be as follows:

- (i) First – the Administration Charge;
- (ii) Second – the Directors' Charge to the maximum amount of \$700,000 in relation to any vacation pay obligations;
- (iii) Third – the Comerica Charge, but excluding that portion of the Comerica Indebtedness (as defined in the Accommodation Agreement) relating to the Customer Operations Funding (as defined in the Accommodation Agreement);
- (iv) Fourth - the Directors' Charge for any amount greater than \$700,000 up to the maximum amount of \$2,300,000; and
- (v) Fifth - the Comerica Charge in relation to that portion of the Comerica Indebtedness (as defined in the Accommodation Agreement) relating to the Customer Operations Funding (as defined in the Accommodation Agreement);

46. THIS COURT ORDERS that the filing, registration or perfection of the Administration Charge, Directors' Charge and Comerica Charge (collectively, the "**Charges**"), as well as the Customers' Security, shall not be required, and that the Charges and the Customers' Security shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Charges and the Customers' Security coming into existence, notwithstanding any such failure to file, register, record or perfect.

47. THIS COURT ORDERS that each of the Charges (all as constituted and defined herein) shall constitute a charge on the Property and such Charges shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, statutory or otherwise (collectively, "**Encumbrances**") in favour of any Person.

48. THIS COURT ORDERS that except as otherwise expressly provided for herein, or as may be approved by this Court, the CCAA Parties shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, any of the Charges, or which impair a Customer's "Right of Access" under the Access Agreement, unless the CCAA Parties also obtain the prior written consent of the Monitor, the beneficiaries of the Charges, and the Customers, or a further Order of this Court made on notice to the beneficiaries of the Charges and the Customers.

49. THIS COURT ORDERS that the exercise of the rights and remedies of the beneficiaries of the Charges shall be subject to the applicable terms of the Access Agreement, including a Customer's Right of Access if exercised in accordance with the Access Agreement; provided however that the Customers' Security shall be fully released and discharged and be of no further force and effect upon the later of (i) the expiration of the Term of the Access Agreement, and (ii) in relation to any Operating Assets and Real Estate in respect of which a Right of Access has been exercised by a Customer in accordance with the Access Agreement prior to expiration of the Term of the Access Agreement, at the end of the Occupancy Period arising from the exercise of such Right of Access (with capitalized terms in this paragraph being as defined under the Access Agreement).

50. THIS COURT ORDERS that the Charges, the Forbearance Agreement, the Customer Agreements and the Customers' Security, and any payments made by the CCAA Parties pursuant

to the Charges or the Credit Agreement or pursuant to paragraph 25 of this Order (collectively, the “**Payments**”), shall not be rendered invalid or unenforceable, and the rights and remedies of any Persons receiving the Payments and the chargees entitled to the benefit of the Charges (the “**Chargees**”) shall not otherwise be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to the BIA, or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an “**Agreement**”) which binds any of the CCAA Parties, and notwithstanding any provision to the contrary in any Agreement:

- (a) Neither the creation of the Charges, nor the execution, delivery, perfection registration or performance of the Forbearance Agreement, the Customer Agreements or the Customers’ Security, shall create or be deemed to constitute a breach by an applicable CCAA Party of any Agreement to which it is a party;
- (b) none of the Chargees, or the holders of the Customers’ Security shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the creation of the Charges or the execution, delivery or performance by the CCAA Parties of the Forbearance Agreement, the Customer Agreements or the Customers’ Security; and
- (c) any payments made by any of the CCAA Parties pursuant to this Order or the Forbearance Agreement and the granting the Charges, the Forbearance Agreement, the Customer Agreements and the Customers’ Security do not and will not constitute fraudulent preferences, fraudulent conveyances, oppressive conduct, settlements or other challengeable, voidable or reviewable transactions under any applicable law.

## MARKETING AND SALES PROCESS

51. THIS COURT ORDERS that the Monitor, with the assistance of CCAA Parties, will forthwith conduct a marketing and sales process (the “**Sales Process**”) with the assistance of such other professionals as it considers desirable to assist it in undertaking the Sales Process, to explore a sale of the business of SKD Company and/or the Property, as follows:

- (a) immediately following the date of this Order, the Monitor, with the assistance of the CCAA Parties, will canvass the market for interested parties and send to potentially interested parties a letter detailing this acquisition opportunity;
- (b) if considered desirable, will arrange for the placement of an advertisement in one or more newspapers providing notice of this acquisition opportunity as soon as reasonably practicable;
- (c) on or before January 22, 2009, will prepare a summarized confidential information memorandum (“**CIM**”) to be provided to interested purchasers who execute a confidentiality agreement in a form acceptable to the CCAA Parties and the Monitor (the “**Prospective Purchasers**”);
- (d) on or before January 22, 2009, will arrange for a data room, either electronic, physical or both (the “**Data Room**”);
- (e) on or before January 30, 2009, the CCAA Parties and the Monitor will prepare and make available to Prospective Purchasers, and in the electronic Data Room, a standardized form of asset purchase agreement that the Monitor will request all Prospective Purchasers to use to structure and submit their offers;
- (f) Prospective Purchasers will be required to conduct due diligence and to submit a purchase agreement to the Monitor by 4:00 p.m. (eastern time) on February 18, 2009;
- (g) the CCAA Parties, with the assistance of the Monitor, may thereafter select and settle a form of purchase agreement with one or more Prospective Purchasers;

- (h) on or about February 25, 2009, the Applicants will move to this Court for approval of any sales transaction that they wish to complete (each, a “**Transaction**”) and for any related relief, including an order vesting title (“the **Sales Approval Order**”); and
- (i) the closing of any Transaction in respect of which a Sales Approval Order is made shall be completed within two (2) business days following the making of such Order.

The Monitor shall have the ability, with the approval of the CCAA Parties, Comerica and the Customers, to modify the Sales Process, including the foregoing timetable, and to apply to this Court for any advice and directions that it may require in relation to the Sales Process.

#### **SERVICE AND NOTICE**

52. THIS COURT ORDERS that the Monitor on behalf of the Applicants shall, within ten (10) business days of the date of entry of this Order, send a letter to the known creditors of the CCAA Parties, other than employees and creditors to which the CCAA Parties owe less than \$1,000, at their addresses as they appear on the CCAA Parties’ records, advising of this Order, specifying that a copy of the Order and other materials are available on the Monitor’s website and disclosing such website, and that the Monitor, on behalf of the Applicants, shall promptly send a copy of this Order (a) to all parties filing a Notice of Appearance in respect of this Application, and (b) to any other interested Person requesting a copy of this Order; and the Monitor is relieved of its obligation under Section 11(5) of the CCAA to provide similar notice, other than to supervise this process.

53. THIS COURT ORDERS that the Applicants and the Monitor be at liberty to serve this Order, any other materials, motions and orders in these proceedings, and any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery, facsimile or electronic transmission to the CCAA Parties’ creditors or other interested parties at their respective addresses as last shown on the records of the CCAA Parties, as applicable, and that (i) any such service by courier, personal delivery, facsimile or electronic transmission shall be deemed to be received (i) if delivered by or forwarded by facsimile or

electronic submission before 4 p.m. on a business day (being a day that the principal Canadian banks are open for business in Toronto), on that same day, (ii) if delivered or forwarded by facsimile or electronic submission following 4 p.m. on any day, on the next business day following the date of delivery or forwarding thereof, or (iii) if sent by ordinary mail, on the third business day after mailing, and (ii) any such service shall be deemed to be good and sufficient service.

54. THIS COURT ORDERS that the Applicants, the Monitor, and any party who has filed a Notice of Appearance may serve any court materials in these proceedings by e-mailing a PDF or other electronic copy of such materials upon counsel and any other Persons appearing on the Service List to the email addresses of counsel and such Persons as recorded on the Service List from time to time, in accordance with the E-filing protocol of the Commercial List to the extent practicable, and the Monitor may post a copy of any or all such materials on the Monitor's website.

#### **GENERAL**

55. DECLARES that, pursuant to sub-paragraph 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c.5, any of the CCAA Parties are permitted, in the course of these proceedings, to disclose personal information of identifiable individuals in their possession or control to stakeholders or prospective investors, financiers, buyers or strategic partners and to their advisers (individually, a "**Third Party**"), but only to the extent desirable or required to negotiate and complete the Restructuring or the preparation and implementation of the Plan or a transaction for that purpose, provided that the Persons to whom such personal information is disclosed enter into confidentiality agreements with a CCAA Party binding them to maintain and protect the privacy of such information and to limit the use of such information to the extent necessary to complete the transaction or Restructuring then under negotiation. Upon the completion of the use of personal information for the limited purpose set out herein, the personal information shall be returned to the applicable CCAA Party, or destroyed. In the event that a Third Party acquires personal information as part of the Restructuring, or the preparation and implementation of the Plan or a transaction in furtherance

thereof, such Third Party may continue to use the personal information in a manner which is in all respects identical to the prior use thereof by the applicable CCAA Party.

56. THIS COURT ORDERS that the Applicants or the Monitor may from time to time apply to this Court for advice and directions in the discharge of their powers and duties hereunder.

57. THIS COURT ORDERS that nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of any of the Applicants, SKD Company, the Business or the Property.

58. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, to give effect to this Order and to assist the CCAA Parties, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicants and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor as a representative of the CCAA Parties in any foreign proceeding, or to assist the Applicants and the Monitor and their respective agents in carrying out the terms of this Order.

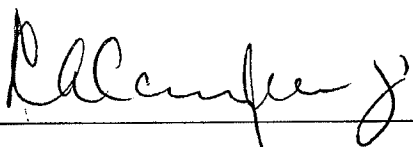
59. THIS COURT ORDERS that each of the CCAA Parties and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order.

60. THIS COURT ORDERS that any interested party (including the CCAA Parties and the Monitor) may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

61. THIS COURT ORDERS that notwithstanding paragraph 60, no order shall be made varying, rescinding or otherwise affecting the provisions of this Order with respect to the Charges unless notice of a motion for such order is served on the Applicants, the Monitor,

Comerica, the Chargees and the Customers, returnable no later than 7 days following the making of this Order.

62. THIS COURT ORDERS that this Order and all of its provisions are effective as of 12:01 a.m. Eastern Standard Time on the date of this Order.

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

JAN 21 2009

PER / PAR: TV



**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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**INITIAL ORDER**

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Lawyers for the Applicants

## **Appendix “B”**

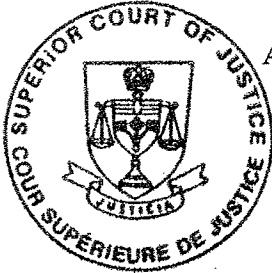
**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

THE HONOURABLE MR. ) THURSDAY, THE 11<sup>TH</sup>  
 )  
JUSTICE COLIN CAMPBELL ) DAY OF JUNE, 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 Chrysler LLC, Chrysler Motors LLC and Chrysler Canada Inc. (collectively, "Chrysler") for an Order pursuant to section 101 of the *Courts of Justice Act*, R.S.O 1990 c. C.43, as amended (the "CJA") appointing RSM Richter Inc. as receiver (the "Receiver") without security, of all of the assets, undertakings and properties of SKD Company, including its general partners, 2515080 Nova Scotia Company and NMC Canada Inc. (collectively, the "Debtor") was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the tenth report (the "Tenth Report") of RSM Richter Inc., as monitor of the Debtor (the "Monitor") appointed pursuant to the Order of this Court made in this proceeding on January 21, 2009, as amended (the "Initial Order"), and on hearing submissions from counsel for Chrysler, as well as counsel for SKD Company, the Receiver, Comerica Bank ("Comerica"), Orlando Corporation, 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 Ford Motor Company, no else on the service list appearing, and on reading the consent of RSM Richter Inc. to act as Receiver.

## **SERVICE**

1. THIS COURT ORDERS that the time for service of the Notice of Motion and the Motion Record is hereby abridged so that this motion is properly returnable today and hereby dispenses with further service thereof.

## **APPOINTMENT**

2. THIS COURT ORDERS that, pursuant to section 101 of the CJA, RSM Richter Inc. is hereby appointed Receiver, without security, of all of the Debtor's current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the "Property").

## **RECEIVER'S POWERS**

3. THIS COURT ORDERS that the Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:

- (a) to take possession and control of the Property (which shall, for greater certainty, include the proceeds of sale of assets of the Debtor held by the Monitor as at the date hereof), and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (b) to receive, preserve, protect and maintain control of the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
- (c) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever

basis, including on a temporary basis, to assist with the exercise of the powers and duties conferred by this Order;

- (d) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor;
- (e) to settle, extend or compromise any indebtedness owing to the Debtor;
- (f) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;
- (g) to undertake environmental assessments of the Property;
- (h) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtor, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;
- (i) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (j) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
  - (i) without the approval of this Court in respect of any transaction not exceeding \$100,000, provided that the aggregate consideration for all such transactions does not exceed \$250,000; and

- (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause,

and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act*, or section 31 of the Ontario *Mortgages Act*, as the case may be, shall not be required, and in each case the Ontario *Bulk Sales Act* shall not apply.

- (k) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (l) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (m) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (n) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtor;
- (o) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor;
- (p) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have;
- (q) to make an assignment into bankruptcy on behalf of SKD Company, NMC Canada Inc. and 2515080 Nova Scotia Company (collectively, the "CCAA Parties");

- (r) to take actions on behalf of the Debtor in furtherance of the winding-up and administration of registered defined benefit pension plans administered by the Debtor;
- (s) to propose a process for the identification of any claims against officers and directors of the Debtor that may give rise to a claim for indemnity pursuant to paragraph 24 of the Initial Order (the "D&O Claims Process") and to administer the D&O Process as ordered by this Court on motion made on notice to all affected persons;
- (t) to arrange with counsel to the Debtor, or such other counsel as is consented to by the Receiver or ordered by this Court, for its retainer to act as counsel for the directors and officers of the Debtor in relation to the Claims Process, and to pay the reasonable fees, disbursements and expenses of such counsel, as approved by the Receiver or ordered by this Court;
- (u) to pay, on behalf of the CCAA Parties, the reasonable fees and disbursements of the Monitor, counsel for the Monitor and counsel for the CCAA Parties in relation to accounts rendered pursuant to paragraph 33 of the Initial Order; and
- (v) to take any steps reasonably incidental to the exercise of these powers,

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Debtor, and without interference from any other Person. For greater certainty, the Receiver shall not, without specific authorization from this Court (i) undertake any of the operations of the Debtor, or (ii) employ any former employee of the Debtor to assist in the Receiver's mandate, save and except for term and task engagements pursuant to written agreements entered into with the Receiver.

#### **DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER**

4. THIS COURT ORDERS that (i) the Debtor, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons

acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "Persons" and each being a "Person") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver's request.

5. THIS COURT ORDERS that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtor, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "Records") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

6. THIS COURT ORDERS that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and



providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

**NO PROCEEDINGS AGAINST THE RECEIVER**

7. THIS COURT ORDERS that no proceeding or enforcement process in any court or tribunal (each, a "Proceeding"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

**NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY**

8. THIS COURT ORDERS that no Proceeding against or in respect of the Debtor or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtor or the Property are hereby stayed and suspended pending further Order of this Court.

**NO EXERCISE OF RIGHTS OR REMEDIES**

9. THIS COURT ORDERS that all rights and remedies against the Debtor, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that nothing in this paragraph shall (i) empower the Receiver or the Debtor to carry on any business which the Debtor is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtor from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

**NO INTERFERENCE WITH THE RECEIVER**

10. THIS COURT ORDERS that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtor, without written consent of the Receiver or leave of this Court.

### **CONTINUATION OF SERVICES**

11. THIS COURT ORDERS that all Persons having oral or written agreements with the Debtor or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, insurance, transportation services, utility or other services to the Debtor are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the Debtor's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtor or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

### **RECEIVER TO HOLD FUNDS**

12. THIS COURT ORDERS that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "Post Receivership Accounts") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

13. THIS COURT ORDERS that all funds currently held by the Monitor in respect of its mandate as monitor, save and except for any amounts held by the Monitor in its capacity as escrow agent pursuant to the Employee Escrow Agreements (as defined in paragraph 22 of this Order), shall be transferred to the Post Receivership Accounts, provided that all such funds, and all other Property of the Debtor transferred to the Receiver, shall remain subject to the CCAA Charges, as such charges are defined in the Initial Order.

## **EMPLOYEES**

14. THIS COURT ORDERS that the Receiver shall not employ any employees of the Debtor, save and except for term and task engagements pursuant to written agreements entered into with the Receiver. The Receiver shall not be liable for any employee-related liabilities, including wages, severance pay, termination pay, vacation pay, and pension or benefit amounts, other than such amounts as the Receiver may specifically agree in writing to pay, or such amounts as may be determined in a Proceeding before a court or tribunal of competent jurisdiction.

15. THIS COURT ORDERS that, the Receiver shall not disclose personal information of identifiable individuals to any party without the knowledge or consent of the individuals in question.

## **LIMITATION ON ENVIRONMENTAL LIABILITIES**

16. THIS COURT ORDERS that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "Possession") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the "Environmental Legislation"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

### **LIMITATION ON THE RECEIVER'S LIABILITY**

17. THIS COURT ORDERS that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

### **RECEIVER'S ACCOUNTS**

18. THIS COURT ORDERS that any expenditure or liability which shall properly be made or incurred by the Receiver, including the fees of the Receiver and the fees and disbursements of its legal counsel, incurred at the standard rates and charges of the Receiver and its counsel, shall be allowed to it in passing its accounts and, subject to this Order, shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person (the "Receiver's Charge").

19. THIS COURT ORDERS the Receiver and its legal counsel shall pass its accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

20. THIS COURT ORDERS that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the normal rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

### **CCAA ORDER**

21. THIS COURT ORDERS AND DECLARES that, except as otherwise amended hereby, the Initial Order, as amended, and all other Orders of this Court granted in these proceedings remain in full force and effect, and that the Administration Charge and the Directors' Charge created under the Initial Order shall rank prior to the Receiver's Charge created by this Order.

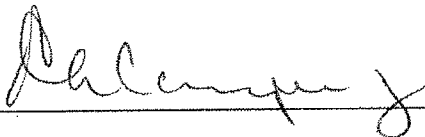
22. THIS COURT ORDERS AND DECLARES that the Initial Order be and the same is hereby amended to delete, effective as of the date hereof, paragraphs 3, 4, 5, 7, 10, 13, 14, 15, 16, 21, 28(d), 28(g), 28(h), 28(i), 28(l), 28(p), 36(a), 43, 44, 49, 51 and 55 , and to delete, effective as of the date hereof, the second sentence of paragraph 33; provided that nothing in this Order or the amendment of the Initial Order as provided for herein, shall (a) preclude the Monitor from the performance of its duties and responsibilities as the escrow agent under the Employee Retention Plan Escrow Agreement, as defined in the Order of this Court made on March 31, 2009, and the Escrow Agreements, as defined in the Order of this Court made on April 3, 2009, as amended by Order made on April 30, 2009 (the Escrow Agreements and the Employee Retention Plan Escrow Agreement, collectively referenced hereinafter as the "Employee Escrow Agreements"); or (b) preclude the Monitor from the disbursement of any funds provided for under the Employee Escrow Agreements.

23. THIS COURT ORDERS AND DECLARES that the Initial Order be and the same is hereby amended, effective as of the date hereof, as follows:

- (i) paragraph 6 of the Initial Order is amended to delete the existing paragraph in its entirety and insert in its place "THIS COURT ORDERS AND DECLARES that Comerica and any bank providing or participating in the Cash Management System (as defined in the Initial Order dated January 21, 2009) shall not be under any obligation whatsoever to inquire into the propriety, validity or legality of any transfer, payment, collection or other action taken under the Cash Management System, or as to the use or application by the CCAA Parties of funds transferred, paid, collected or otherwise dealt with in the Cash Management System, and that Comerica and any such bank shall at all times have provided the Cash Management System without any liability in respect thereof to any Person (as defined below) other than the CCAA Parties and Comerica.";
- (ii) the fourth line of paragraph 8 of the Initial Order is amended to insert "and prior to June 11, 2009" after "date of this Order";
- (iii) the first line of paragraph 23 of the Initial Order is amended by deleting the words "during the Stay Period" from the first line, and replacing them with "unless otherwise ordered by this Court";
- (iv) the seventh line of paragraph 24 (ii) of the Initial Order is amended by inserting, "and prior to June 11, 2009" after "from and after the date of this Order"; and
- (v) the second line of paragraph 36(b) is amended to insert "(as defined in the Initial Order dated January 21, 2009)" after "Credit Agreement".

**GENERAL**


24. THIS COURT ORDERS that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.
25. THIS COURT ORDERS that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtor.
26. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.
27. THIS COURT ORDERS that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order.
28. THIS COURT ORDERS that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.



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

JAN 11 2009

PER / PAR: 

Court File No.: 09-CL-7960

**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  
515080 NOVA SCOTIA COMPANY.**

**ONTARIO  
SUPERIOR COURT OF JUSTICE**  
  
PROCEEDINGS COMMENCED AT  
TORONTO

**ORDER**

**BORDEN LADNER GERVAIS LLP**  
Barristers and Solicitors  
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Lawyers for Chrysler LLC, Chrysler Motors  
LLC and Chrysler Canada Inc.

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## **Appendix “C”**



AGREEMENT OF PURCHASE AND SALE  
(FOR USE IN THE PROVINCE OF ONTARIO)



BUYER, Mayflower Properties Inc. agrees to purchase from  
SELLER, RSM Richter Inc. solely in its capacity as Court appointed receiver of SKD Company, including each of its general partners, NMC Canada Inc. and 2315040 Nova Scotia Company and not in its personal capacity the following

REAL PROPERTY:  
Address 375 Wheelabrator Way fronting on the west side of Highway 10  
in the Town of Milton being  
having a frontage of more or less by a depth of more or less and legally described as  
all of PIN 24977-0280 (LT) (the "property")  
(legal description of land including easements and described elsewhere)

PURCHASE PRICE: THREE MILLION FOUR HUNDRED FIFTY THOUSAND Dollars (CDNS. 3,450,000.00)

DEPOSIT:  
Buyer submits (Upon Acceptance) ONE HUNDRED THOUSAND Dollars (CDNS. 100,000.00 ("Deposit"))

cash or negotiable certified cheque payable to CB Richard Ellis Limited ("Listing Broker") in trust to be held in trust pending completion or other termination of this Agreement and to be credited toward the Purchase Price on completion. Buyer agrees to pay the balance as follows: set out in Schedule "A" hereto

SCHEDULE(S) A and B attached hereto form(s) part of this agreement.

1. CHATTELS INCLUDED: None

2. FIXTURES EXCLUDED: None

3. RENTAL ITEMS: The following equipment is rented and not included in the Purchase Price. The Buyer agrees to assume the rental contract(s), if assumable:  
N/A

4. IRREVOCABILITY: This Offer shall be irrevocable by Seller until 3:00 p.m. on the 19<sup>th</sup> day of May, 2010  
(Buyer)  
after which time, if not accepted, this Offer shall be null and void and the deposit shall be returned to the Buyer in full without interest.

5. COMPLETION DATE: This Agreement shall be completed by no later than 6:00 p.m. on the 2<sup>nd</sup> day of August, 2010.  
Upon completion, vacant possession of the property shall be given to the Buyer unless otherwise provided for in this Agreement.

6. NOTICES: Seller hereby appoints the Listing Broker as Agent for the purpose of giving and receiving notices pursuant to this Agreement. Only if the Co-operating Broker represents the interests of the Buyer in this transaction, the Buyer hereby appoints the Co-operating Broker as Agent for the purpose of giving and receiving notices pursuant to this Agreement. Any notice relating hereto or provided for herein shall be in writing. This offer, any counter offer, notices of acceptance hereto, or any notice shall be deemed given and received, when hand-delivered to the address for service provided in the Acknowledgement below, or where a facsimile number is provided herein, when transmitted electronically to that facsimile number.

FAX No. None (for delivery of notices to Seller) FAX No. None (for delivery of notices to Buyer)

7. GST: If this transaction is subject to Goods and Services Tax and/or Harmonized Sales Tax (collectively, "G.S.T."), then such tax shall be in addition to the Purchase Price. The Seller will collect G.S.T. If the Buyer provides to the Seller a warranty that the Buyer is registered under the Excise Tax Act ("ETA"), together with a copy of the Buyer's ETA registration, a warranty that the Buyer shall self-assess and remit the G.S.T. payable and file the prescribed form and shall indemnify the Seller in respect of any G.S.T. payable. The foregoing warranties and indemnity shall not merge but shall survive the completion of the transaction.  
If this transaction is not subject to G.S.T., Seller agrees to certify on or before closing that the transaction is not subject to G.S.T.

8. TITLE SEARCH: Buyer shall be allowed until 5:00 p.m. on the 30<sup>th</sup> day of May (Requisition Date) to examine the title to the property at his own expense and until the earlier of (a) thirty days from the later of the Requisition Date or the date on which the conditions in this Agreement are fulfilled or otherwise waived or (b) five days prior to completion, to satisfy himself that there are no outstanding work orders or deficiency notices affecting the property, that its present use is lawful and that the principal building may be insured against risk of fire. Seller hereby consents to the expediency or other governmental agencies relating to Buyer details of all outstanding work orders affecting the property, and Seller agrees to execute and deliver such further authorizations in this regard as Buyer may reasonably require.

9. FUTURE USE: Seller and Buyer agree that there is no representation or warranty of any kind that the future intended use of the property by Buyer is or will be lawful except as may be specifically provided for in this Agreement.

10. TITLES: Provided that the title to the property is good and free from all registered restrictions, charges, liens, and encumbrances except as otherwise specifically provided in this Agreement and save and except for (a) any registered restrictions or covenants that run with the land providing that such are complied with; (b) any registered municipal agreements and registered agreements with publicly regulated utilities providing such have been complied with or security has been posted to ensure compliance and completion, as evidenced by a letter from the relevant municipality or regulated utility; (c) any minor easements for the supply of domestic utility or telephone services to the property or adjacent properties; and (d) any easements for drainage, storm or sanitary covers, public utility lines, telephone lines, cable television lines or other services which do not materially affect the present use of the property. If within the specified time referred to in paragraph 8 any valid objection to title or to any outstanding work order or deficiency notice, or to the fact the said present use may not lawfully be continued, or that the principal building may not be insured against risk of fire is made in writing to Seller and which Seller is unable or unwilling to remove, remedy or satisfy or obtain insurance save and except against risk of fire in favour of the Buyer and any mortgagee (with all related costs at the expense of the Seller), and which Buyer will not waive, this Agreement not withstanding any intermediate note or regulations in respect of such objections, shall be at an end and all monies paid shall be returned without interest or deduction and Seller, Listing Broker and Co-operating Broker shall not be liable for any costs or damages. Save as to any valid objection so made by such day and except for any objection going to the root of the title, Buyer shall be conclusively deemed to have accepted Seller's title to the property.

11. CLOSING ARRANGEMENTS: Where each of the Seller and Buyer retain a lawyer to complete the Agreement of Purchase and Sale of the property, and where the transaction will be completed by electronic registration pursuant to Part III of the Land Registration Reform Act, R.S.O. 1990, chapter L4, and any amendments thereto, the Seller and Buyer acknowledge and agree that the delivery of documents and the release thereof to the Seller and Buyer may, at the lawyers' discretion; (a) not occur contemporaneously with the registration of the transfer/deed (and other registrable documentation), and (b) be subject to conditions whereby the lawyer receiving documents and/or money will be required to hold them in trust and not release them except in accordance with the terms of a written agreement between the lawyers.

12. DOCUMENTS AND DISCHARGE: Buyer shall not call for the production of any title deed, abstract, survey or other evidence of title to the property except such as are in the possession or control of Seller. If requested by Buyer, Seller will deliver any sketch or survey of the property within Seller's control to Buyer as soon as possible and prior to the Requisition Date. If a discharge of any Charge/Mortgage held by a corporation incorporated pursuant to the Trust And Loan Companies Act (Canada), Chartered Bank, Trust Company, Credit Union, Caisse Populaire or Insurance Company and which is not to be assumed by Buyer on completion, is not available in registrable form on completion, Buyer agrees to accept Seller's lawyer's personal undertaking to obtain, out of the closing funds, a discharge in registrable form and to register same on title within a reasonable period of time after completion, provided that on or before completion Seller shall provide to Buyer a mortgage statement prepared by the mortgagee setting out the balance required to obtain the discharge, together with a direction executed by Seller directing payment to the mortgagee of the amount required to obtain the discharge out of the balance due on completion.

13. INSPECTION: Buyer acknowledges having had the opportunity to inspect the property and understands that upon acceptance of this offer there shall be a binding agreement of purchase and sale between Buyer and Seller.

14. INSURANCE: All buildings on the property and all other things being purchased shall be and remain until completion at the risk of Seller. Pending completion, Seller shall hold all insurance policies, if any, and the proceeds thereof in trust for the parties as their interests may appear and in the event of substantial damage, Buyer may either terminate this Agreement and have all monies paid returned without interest or deduction or else take the proceeds of any insurance and complete the purchase. No insurance shall be transferred on completion. If Seller is taking back a Charge/Mortgage or Buyer is assuming a Charge/Mortgage, Buyer shall supply Seller with reasonable evidence of adequate insurance to protect Seller's or other mortgagee's interest on completion.

15. PLANNING ACT: This Agreement shall be effective to create an interest in this property only if Seller complies with the subdivision control provisions of the Planning Act by completion and Seller consents to proceed diligently at his expense to obtain any necessary consent by completion.

16. DOCUMENT PREPARATION: The Transfer/Deed (if required) shall, save for the Land Transfer Tax Affidavit, be prepared in registrable form at the expense of Seller; and any Charge/Mortgage to be given back by the Buyer to Seller at the expense of the Buyer. If requested by Buyer, Seller consents to confirm that the Transfer/Deed to be delivered on completion shall NOT contain the statements contemplated by Section 50(22) of the Planning Act, R.S.O. 1990.

17. RESIDENCY—Buyer shall be credited towards the Purchase Price with the amount, if any, necessary for Buyer to pay to the Minister of National Revenue to satisfy Buyer's liability in respect of tax payable by Seller under the non-residency provisions of the Income Tax Act by reason of this sale. Buyer shall not claim such credit if Seller delivers on completion the prescribed certificate or a statutory declaration that Seller is not a non-resident of Canada.
18. ADJUSTMENTS: Any rents, mortgage interest, realty taxes including local improvement rates and unmetered public or private utility charges and unmetered cost of fuel, as applicable, shall be apportioned and allowed to the day of completion, the day of completion itself to be apportioned to Buyer.
19. TIME LIMITS: Time shall in all respects be of the essence hereof provided that the time for doing or completing of any matter provided for herein may be extended or abridged by an agreement in writing signed by Seller and Buyer or by their respective lawyers who may be specifically authorized in that regard.
20. TENDER: Any tender of documents or money hereunder may be made upon Seller or Buyer or their respective lawyers on the day set for completion. Money may be tendered by bank draft or cheque certified by a Chartered Bank, Trust Company, Province of Ontario Savings Office, Credit Union or Caisse Populaire.
21. FAMILY LAW AGT: Seller warrants that spousal consent is not necessary to this transaction under the provisions of the Family Law Act, R.S.O. 1990 unless Seller's spouse has executed the consent hereinafter provided.
22. UFFI: Seller represents and warrants to Buyer that during the time Seller has owned the property, Seller has not caused any building on the property to be insulated with insulation containing ureaformaldehyde, and that to the best of Seller's knowledge no building on the property contains or has ever contained insulation that contains ureaformaldehyde. This warranty shall survive and not merge on the completion of this transaction, and if the building is part of a multiple unit building, this warranty shall only apply to that part of the building which is the subject of this transaction.
23. LEGAL, ACCOUNTING AND ENVIRONMENTAL ADVICE: The parties acknowledge that any information provided by the broker is not legal, tax or environmental advice, and it has been recommended that the parties obtain independent professional advice prior to signing this document.
24. CONSUMER REPORTS: The Buyer is hereby notified that a consumer report containing credit and/or personal information may be referred to in connection with this transaction.
25. AGENCY: It is understood that the brokers involved in the transaction represent the parties as set out in the Confirmation of Representation below.
26. AGREEMENT IN WRITING: If there is conflict or discrepancy between any provision added to this Agreement (including any Schedule attached hereto) and any provision in the standard pre-set portion hereof, the added provision shall supersede the standard pre-set provision to the extent of such conflict or discrepancy. This Agreement including any Schedule attached hereto, shall constitute the entire Agreement between Buyer and Seller. There is no representation, warranty, collateral agreement or condition, which affects this Agreement other than as expressed herein. For the purposes of this Agreement, Seller means vendor and Buyer means purchaser. This Agreement shall be read with all changes of gender or number required by the context.
27. SUCCESSORS AND ASSIGNS: The heirs, executors, administrators, successors and assigns of the undersigned are bound by the terms herein.

DATED at BRAMPTON this 19<sup>th</sup> day of May, 2010

SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I have hereunto set my hand and seal:  
 MAYFLOWER PROPERTIES INC.  
 Per: Richard I. Standish (Buyer) DATE May 20, 2010

(Witness) (Witness) DATE May 20, 2010

I, the undersigned Seller, agree to the above Offer. I hereby irrevocably instruct my lawyer to pay directly to the Listing Broker the unpaid balance of the commission together with applicable Goods and Services Tax (and any other taxes as may hereafter be applicable), from the proceeds of the sale prior to any payment to the undersigned on completion, as advised by the Listing Broker to my lawyer.

DATED at TORONTO this 13<sup>th</sup> day of May, 2010

SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I have hereunto set my hand and seal:  
 RSM Richter Inc. solely in its capacity as Court appointed receiver of RSD Company, including each of its general partners, NMC Canada Inc. and 2515040 Novn Scofin Company and not in its personal capacity  
 DATE May 13, 2010

(Witness) (Witness) DATE May 13, 2010

SPOUSAL CONSENT: The Undersigned Spouse of the Seller hereby consents to the disposition evidenced herein pursuant to the provisions of the Family Law Act, R.S.O. 1990, and hereby agrees with the Buyer that he/she will execute all necessary or incidental documents to give full force and effect to the sale evidenced herein.

CONFIRMATION OF EXECUTION: Notwithstanding anything contained herein to the contrary, I confirm this Agreement with all changes both typed and written was finally executed by all parties at 11:00 a.m. this 19<sup>th</sup> day of May, 2010. MAYFLOWER PROPERTIES INC. Per: Richard I. Standish (Signature of Seller or Buyer)

Richard I. Standish & Co. Solely in its capacity as Co-Operating Broker  
 RSM Richter Inc. Solely in its capacity as Court appointed receiver of RSD Company, including each of its general partners, NMC Canada Inc. and 2515040 Novn Scofin Company and not in its personal capacity

Signature of Listing Broker or authorized representative  
 Name of Listing Broker: CB Richard Ellis Limited  
 Tel No. ( ) ( ) ( ) FAX No. ( ) ( ) ( )

DATE May, 2009

Address for Services: 256 Victoria Rd S, Guelph, ON N1E 5R1  
 Tel No. ( ) ( ) ( ) FAX No. ( ) ( ) ( )

Address: 333 Bay Street, Suite 3400, Toronto, Ontario M5H 2S7  
 (416) 597-6211 (416) 979-1234

CONFIRMATION OF REPRESENTATION  
 I hereby acknowledge and confirm the Co-operating Broker represents the interests of the  
 None in this transaction

Signature of Co-operating Broker or authorized representative  
 Name of Co-operating Broker: None  
 Tel No. ( ) ( ) ( ) FAX No. ( ) ( ) ( )

ACKNOWLEDGEMENT  
 I acknowledge receipt of my signed copy of this accepted Agreement of Purchase and Sale and I authorize the Agent to forward a copy to my lawyer.

DATE May, 2009

Address for Services: 256 Victoria Rd S, Guelph, ON N1E 5R1  
 Tel No. ( ) ( ) ( ) FAX No. ( ) ( ) ( )

Address: 77 City Centre Drive, Suite 700, Mississauga, Ontario L5B 1M5  
 (905) 886-1111

FOR OFFICE USE ONLY		COMMISSION TRUST AGREEMENT	
To: Co-operating Broker shown on the foregoing Agreement of Purchase and Sale:			
In consideration for the Co-operating Broker procuring the foregoing Agreement of Purchase and Sale, I hereby declare that all moneys received or receivable by me in connection with the Transaction as contemplated in the MLS Rules and Regulations of my Real Estate Board shall be receivable and held in trust. This agreement shall constitute a Commission Trust Agreement as defined in the MLS Rules and shall be subject to and governed by the MLS Rules pertaining to Commission Trust.			
DATED as of the date and time of the acceptance of the foregoing Agreement of Purchase and Sale.		Acknowledged by:	
Signature of Listing Broker or authorized representative		Signature of Co-operating Broker or authorized representative	

U587622.1

**SCHEDULE "A"**

Attached hereto and forming part of this Agreement of Purchase and Sale of 375 Wheelabrator Way, in the Town of Milton between Mayflower Properties Inc. ("Buyer") and RSM Richter Inc. solely in its capacity as Court appointed receiver of SKD Company, including each of its general partners, NMC Canada Inc. and 2515080 Nova Scotia Company (collectively, "Debtor") and not in its personal capacity ("Seller").

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**1. DEFINITIONS**

The terms defined herein shall have, for all purposes of this Agreement, the following meanings, unless the context expressly or by necessary implication otherwise requires:

"Adjustments" means the adjustments to the Purchase Price provided for and determined pursuant to Section 18 of the OREA Form;

"Approval and Vesting Order" means an approval and vesting order of the Court (or separate orders of the Court), in form and substance required by the Seller and to which the Buyer has no reasonable objection, pursuant to which the transaction contemplated by this Agreement is approved by the Court and pursuant to which all right, title and interest in the Purchased Assets shall be vested in and to the Buyer on the Completion Date subject to the Encumbrances (save and except for the CB Bank Mortgage);

"Business Day" means any day, other than a Saturday, Sunday or legal holiday in Toronto, Ontario;

"Buyer's Solicitors" means RZCD Law Firm LLP (Attention: Eric Dionne) or such other firm or firms of solicitors or agents as are retained by the Buyer from time to time and notice of which is provided to the Seller;

"CB Bank Mortgage" means the charge/mortgage of land secured against the Lands by Instrument No. HR343862;

"Chattels" None;

"Closing" means the closing and consummation of the agreement of purchase and sale for the Purchased Assets, including without limitation the payment of the Purchase Price and the delivery of the Closing Documents, on the Completion Date at the offices of the Seller's Solicitors;

"Completion Date" means the date referred to in Section 5 of the OREA Form;

"Court" means the Ontario Superior Court of Justice (Commercial List);

"Encumbrances" means, in the case of any given Purchased Assets, all mortgages, claims, pledges, charges, liens, prior liens, debentures, hypothecs, trust deeds, assignments by way of security, security interests, conditional sales contracts or other title retention agreements or similar interests or instruments charging, or creating a security interest in, or against title to, such Purchased Assets or any part thereof or interest therein, and any agreements, leases, options, easements, rights of way, servitudes, restrictions, executions or other charges or encumbrances (including notices or other registrations in respect of any of the foregoing) against title to the Purchased Assets or any part thereof or interest therein;

"Execution Date" means the date upon which this Agreement is executed and delivered by the Seller;

"Governmental Authority" means any government, regulatory authority, government department, agency, utility, commission, board, tribunal or court having jurisdiction on behalf of any nation, province or state or other subdivision thereof or any municipality, district or other subdivision thereof;

"Lands" means the lands and premises legally described as PIN 24977-0280(LT) being Part Lot 1, Concession 3 ESQ, Part 1, 20R-8280 subject to Instrument No. 592935;

*Richard I. Sanders P.*

*RS*

"Off-Title Compliance Matters" means work orders, notices of violation and other matters of non-compliance with the zoning and other requirements of Governmental Authorities;

"OREA Form" means the Ontario Real Estate Association Form as amended, which the Buyer and the Seller have executed and to which this Schedule "A" is attached;

"Property" means the Lands and all existing buildings on the Lands;

"Purchased Assets" means all of the Seller's right, title and interest, if any, in and to the Property (no Chattels included); and

"Seller's Solicitors" means Goodmans LLP (Attention: Joseph Latham) or such other firm or firms of solicitors or agents as are retained by the Seller from time to time and notice of which is provided to the Buyer.

2. **AGREEMENT OF PURCHASE AND SALE**

(a) **Purchase and Sale of Purchased Assets**

Upon and subject to the terms and conditions of this Agreement, the Seller will sell, and the Buyer will purchase, the Purchased Assets in consideration of the payment of the Purchase Price. This Agreement shall be completed on the Completion Date at the offices of the Seller's Solicitors in Toronto, subject to real property registrations being electronically effected in the appropriate land registry office.

(b) **Seller Deliveries**

Subject always to Subsection 2(c) below, the Seller agrees to provide to the Buyer upon request photocopies of such of the following but only to the extent in its possession and control: existing plans and specifications of the building forming part of the Property; survey; soil tests; engineering and building reports; and all other planning and engineering material. The Seller makes no and has made no representations or warranties as to the accuracy or inaccuracy and/or the incompleteness of said deliveries as the Buyer is relying solely upon its own due diligence.

(c) **Acknowledgement of Buyer as to Condition of Purchased Assets**

Notwithstanding the foregoing or anything else contained herein or elsewhere, the Buyer acknowledges and agrees that:

- (i) on the Completion Date, title to the Purchased Assets shall be subject to each of the Encumbrances in effect as of Execution Date save and except for the CB Bank Mortgage. Without limiting the foregoing, the Buyer shall execute and deliver: (A) such documentation and assurances required in connection with any of the Encumbrances including, without limitation, the assumption agreements and the like contemplated in the municipal and/or regional agreements registered against title to the Lands; and (B) assumption agreement(s) with respect to the agreements with the Corporation of the Town of Milton registered as Instrument No's. HR90455 and HR226090 in the form required by the Corporation of the Town of Milton (collectively, "Milton Agreements");
- (ii) in entering into this Agreement, the Buyer has relied and will continue to rely entirely and solely upon its own inspections and investigations with respect to the Purchased Assets, including without limitation, the physical and environmental condition of the Purchased Assets and the review of the documentation made available to the Buyer prior to or pursuant to this Agreement, and the Buyer acknowledges it is not relying on and will not rely on any information furnished by the Seller or any other person or entities on behalf of or at the direction of the Seller in connection therewith (including, without limitation, not relying upon an environmental report with respect to the Property being prepared for the

*Richard I. Sandis*  


Seller by Golder Associates (the "Golder Report"). The Seller shall, solely as a courtesy, provide a copy of the Golder Report to the Buyer forthwith following receipt of same. The Buyer acknowledges receipt of the Golder Report and has reviewed it and further confirms that it has been given the opportunity and advised by the Seller to retain an independent environmental consultant to conduct independent environmental due diligence in connection with the Purchased Assets;

- (iii) the Purchased Assets are being purchased and assumed by the Buyer on an "as is, where is" basis as of the Completion Date with no representations or warranties (expressed or implied), including no representations or warranties with respect to completeness, quality, quantity, description, fitness for purpose, merchantability, compliance with the requirements of Governmental Authorities, the Encumbrances, as to Off-Title Compliance Matters and as to development fees, imposts, lot levies, sewer charges and the like, and without any express or implied agreement, representation or warranty of any kind whatsoever as to the title, condition, area, suitability for development, physical characteristics, profitability, use or zoning, the existence of latent defects, any environmental matter or as to the accuracy, currency and/or completeness of any information or documentation supplied or to be supplied in connection with the Purchased Assets and without limiting the foregoing, any and all conditions or warranties expressed or implied pursuant to the *Sale of Goods Act* (Ontario) will not apply and are hereby waived by the Buyer;
- (iv) the term "Seller" as used herein shall have no inference or reference to the present registered owner of the Purchased Assets. Without limiting the foregoing, the Buyer may not call for the production of any title documents or abstracts of title by the Seller other than the Approval and Vesting Order;
- (v) all Purchased Assets are on an "as is, where is" basis with no representation as to title, quality or quantity. The Seller will deliver possession of the improvements and fixtures as same may be found on the Property on Closing without a bill of sale, representation, warranty or other title documentation and shall make no adjustment in the Purchase Price with respect thereto; and
- (vi) if any statement, error or omission shall be found in the particulars of the legal and/or Purchased Assets' description, the same shall not annul the sale or entitle the Buyer to be relieved of any obligation hereunder, nor shall any compensation be allowed to the Buyer in respect thereof.

The Seller shall have no obligations or responsibility to the Buyer after Closing with respect to any matter relating to the Purchased Assets or the condition thereof. This Section 2(c) shall survive and not merge on Closing.

### 3. PURCHASE PRICE AND PAYMENT

The Purchase Price shall be paid and satisfied by the Buyer as follows:

- (a) the Buyer shall pay to the Listing Broker, in trust, a deposit of \$100,000.00 (the "Deposit") by certified cheque upon execution of this Agreement to be held by the Listing Broker in trust in a separate interest bearing trust account of a Schedule 1 Canadian bank and to be applied against the Purchase Price on closing or otherwise applied in the manner contemplated herein; and
- (b) the Buyer shall pay the balance of the Purchase Price to the Seller, by certified cheque, negotiable bank draft or wire transfer, on closing subject to Adjustments.

If any portion of the Purchase Price is paid to the Seller's Solicitors, said payment must only be made to the Seller's Solicitors by way of wire transfer. If the transaction contemplated hereby is not completed for any reason except for the default of the Buyer, the Deposit, to the extent paid to the Listing Broker (together with all interest thereon), shall be thereupon returned to the Buyer subject only to the Seller's right of deduction

Richard I. Sanders  


therefrom contemplated in Section 4 hereof. If the transaction is not completed as a result of the default of the Buyer, the Seller shall be entitled to retain the Deposit together with interest thereon in addition to any other rights or remedies it may have pursuant to this Agreement or at law. In such an event, the Buyer irrevocably and unconditionally directs the Listing Broker to immediately release the entire Deposit and all interest thereon from trust to the Seller. If the transaction contemplated herein is completed in a timely manner, interest on the Deposit shall be paid by the Listing Broker to the Buyer within a reasonable time following Closing.

4. **BUYER'S CONDITIONS**

The Buyer's obligation to complete this Agreement is subject to the fulfillment of the following conditions on or before 3:00 p.m. on July 15, 2010 (the "Due Diligence Date"):

- (a) the Buyer has satisfied itself in its sole and absolute discretion as to the structural condition and state of repair of the Property and the environmental condition of the Property. In connection therewith, the Seller agrees to allow the Buyer and the Buyer's authorized representative at the Buyer's sole risk and expense access to the Property prior to the Due Diligence Date from time to time during the Seller's normal business hours, subject to reasonable prior written notice to the Seller and provided such access does not interfere with or disturb the sale or removal therefrom of any other assets of the Debtor. Subject to the terms and conditions contained herein, the Seller authorizes the Buyer to carry out, at the Buyer's sole risk and expense prior to the Due Diligence Date, non-invasive inspections and tests, including, but not limited to, soil tests, provided that the Buyer shall promptly repair any resulting damage and shall restore the Property to its original condition prior to the Due Diligence Date, failing which the Seller may use the Deposit monies to effect all such repairs and restoration. All of the foregoing tests, inspections, and investigations are hereinafter collectively referred to as the "Inspections" and the Buyer shall provide complete copies of all such inspection reports, results and the like to the Seller prior to the Due Diligence Date whether or not the transaction contemplated herein proceeds. In addition to the foregoing, all Inspections may only be conducted for so long as: (i) the Buyer and each of the Buyer's Agents (as defined in Section 8(a) below) conducts the Inspections in a manner to which the Seller has no objection; (ii) the Buyer and each of the Buyer's Agents, conducts such Inspections only in the presence of a representative of the Seller unless the Seller elects in its sole and absolute discretion not to attend to said Inspections; (iii) no Governmental Authority or quasi-governmental officials are allowed on the Property; and (iv) the Buyer and the Buyer's Agents do not interfere with or disrupt the Seller's businesses or operations on the Property or cause any damage thereto. The Buyer hereby indemnifies the Seller and those for whom the Seller is at law responsible against any and all claims, liability, costs, expenses or damages arising out of the Inspections and access by the Buyer or the Buyer's Agents to the Property (failing which, the Seller, may in addition to its other rights and remedies hereunder and/or at law deduct the costs thereof from the Deposit monies). The Buyer's obligations and indemnities herein shall survive the conduct and completion of the Inspections, the termination or expiration of this Agreement for any reason, the completion of the transaction contemplated herein or if the transaction is not successfully completed for any reason; and
- (b) prior to the Due Diligence Date, the Buyer shall also satisfy itself in all respects as to the requirements of Governmental Authorities, as to title to the Property, as to the Encumbrances, as to the Golder Report and as to Off Title Compliance matters.

If the Seller or the Seller's Solicitors on its behalf, shall receive Notice from the Buyer or the Buyer's Solicitors on its behalf, on or before 3:00 pm on the Due Diligence Date that the conditions contained in this Section 4 have been satisfied, or are being unconditionally waived by the Buyer then, with the giving of such Notice, all of the conditions in this Section 4 shall be fully and unconditionally waived and this Agreement shall be completed as herein provided. In the event that the Buyer does not provide said Notice to the Seller, then it shall be deemed that the conditions contained in this Section 4

*Richard I. Sanders*  
*RS*

have not been satisfied or waived, in which case this Agreement shall be at an end and the Deposit, together with any interest earned thereon, if any, shall (subject to the balance of this paragraph) be forthwith returned to the Buyer without deduction and it is agreed that neither party shall have any further rights or obligations hereunder save and except that the Buyer's releases, covenants, obligations and indemnities pursuant to Sections 2(c), 4, 8 and 13 hereof as well as each of the Seller's rights to deduct from the Deposit contemplated in this Section 4 hereof shall not merge and shall remain in full force in effect. Notwithstanding the foregoing or anything else contained herein or elsewhere, the Buyer acknowledges and agrees in favour of the Seller that each of the conditions in this Section 4 have been fully and unconditionally waived prior to the Due Diligence Date.

See Schedule "B" which forms part of this Section 4.

5. CLOSING CONDITIONS

(a) **Conditions in favour of Seller**

The obligation of the Seller to complete this Agreement shall be subject to the following conditions:

- (i) by the Completion Date, the Purchase Price is paid to the Seller in its entirety and all of the other terms, covenants and conditions of this Agreement to be complied with or performed by the Buyer shall have been complied with or performed in all material respects; and
- (ii) by Closing, the Court has issued the Approval and Vesting Order.

The conditions set forth in this Section 5(a) are for the sole benefit of the Seller and may be waived in whole or in part by the Seller by Notice to the Buyer prior to the Completion Date.

(b) **Conditions in favour of Buyer**

The obligation of the Buyer to complete this Agreement shall be subject to the following conditions:

- (i) the Buyer or the Buyer's Solicitor shall have notified the Seller by the Due Diligence Date in writing that the conditions in Section 4 have been satisfied or waived; and
- (ii) by Closing, the Court has issued the Approval and Vesting Order.

The conditions set forth in this Section 5(b) are for the sole benefit of the Buyer, and may be waived in whole or in part by the Buyer by Notice to the Seller prior to the Completion Date (or in the case of paragraph 5(b)(i), prior to the Due Diligence Date). Notwithstanding the foregoing or anything else contained herein or elsewhere, the Buyer acknowledges and agrees in favour of the Seller that the condition in paragraph 5(b)(i) has been fully and unconditionally waived prior to the Due Diligence Date.

(c) **Non-Satisfaction of Conditions**

If the condition in Subparagraph 5(a)(i) is not satisfied or waived by the Seller (in the Seller's sole and absolute discretion) on or before the Completion Date, then, the Buyer shall be in default hereunder and, in addition to each of the Seller's other rights and remedies contained herein or otherwise at law, the Deposit and all interest thereon shall forthwith be automatically released to the Seller in its entirety (and the Listing Broker is hereby irrevocably and unconditionally directed to do so) and the Seller shall be released from each of its covenants and obligations under this Agreement. If each of the conditions in Subparagraphs 5(a)(i) and 5(b)(ii) is not satisfied or waived by each of the Buyer and the Seller, on or before the Completion Date (and in the case of paragraph 5(b)(i) only, waived by the Buyer only on or before the Due Diligence Date), this Agreement shall (subject to the balance of this Subsection 5(c)) be null and void and of no further force or effect and (subject to the balance of this Subsection 5(c)), the

*Richard I. Bando*  
*RB*

Deposit and all interest thereon shall be returned to the Buyer and each of the Seller and the Buyer shall otherwise be released from each of its covenants and obligations hereunder. Notwithstanding the foregoing or anything else contained herein or elsewhere, the Buyer acknowledges and agrees in favour of the Seller that each of the Buyer's releases, covenants, obligations and indemnities pursuant to Sections 2(c), 4, 8 and 13 hereof, as well as each of the Seller's rights to deduct from the Deposit contemplated in Section 4 hereof, shall not merge or terminate but shall remain in full force and effect. The conditions set out in Subsections 5(a) and 5(b) above are not conditions precedent to the existence or the enforceability of this Agreement.

**(d) Efforts to Satisfy Conditions**

Without derogating from any party's other obligations under this Agreement (including, in the case of the Buyer, the obligation to pay the Purchase Price as provided for in this Agreement) it is agreed that each of the Seller and the Buyer shall act in good faith and use reasonable commercial efforts to satisfy, or cause to be satisfied, the conditions set forth in Sections 4 and 5 hereof.

**6. CLOSING DOCUMENTS**

**(a) Seller's Closing Documents**

On or before Closing, subject to the provisions of this Agreement, the Seller shall deliver or cause to be delivered to the Buyer the following:

- (i) conveyance of the Purchased Assets pursuant to the Approval and Vesting Order together with the Receiver's Certificate to the extent contemplated by the Approval and Vesting Order;
- (ii) a direction as to the payee or payees of the Purchase Price;
- (iii) a statement of adjustments to be delivered at least two (2) Business Days before Closing. The Buyer acknowledges and agrees that there shall be no further Adjustments or readjustments following the date which is ninety (90) days after the Completion Date; and
- (iv) a certificate of RSM Richter Inc. as to its residency pursuant to Section 116 of the *Income Tax Act* of Canada.

**(b) Buyer's Closing Documents**

On Closing, subject to the provisions of this Agreement, the Buyer shall deliver or cause to be delivered to the Seller's Solicitors the following:

- (i) the balance of the Purchase Price;
- (ii) a general assumption agreement and where required specific assumptions of Encumbrances in connection with the transfer of any of the Purchased Assets, including, without limitation, the Buyer's assumption of the Milton Agreements;
- (iii) the GST and HST undertaking and indemnity referred to in Section 7 of the OREA Form;
- (iv) an acknowledgement confirming the provisions of Sections 2(c) and 13 hereof; and
- (v) the Realty Tax Agreement and Direction.

**(c) Form of Documents**

All documentation referred to in Section 6(a) and 6(b) shall be in form and substance acceptable to the Buyer and the Seller each acting reasonably and in good faith, provided that none of such documents shall contain covenants,

*Richard I. Sandhu*

*RS*



representations or warranties which are in addition to or more onerous upon either the Seller or the Buyer than those expressly set forth in this Agreement.

(d) **Registration and Other Costs**

The Buyer shall be solely responsible for and pay any land transfer taxes payable on the transfer of the Purchased Assets, all registration fees payable in respect of registration by it of any documents on Closing (other than the discharge of the CB Bank Mortgage, which shall be the responsibility of the Seller) and all federal and provincial sales and other taxes payable by a purchaser upon or in connection with the conveyance or transfer of the Purchased Assets, including, retail sales tax, goods and services tax and harmonized sales tax.

(e) **Escrow Closing and Registration**

It is a condition of Closing that all matters of payment and the execution and delivery of Closing Documents by each party to the other shall be deemed to be concurrent requirements and it is specifically agreed that nothing will be complete at the Closing until everything required at the Closing has been paid, executed and delivered.

All Closing Documents and monies shall be delivered in escrow on the Completion Date as reasonably required by the solicitors for the parties together with receipt of such evidence as they shall reasonably request that all conditions of this Agreement have been satisfied.

The Seller and Buyer covenant and agree to cause their respective solicitors to enter into a document registration agreement (the "DRA") in the form recommended by the Law Society of Upper Canada to govern the electronic submission of the conveyance of the Lands pursuant to the Approval and Vesting Order in the applicable Land Registry Office.

7. **SELLER'S AUTHORIZATION**

The Seller shall deliver to the Buyer, within two (2) Business Days after receipt thereof from the Buyer's Solicitors, authorizations, in writing, to the Town of Milton and any other Governmental Authority to release from its files to the Buyer relevant information of all outstanding work orders or deficiency notices, if any, affecting the Purchased Assets, such searches being restricted to release of existing information only and shall specifically prohibit inspections.

8. **CONFIDENTIALITY**

- (a) The Buyer covenants and agrees in favour of the Seller that the Buyer and each of its agents, solicitors, lenders, employees, advisors and those for whom it is at law responsible from time to time (collectively the "Buyer's Agents") shall keep this Agreement, all deliveries by or on behalf of the Seller from time to time, the Golder Report, the results of all Inspections and, in each case, the results and contents thereof in strict confidence provided the Buyer may disclose this Agreement to its solicitors, employees, directors and *bona fide* lenders and advisors on a confidential basis. Furthermore, the Buyer may not issue any press release or other public announcement or release information with respect to this Agreement to the public unless the same has been pre-approved in writing by the Seller.
- (b) In the event that the transaction contemplated herein is terminated or is not successfully completed for any reason whatsoever, the Buyer shall, within 48 hours of termination or non-completion, turn over to the Seller all original copies of the Information and all reproductions thereof and the Buyer and the Buyer's Agents shall also continue to retain in strict confidence the Information and the contents thereof.
- (c) The Buyer's covenants and obligations pursuant to this Section 8 shall survive the expiration or termination of this Agreement for any reason or if this transaction

Richard I. Saunders  
RS

contemplated herein is terminated or is not successfully completed in a timely manner for any reason whatsoever.

9. REPRESENTATIONS, WARRANTIES

(a) **Representations and Warranties of the Seller**

The Seller represents and warrants to the Buyer and acknowledges that the Buyer is relying on such representations and warranties in entering into this Agreement and in purchasing the Purchased Assets that the Seller is the court-appointed receiver of the Debtor and, subject to the approval of the Court, has the power, authority and capacity to enter into this Agreement and all other agreements, documents and certificates contemplated hereby to be executed by Seller and to carry out the transaction contemplated hereby and thereby.

(b) **Buyer's Representations**

The Buyer hereby represents and warrants to and in favour of the Seller that, as of the date of this Agreement and as of the Completion Date:

- (i) the Buyer is a corporation existing under the laws of Province of Ontario and has the necessary corporate authority, power and capacity to own the Purchased Assets and to enter in this Agreement and to carry out the agreement of purchase and sale constituted on the execution and delivery of this Agreement and the documents and Transactions contemplated herein on the terms and conditions herein contained;
- (ii) the agreement of purchase and sale constituted on the execution and delivery of this Agreement and the obligations of the Buyer hereunder and the documents and transaction contemplated herein have been authorized by all requisite corporate proceedings and constitute legal, valid and binding obligations of the Buyer enforceable against the Buyer in accordance with their terms;
- (iii) the person or persons who at Closing purchase the beneficial interests in the Purchased Assets (each of which must be the Buyer) will be registrants for the purposes of Part IX of the *Excise Tax Act* (Canada) and by virtue of paragraph 221(2)(b) of such law, the Seller is not obliged to collect the GST and/or HST from the Buyer or to pay GST and/or HST; and
- (iv) the Buyer has not retained the services of any real estate broker or agent in connection with the Transaction contemplated by this Agreement and has not dealt with any broker or agent in connection with the transaction, save and except for retaining Ted McNab of CB Richard Ellis Limited.

10. GENERAL

(a) **Solicitors as Agents and Tender**

Any notice, approval, waiver, agreement, instrument, document or communication permitted, required or contemplated in this Agreement may be given or delivered and accepted or received by the Buyer's Solicitors on behalf of the Buyer and by the Seller's Solicitors on behalf of the Seller and any tender of Closing Documents and the balance of the Purchase Price may be made upon the Seller's Solicitors and the Buyer's Solicitors, as the case may be. It is expressly understood and agreed by the parties hereto that an effective tender shall be deemed to have been made by either party (the "Tendering Party") upon the other party (the "Receiving Party") when the solicitor for the Tendering Party has completed, in addition to all other requirements to effect a valid tender in accordance with the provisions of this Agreement and the DRA, all steps required by electronic registration in order to complete this transaction that can be performed or undertaken by the Tendering Party's solicitor without the co-operation or participation of the Receiving Party's solicitor, and specifically when the Tendering Party's solicitor has, whenever possible, electronically "signed" the document to effect the conveyance of the Purchased Assets and all other

*Richard I. Sanders*



instruments to be registered against title to the Lands at the time of Closing for completion and granted access to the Receiving Party's solicitor.

(b) **Merger**

Except as otherwise expressly set out herein, this Agreement shall merge with the closing of the Transaction contemplated herein.

(c) **Survival**

Except as otherwise provided in this Agreement, no representations, warranties, covenants or agreements of either the Seller or the Buyer shall survive Closing. This provision survives Closing.

(d) **Successors and Assigns**

All of the covenants and agreements in this Agreement shall be binding upon the parties hereto and their respective successors and assigns and shall enure to the benefit of and be enforceable by the parties hereto and their respective successors and their permitted assigns pursuant to the terms and conditions of this Agreement. The Buyer shall have no right to assign and/or encumber its rights and/or obligations hereunder in whole or in part or to effect a "change of control" so as to indirectly effect the foregoing, without in each case first obtaining the approval in writing of the Seller, which approval may be arbitrarily and unreasonably withheld by the Seller.

(e) **Notice**

Any notice, demand, approval, waiver, consent, information, agreement, offer, request or other communication (each hereinafter referred to as a "Notice") to be given under or in connection with this Agreement shall be in writing and shall be given by personal delivery during regular business hours on any Business Day or by telecopier, facsimile transmission, e-mail or other electronic communication which results in a written or printed notice being given, addressed or sent as set out below or to such other address, e-mail or electronic number as may from time to time be the subject of a Notice:

(A) **Seller:**

RSM Richter Inc.  
200 King Street West  
Suite 1100  
Toronto, ON  
M5H 3T4

Attention: Robert Kofman  
Facsimile: (416) 932-6200  
E-mail: rkofman@rsmrichter.com

with a copy to the Seller's Solicitor:

Goodmans LLP  
Bay Adelaide Centre  
333 Bay Street, Suite 3400  
Toronto, Ontario M5H 2S7

Attention: Joe Latham/Ken Herlin  
Facsimile: (416) 979-1234  
E-mail: kherlin@goodmans.ca

(B) **Buyer:**

Mayflower Properties Inc.  
256 Victoria Road S.  
Guelph, Ontario N1E 5R1

*Richard I. Bamber*  
*RB*

Attention: R.I. Standish  
Facsimile: 519-837-4533  
E-mail: richard@pdibulk.com

with a copy to the Buyer's Solicitor:

RZCD Law Firm LLP  
Mississauga Corporate Centre  
77 City Centre Drive, Suite 700  
Mississauga, Ontario L5B 1M5

Attention: Eric Dionne  
Facsimile: (905) 896-1111  
E-mail: edionne@rzcdlaw.com

Any Notice, if personally delivered, shall be deemed to have been validly and effectively given and received on the date of such delivery and if sent by telecopier, facsimile transmission, e-mail or other electronic communication with confirmation of transmission prior to 5:00 p.m., shall be deemed to have been validly and effectively given and received on the Business Day it was sent unless the confirmation of transmission was after 5:00 p.m. in which case it shall be deemed to have been received on the next following Business Day.

**(f) No Registration of Agreement**

The Buyer covenants and agrees that it will not register or cause or permit to be registered this Agreement and that no reference to or notice of it or any caution, certificate of pending litigation or other similar court process in respect thereof shall be registered on title to the Property and the Buyer shall be deemed to be in default under this Agreement if it makes any registration or causes or permits any registration to be made on title to the Property prior to the successful completion of the transaction contemplated herein on the Completion Date.

**(g) Entire Agreement**

This Agreement, and any agreements, instruments and other documents herein contemplated to be entered into between, by or including the parties hereto constitute the entire agreement between the parties hereto pertaining to this Agreement and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, with respect thereto, and there are no warranties or representations and no other agreements between the parties hereto in connection with the agreement of purchase and sale provided for herein.

**(h) Facsimile or PDF Transmission**

This Agreement may be executed in counterpart and transmitted by telecopying device or email and the reproduction of signatures by way of telecopying device or email will be treated as though such reproductions were executed originals and each party to this Agreement undertakes to provide to each of the other parties to this Agreement a copy of the Agreement bearing original signatures and to do so within five (5) Business Days after the Execution Date.

**11. SELLER'S RIGHT TO CONTINUE TO LIST PURCHASED ASSETS**

Notwithstanding the foregoing or anything else contained herein or elsewhere, the Buyer acknowledges and agrees that until the Buyer has unconditionally waived each of the conditions set out in Section 4 hereof, the Seller may, in the Seller's sole and absolute discretion, continue to offer the Purchased Assets for sale upon terms and conditions acceptable to the Seller, in the Seller's sole and absolute discretion. In that regard, until such time as the Buyer has unconditionally waived each of the conditions set out in Section 4 hereof, the Seller may, in the Seller's sole and absolute discretion, notify the Buyer in writing (the "Termination Notice") that the Seller has elected to enter into a different offer or offers to sell the Purchased Assets on terms and conditions the Seller wishes to accept in the Seller's sole and absolute discretion. In such an event, this Agreement will be at an end and the Deposit with interest, if any, shall be forthwith

*Richard I. Standish*

*RS*

returned to the Buyer provided that each of the Buyer's releases, covenants, obligations and indemnities pursuant to Sections 2(c), 4, 8 and 13 hereof as well as each of the Seller's rights to deduct from the Deposit contemplated in Section 4 hereof shall not merge and shall remain in full force in effect. If the Seller delivers the Termination Notice to the Buyer, within five (5) days of delivery of the Termination Notice, the Buyer may submit to the Seller written evidence (which must include paid invoices) of the Buyer's arms' length and reasonable professional fees with respect to its physical and environmental due diligence in connection with the Property (collectively, the "Third Party Costs"). Provided the Buyer delivers the aforementioned written evidence of the Third Party Costs, along with a full and unconditional release of the Seller in connection with this Agreement and in connection with the Purchased Assets (which release, for greater certainty, is not required for the Termination Notice to take effect), the Seller shall reimburse the Buyer for the Buyer's reasonable Third Party Costs up to an amount not to exceed \$7,500 in the aggregate.

12. REALTY TAX ABATEMENT

The Buyer acknowledges and agrees that the Seller is entitled to receive each and every reduction, rebate, refund, abatement, adjustment, benefit, credit and/or the like in connection with all realty taxes and related amounts levied against and/or payable in connection with the Property from time to time (collectively, the "Taxes") for the period up to the Completion Date whether arising or received before, on and/or after the Completion Date (collectively, the "Tax Rebate"). In that regard, the Buyer covenants and agrees to cooperate with the Seller for a period of two (2) years following the Completion Date, at no expense to the Seller (but at no material monetary cost to the Buyer), from time to time in connection with the Seller's ongoing efforts to recover the Tax Rebate, provided there is no material financial detriment to the Buyer. Without limiting the foregoing, the Buyer shall promptly execute and deliver such acknowledgements, directions and authorizations as may be reasonably required by the Seller from time to time in connection with the Tax Rebate, including, the conduct of assessment appeals at the Assessment Review Board, negotiations with the Municipal Property Assessment Corporation and all steps necessary to maximize and ensure the timely recovery and payment of the Tax Rebate to the Seller. If at any time, the Buyer receives any portion of the Tax Rebate, it shall hold it in trust for the Seller and forthwith deliver it in its entirety to the Seller without any setoff, abatement or deduction whatsoever. In conjunction with the closing of the transaction contemplated herein, the Buyer shall execute and deliver to the Seller a realty tax agreement confirming the foregoing as well as an irrevocable and unconditional direction to the municipality and the applicable authorities confirming the foregoing (collectively, the "Realty Tax Agreement and Direction").

13. RICHTER'S CAPACITY

Notwithstanding anything else contained herein or elsewhere, the Buyer acknowledges and agrees that RSM Richter Inc. is entering into this Agreement and all related documentation solely in its capacity as court appointed receiver of the Debtor and not in its personal capacity and without any personal and/or corporate liability on its part of any kind whatsoever. The foregoing qualification and limitation shall be deemed incorporated by reference into each and every Notice relating to the transaction contemplated herein from time to time. This Section 13 shall survive and not merge upon the closing of the transaction contemplated herein.

14. EFFECTIVE DATE

Each of the parties hereto acknowledges and agrees that, for the purposes of all references to the Agreement of Purchase and Sale for the Property, the date of said Agreement shall be deemed to be May 19, 2010. The parties are executing the attached Agreement and this Schedule solely for the purpose of obtaining a clean original executed copy hereof and to confirm the full and unconditional waiver of numerous conditions contained herein and the purpose of this document is otherwise not to amend the Agreement of Purchase and Sale or the original Schedules thereto.


[BALANCE OF PAGE INTENTIONALLY LEFT BLANK]

*Richard I. Sanders P.*  
*[Signature]*

Signing Page for Schedule "A" to the Agreement of Purchase and Sale of 375 Wheelabrator Way, in the Town of Milton between Mayflower Properties Inc. ("Buyer") and RSM Richter Inc. solely in its capacity as Court appointed receiver of SKD Company, including each of its general partners, NMC Canada Inc. and 2515080 Nova Scotia Company (collectively, "Debtor") and not in its personal capacity ("Seller").

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**MAYFLOWER PROPERTIES INC.**

Per:   
Name: Richard I. Standish  
Title: President

**RSM RICHTER INC.**, solely in its capacity as  
Court appointed receiver of SKD Company,  
including its general partners NMC Canada Inc.  
and 2515080 Nova Scotia Company and not in its  
personal capacity

Per:   
Name: Robert Kofman  
Title: Co-President

**SCHEDULE "B"**

**Buyer's Condition**

A) This Agreement shall be conditional for five (5) business days after acceptance upon the Buyer's lawyer reviewing and being solely satisfied with all terms and conditions herein. If this condition is not satisfied, this offer will be considered null and void and all deposits will be returned without deduction. Notwithstanding the foregoing or anything else contained herein or elsewhere, the Buyer acknowledges and agrees in favour of the Seller that the foregoing condition was fully and unconditionally satisfied prior to the requisite condition deadline.

US755267.16

*Richard I. Sanders P.*

*RS*

## **Appendix “D”**



SKD Company, NMC Canada Inc. and 2515080 Nova Scotia Company  
**Summary of Books and Records to be Disposed**

No.	Description
1	PAYROLL REGISTERS JAN-AUG 2001
2	PAYROLL REGISTERS SEP-DEC 2001, JAN-APR 2002
3	PAYROLL REGISTERS MAY-DEC 2002
4	PAYROLL REGISTERS JAN-DEC 2003
5	SUPPORTING DOCUMENTS 2000 - 2001
6	SUPPORTING DOCUMENTS 2002
7	CAR ALLOW, PENSION ADJUSTMENTS 1990 - 1993
8	PAYROLL REGISTERS JAN - FEB 2003
9	PAYROLL REGISTERS FEB - MAR 2003
10	PAYROLL REGISTERS APR - MAY 2003
11	PAYROLL REGISTERS JUNE - JULY 2003
12	PAYROLL REGISTERS JULY - AUG 2003
13	PAYROLL REGISTERS NOV - DEC 2003
14	MISC REGISTERS & T4'S 1972 - 1990
15	PAYROLL 1998-1999
16	QUOTES
17	ROB C FILES
18	ROB C FILES
19	ROB C FILES
20	MISC FILES 2000
21	TIME SHEETS 2003
22	TIME SHEETS 2001
23	PENSION 1999
24	PENSION 2002
25	SAVINGS PLAN 1999-2000
26	PAYROLL 2000
27	PAYROLL 2000
28	T4S 1996-1997
29	PAYROLL W/E JANUARY 06 2002 TO JULY 28 2002
30	PAYROLL MISCELLANEOUS 02,03
31	PAYROLL SALARY OVERTIME 1998-2002
32	A/P 2001-2002 CHEQUE REGISTERS
33	FINANCIAL STATEMENTS MAY TO SEPT 01
34	SKD SAVINGS PLAN JAN 2002-DEC 2003(?)
35	HR EXPECTATION AND UNDERSTANDING
36	SAVING PLAN REPORTS 1998-1999
37	SALARY OVERTIME 1996-2001
38	92-93 PENSIONS REPORTS
39	SALARIED PAYROLL INFO 1993 - 1995
40	EMPLOYEE 1992 RELATIONS
41	PHF EMPLOYEE RELATIONS
42	WCB CLAIMS 1973 -1982
43	PAYROLL MILTON 2000 JAN - MAR
44	PAYROLL JV'S 2002
45	2002 FINANCIAL STATEMENTS JAN - MAY
46	SKD PAYROLL 1998 AUG-OCT
47	ADP WORKSHEET 2001 TO 2002

SKD Company, NMC Canada Inc. and 2515080 Nova Scotia Company  
**Summary of Books and Records to be Disposed**

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No.	Description
48	PAYROLL REGISTERS MIL AND BRAM 2001
49	PAYROLL REGISTERS JAN-DEC 2000
50	YEAR END FINANCIAL STATEMENTS 2000 - 2002
51	AUDIT FINANCIAL STATEMENTS 1999 & PRIOR
52	AUDIT FINANCIAL STATEMENTS 1999 - 2002
53	AUDIT FINANCIAL STATEMENTS 2003
54	2001 TOOLING REPORTS
55	CHRISTMAS LIGHTS FILES
56	JOURNAL 1999 M/E
57	CASH RECEIPTS 2002
58	A/P 2003
59	A/P 2003
60	SCRAP REPORTS 2002
61	A/R 2003
62	MONTH END REPORTS 1998-2002
63	NOTHING
64	A/R AND A/R AND INVENTORY REGISTER 2002
65	A/P 2003
66	A/P 2000
67	CHEQ REGISTER 1998-1999
68	A/P 2003
69	A/P 2003
70	A/P 2000-2002
71	A/P INVOICE REGISTER 2002
72	A/P 2000-2002
73	A/P 2003
74	A/P 2003
75	US & CND CHEQ REGISTER 2003
76	A/P 2003
77	A/P 2003
78	A/P 2003
79	A/R GM 2003
80	A/R 2003
81	A/P 2003
82	PAYROLL REGISTER 2003
83	PUNCH DETAIL 2003
84	VOID CHEQS 2003
85	A/P 2003
86	INTER AUDIT 2001
87	VOID CHEQS 2003
88	BANK REC 2003
89	A/R 2002
90	A/R 2003
91	VOID CHEQS 2003
92	PAYROLL REGISTER 2003
93	WEEKLY PAYROLL 2003
94	CASH 2003

SKD Company, NMC Canada Inc. and 2515080 Nova Scotia Company  
**Summary of Books and Records to be Disposed**

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<b>No.</b>	<b>Description</b>
95	CASH 2003
96	WEEKLY PAYROLL 2000
97	A/P REGISTER 1997
98	PAYROLL 2000
99	PAYROLL 2001
100	A/P 1999
101	B/L 2002
102	A/P 2000
103	B/L 2002
104	A/R 2002
105	EXRU 1999-2000
106	B/L 2002
107	MISC OLD FILES 1990
108	HMS TRANSFER 1999
109	A/R 2002
110	A/P 2000
111	JOURNAL ENTRIES 1997-1998
112	MISC FILES 1999
113	ROB C FILES
114	RELEASES WORKSHEETS 2001
115	MISC FILES 1999-2001
116	CHRYSLER REPORTS 2002
117	CASH RECEIPTS 2000-2001
118	ROB C FILES
119	A/R 2001
120	FINANCIAL 2000
121	FRANK L FILES
122	A/P 2000\
123	MISC BIRD PACKAGING
124	JOURNAL ENTRIES 1997
125	STERLING MISC 2002
126	REPORTS 1999-2001
127	A/P 2001
128	MINITAB 2001
129	A/P 2003
130	A/P 2003
131	A/P 2003
132	A/P 2003
133	A/P 2003
134	A/P 2003
135	A/P 2003
136	EASA 1994
137	JOURNAL ENTRIES 1996
138	J/E 1998
139	JOURNAL INVOICING 1999
140	J/E MONTH END INV 1999
141	CAPITAL PRO 1970-1979

SKD Company, NMC Canada Inc. and 2515080 Nova Scotia Company  
**Summary of Books and Records to be Disposed**

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No.	Description
142	CAPITAL PRO 1970-1984
143	A/P 2003
144	A/P 2003
145	J/E 2003
146	INVENTORY REPORTS 2003
147	A/P 2003
148	PO 2003
149	A/P 2003
150	A/P 2001
151	A/P 2003
152	A/P 2003
153	A/P 2003
154	TOOLING 1999-2002
155	NAFTA FILES 2000-2001
156	RD CLAIMS 1988-1993
157	CHEQ REGISTER 1994
158	FINANCIAL STATEMENTS 2000
159	J/E 1997
160	RD CLAIMS 1988-1994
161	A/P 2001
162	F/S 1996-1998
163	J/E 2003
164	J/E 1995
165	BALANCE SHEETS 1992-1996
166	WELD CERTIFICATES
167	GARY FILES
168	MISC FILES 1980'S AMERSBURG
169	MISC FILES 1980'S AMERSBURG
170	MISC FILES 1980'S AMERSBURG
171	MISC FILES 1980'S AMERSBURG
172	MISC FILES 1980'S AMERSBURG
173	MISC FILES 1980'S AMERSBURG
174	MISC FILES 1980'S AMERSBURG
175	MISC FILES 1980'S AMERSBURG
176	MISC FILES 1980'S AMERSBURG
177	MISC FILES 1980'S AMERSBURG
178	MISC FILES 1980'S AMERSBURG
179	MISC FILES 1980'S AMERSBURG
180	MISC FILES 1980'S AMERSBURG
181	MISC FILES 1980'S AMERSBURG
182	MISC FILES 1980'S AMERSBURG
183	MISC FILES 1980'S AMERSBURG
184	MISC FILES 1980'S AMERSBURG
185	MISC FILES 1980'S AMERSBURG
186	MISC FILES 1980'S AMERSBURG
187	MISC FILES 1980'S AMERSBURG
188	MISC FILES 1980'S AMERSBURG

SKD Company, NMC Canada Inc. and 2515080 Nova Scotia Company  
**Summary of Books and Records to be Disposed**

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No.	Description
189	MISC FILES 1980'S AMERSBURG
190	MISC FILES 1980'S AMERSBURG
191	MISC FILES 1980'S AMERSBURG
192	MISC FILES 1980'S AMERSBURG
193	MISC FILES 1980'S AMERSBURG
194	MISC FILES 1980'S AMERSBURG
195	MISC FILES 1980'S AMERSBURG
196	MISC FILES 1980'S AMERSBURG
197	MISC FILES 1980'S AMERSBURG
198	MISC FILES 1980'S AMERSBURG
199	A/P 1999
200	A/P 1999
201	A/P 1999
202	A/P 1999
203	AUDIT 1997
204	SCRAP B/L 2002
205	STANDARD 1999
206	A/P 1999
207	EXPENSE 1999
208	EXPENSE 1999
209	A/P 1999
210	STEEL CON 2003
211	PAYROLL 2002
212	STEEL CON 2003
213	INSPECTION SHEET DEC/04 TO JUNE/05
214	INSPECTION SHEET 1994 TO 1995
215	QA INSPECTION SHEET 2003
216	MISCELLANEOUS ENGINEERING FOLDERS PSO MANUEL 2005
217	QA CUSTOMER INQUIRY REPORT JAN TO DEC 2000
218	MISCELLANEOUS OBS. MANUALS
219	STEELE RTS 1993
220	QCRS (OUT OF PRODUCT)
221	MMNA QCRS (OUT OF PRODUCT)
222	MMMA CHECK SHEETS 2001 TO 2003
223	ENGINEERING DIAGRAMS 1998
224	MISCELLANEOUS CONTENTS SPECIAL AUDIT NOV 99 TO SORT AND REWORK OCT 99
225	INSPECTION SHEETS, QCRS, CALIBRATIONS
226	QA INSPECTION SHEETS 2003 100003-10
227	QA INSPECTION SHEETS 2003 300405-16-10
228	BOX 3: QA RECORDS NON-CONFORMANCE MAT'L AUDIT CHECK
229	A/P 2002 F-I
230	A/P 2001 M ZIRA
231	MISCELLANEOUS CONTENTS AUTO MODULAR
232	A/P ZIRA 2001 M
233	A/P WESBELL JAN-DEC 2002
234	A/P 2001 L+ M LIVINGSTON LEMAR FASTENERS
235	CMM INSPECTION REPORT 1998

SKD Company, NMC Canada Inc. and 2515080 Nova Scotia Company  
**Summary of Books and Records to be Disposed**

No.	Description
236	MISCELLANEOUS REPORT SMITH HANDOUT MANUAL (MANY MANUALS)
237	1989-1991 CAMI DATA MITE COMPUTER
238	GMT 355 PPAPS FROM JONESVILLE
239	MMMA CHECHSHEETS 2001 TO 2003
240	MISCELLANEOUS ENGINEERING INACTIVE 300112- 100025/26
241	MISCELLANEOUS ENGINEERING MMMA MASTER FILES 8553-8507
242	MISCELLANEOUS ENGINEERING INACTIVE 10000240-200001
243	A/P INVOICE REGISTERS 98-99
244	FINANCIAL STMT JAN-NOV 1999
245	SHIPMENT TICKETS 2002
246	A/P 2000 "R" - "S"
247	A/R VIKKI VRS. 2002
248	A/P CHRYSLER JULY-DEC 2000
249	B/L 2003 A/R TOOLING INVOICE 1998-2001
250	A/P WESBELL 2000
251	A/P 2000 "A-P"
252	CHEQUE REGISTERS 1998-1999 AUDITORS A/P
253	DAILY HOURS JULY 1999- JULY 2001
254	AISIN 2002 AND 2005, MITSUBISHI 2002 AND 2003, Fairfax 2003
255	A/P 2000 DEBO EASTON
256	INVOICES 1999 (EASTON LIVINGSTON MTM)
257	A/P 2000 H TO L
258	A/P INVOICE REGISTERS 1999
259	ACC. COPIES APR JUNE 2000 AR+B JAN 2000 A/R AGING
260	CANADIAN AND US JAN-MAY 1999 CHRYSLER
261	A/R VIKKI BILLING VOUCHERS 4/17/02 TO 6/06/02
262	INSPECTION SHEET APR/05 TO JUNE/05 DCX
263	1996-1998 NAFTA CHRYSLERS MMMA AND CAMI
264	IN PROCESS AUDIT SHEETS DCX JUNE05 TO DEC 05
265	CHRYSLER CORP THE SUPERS SYSTEM 1995
266	IN PROCESS AUDIT SHEETS JUN TO DEC 05 GM MMNA
267	QCRS COMPLETED CHECK SHEETS 10/99
268	MISCELLANEOUS ENGINEERING INACTIVE 8116-300142/143
269	IN-PROCESS CHECK SHEETS JAN 04 TO OCT 04
270	IN-PROCESS CHECK SHEETS FEB-DEC 2004
271	MISCELLANEOUS CORRECTIVE ACTIONS REPORTS LOG SHEETS 1998
272	BOX 2 QA RECORDS DEST.TEST LOG JAN, JUN 01
273	IN-PROCESS CHECK SHEETS APR-MAY 2004 TO DEC 2004
274	MANIFESTS BINDER 2001 APTB 2003
275	A/P CHRYSLER 2002 JULY-DEC
276	A/P 2003 "C"
277	A/P 2003 LIVINGSTON FEDERAL EXPRESS L2M FASTENERS
278	CHRYSLER 2002 JAN-JUNE
279	A/P 2003 "E-G"
280	A/P 2002 R-S
281	A/P 2003 "D"
282	EXRU NOV/2000 -SEPT/2002

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No.	Description
283	MISCELLANEOUS VENDOR INVOICES 2003
284	A/P 2003 "T-Z"
285	A/P 2003 EASTON #2
286	A/P 2003 LIVINGSTON INTERNATIONAL #1
287	A/P INVOICE REGISTERS JAN TO NOV 2003
288	A/P 2002 EXPENSE REPORTS
289	A/P 2002 EASTON SEPT-DEC MTB - MTM
290	A/P 2003 T-Z
291	A/P CHRYSLER JAN-JUN 2000
292	A/P "M" 2002
293	A/P 2000-2002 RECEIVING REPORTS 2000 CHEQUE REGISTERS
294	A/P "EASTON" JAN TO SEPT 2002
295	A/P 2003 LIVINGSTONE INTERNATIONAL #2
296	INVOICES FOR CUSTOMERS 2000-2003
297	JOURNAL ENTRIES JAN TO JUN 03
298	2001 TRIAL BAL - G/L ANALYSIS
299	2000-2006 MILTON PAYROLL APRIL TO JUNE
300	VOUCHER REGISTER 1993 CHEQUE REGISTER 91-93 GENERAL LEDGER 1993
301	CAPITAL-PEA'D 1980-1992 ADJ COMMITTEE TARGETS 1994 STDS
302	SEPT TO DEC 1996 GENERAL LEDGER TRIAL BALANCE
303	1992-1998 AUDIT DATA AND REPORTS
304	JAN TO FEB 2001 PAYROLL REGISTERS- MILTON AND BRAMPTON
305	HEALTH AND SAFETY MATERIAL
306	SEPT TO NOV 2002 JOURNAL ENTRIES
307	SKD FINANCIAL STATEMENTS JUN TO NOV 03
308	MILTON AND BRAMPTON STUBS 2001
309	THE BOOK MANAGEMENT CONTROL REPORTS 2002-2003
310	LIFT TRUCKS INFO
311	JOURNAL ENTRIES APRIL-NOV 2004
312	ACCOUNTING GM - PO'S 1999-20002
313	CENSUS REPORTS 1982-1998
314	MONTHLY FINANCIAL STATEMENTS MAY-NOV 1999
315	THE BOOK MANAGEMENT CONTROL REPORTS 1998-1999
316	ACCOUNTS RECEIVING MISCELLANEOUS CASH RECEIPTS JAN - DEC 2003
317	FINANCIAL REPORTS 98-99
318	QA A AND A PARTS INFO
319	CAPITAL 2003
320	GMT360-ORIGINAL TOOLING
321	BOX 1 QA RECORDS DAILY AUDITS AND SORT REWORK 2001
322	1992 DETAIL STAMPING
323	1987 GENERAL LEDGER
324	1991-1992 PLANT SAFETY AUDIT
325	1993-98 TRIAL BALANCE SHEETS
326	MONTHLY AND GENERAL LEDGER 1983
327	DETAIL STAMPING 1991
328	TOOLING ALL PROGRAMS 1997
329	2003 MILTON PAYABLES J-K

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No.	Description
330	2003 MILTON PAYABLES S-U
331	2003 MILTON PAYABLES O-P
332	2003 MILTON PAYABLES EXPENSE REPORTS
333	ACCTS. RECEIVING DCX CASH JAN-AUG 2003
334	JAN - JUN 2003 EMPTY CONTAINERS
335	PAYABLES D-E MILTON 2003
336	2003 H.O. PAYABLES EXPENSE REPORTS
337	MILTON 1998 CAPITAL AND TOOLING
338	H.O. 2003 WEEKLY A/P REPORTS CANADIAN AND US 2003 APCK REPORTS
339	2003 MILTON PAYABLES H-J
340	2003 MILTON PAYABLES GENERAL MOTORS
341	2003 MILTON PAYABLES A
342	2003 MILTON PAYABLES EASTON COATING - "F"
343	2003 MILTON PAYABLES M-N
344	2003 MILTON PAYABLES "S"
345	2003 MILTON PAYABLES C-D
346	MILTON - O/T 2002-2003
347	2003 H.O. PAYABLES O-Z
348	MONTH-END REPORTS MAR-DEC 2000
349	2003 H.O. PAYABLES B-C
350	2003 MILTON APTB/APUV SEPT-DEC
351	2003 MILTON PAYABLES "A-B"
352	CHRYSLER CONTAINERS 2002-03
353	2003 MILTON APUV/APTB JAN TO AUG
354	EMPTY CONTAINERS JULY - DEC 03
355	2003 MILTON PAYABLES GENERAL MOTORS 1 OF 2
356	MILTON JOURNAL ENTRIES JAN-AUG 2000
357	1985 GENERAL LEDGER
358	QUALITY IN PROCESS REPORTS AND CHECK SHEETS 2004
359	QUALITY IN PROCESS REPORTS AND CHECK SHEETS 2004
360	QUALITY IN PROCESS REPORTS AND CHECK SHEETS 2004
361	QUALITY IN PROCESS REPORTS AND CHECK SHEETS 2004
362	QUALITY IN PROCESS REPORTS AND CHECK SHEETS 2004
363	QUALITY IN PROCESS REPORTS AND CHECK SHEETS 2004
364	QUALITY IN PROCESS REPORTS AND CHECK SHEETS 2004
365	QUALITY IN PROCESS REPORTS AND CHECK SHEETS 2004
366	QUALITY IN PROCESS REPORTS AND CHECK SHEETS 2004
367	QUALITY IN PROCESS REPORTS AND CHECK SHEETS 2004
368	QUALITY IN PROCESS REPORTS AND CHECK SHEETS 2004
369	QUALITY IN PROCESS REPORTS AND CHECK SHEETS 2004
370	QUALITY IN PROCESS REPORTS AND CHECK SHEETS 2003
371	QUALITY IN PROCESS REPORTS AND CHECK SHEETS 2003
372	QUALITY IN PROCESS REPORTS AND CHECK SHEETS 2003
373	QUALITY IN PROCESS REPORTS AND CHECK SHEETS 2003
374	QUALITY IN PROCESS REPORTS AND CHECK SHEETS 2003
375	QUALITY IN PROCESS REPORTS AND CHECK SHEETS 2003
376	QUALITY IN PROCESS REPORTS AND CHECK SHEETS 2004



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**Summary of Books and Records to be Disposed**

No.	Description
377	QUALITY IN PROCESS REPORTS AND CHECK SHEETS 2004
378	QUALITY IN PROCESS REPORTS AND CHECK SHEETS 2004
379	QUALITY IN PROCESS REPORTS AND CHECK SHEETS 2004
380	QUALITY IN PROCESS REPORTS AND CHECK SHEETS 2004
381	QUALITY IN PROCESS REPORTS AND CHECK SHEETS 2004
382	DANSBRO QUALITY CHECK SHEETS
383	DANSBRO QUALITY CHECK SHEETS
384	DANSBRO QUALITY CHECK SHEETS
385	DANSBRO QUALITY CHECK SHEETS
386	QUALITY IN PROCESS REPORTS AND CHECK SHEETS 2003
387	QUALITY IN PROCESS REPORTS AND CHECK SHEETS 2003
388	CAPITAL 1999
389	PUBLISH FINANCE JAN 1998 -NOV 1999
390	LABOUR NEGOTIATIONS MISC
391	LABOUR NEGOTIATIONS 1996 /97
392	NAFTA FILES 2002 -2003
393	AP/UV 2004 JAN-DEC
394	JOURNAL ENTRIES JAN - AUG 2002
395	FINANCIAL REPORTS JAN96 -DEC 96
396	FINANCIAL STATEMENTS JAN 1 TO APRIL 1 2001
397	KIEWIT ANNUITY INFO 1994
398	YEAR END AUDIT REPORTS 1986 TO 1991
399	R AND D CLAIMS 1988 TO 1994
400	1993 MCR'S
401	SKD 1996 TO 1997 MCR PAPERS
402	JOURNAL ENTRIES DEC 2001 TO JULY 2002
403	VENCO PROPERTY ENVIRONMENTAL ISSUE 1985 TO 1987
404	1999 CONSOLIDATION OF FINANCIALS
405	TD REPORTS 2001
406	FINANCIAL STATEMENTS JUNE TO OCT 2002
407	CAPITAL 1999
408	PUNCH DETAIL MILTON DEC 2000 TO SEPT 2001
409	LH TOOLING INVOICES 1995 TO 1996
410	HEAD OFFICE 2001 TO 2002 INVOICES
411	BANK MGMT CONTROL REPORTS 2000-2001
412	PERMANENT SKD FINANCIAL STATEMENTS JAN TO MAY 03
413	SKD CANADA FINANCIAL STATE MCR 1995
414	SKD GST RETURNS 1990 TO 2000
415	2002 SKD ADM JOURNAL ENTRIES
416	AUDIT SALES 1998 TO 2002
417	HOURLY PENSIONS 1990 AMBURG
418	GL DETAIL 1995 ABURG
419	OLD FINANCIAL STATE 1992 TO 1995
420	HOURLY PENSION 1996 TO 1997 BRAMPTON AND MILTON
421	MISC MANUALS 1995
422	1996 TO 1999 SAFETY REPORTS
423	TD BANK 2001

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**Summary of Books and Records to be Disposed**

No.	Description
424	R AND D FILES 1988 TO 1995
425	FINANCIAL REPORTS 1995
426	DAILY DOWNTIME SHEETS 2002
427	PAYROLL REGISTER MAR 2001 TO APRIL2001
428	AP WCB INFO 1990
429	HEALTH ND SAFETY MANUALS
430	SKD FINANCIALS 1994
431	SAFETY PROGRAM MANUALS 1990 TO 1995
432	ACCT REPORTS 1996 -2000
433	MILTON DOWNTIME SHEETS 2001
434	WINDSOR FACTORY SUPPLIES AP 1996
435	JOURNAL ENTRIES 2001
436	INSPECTION SHEETS 2002
437	INSPECTION SHEETS 2002
438	ENG. FILES
439	CAPITAL 1999 TO 2002
440	MMNA CHECK SHEETS 2001 TO 2003
441	MMNA PO / ENG OLD
442	AUDITOR LOG BOOK 2000
443	ST41 QCRS MMNA
444	MMNA FILES US AUDIT 1999 TO 2000
445	ENG. FILES
446	ST41 QCRS 1997 MMNA
447	MMNA CHECK SHEETS 2001 TO 2003
448	2003 JOURNAL ENTRIES
449	1998 FINANCIAL REPORTS
450	PT 44 TOOLING PROGRAM 1998 1999
451	TRIAL BALANCE AND GENERAL LEDGER 1998
452	MILTON JOURNAL ENTRIES 2003
453	HEAD OFFICE AP 2001
454	HEAD OFFICE BAK REPORTS 2001
455	PUBLISHED FINANCIALS 1996 1997
456	MMNA PROTO TYPES 2003
457	LIVINGSTON 2002 AP
458	HEAD OFFICE EXPENSE REPORTS 2003 TO 2004
459	AP ID REPORTS 2002
460	FINANCIAL REPORTS 1999
461	MISC INSURANCE DOCUMENTS 2002
462	GM MILTON CASH RECEIPTS 2002
463	HEAD OFFICE JOURNAL ENTRIES 2000
464	JOURNAL ENTRIES 1998
465	JOURNAL ENTRIES 1998
466	AP MILTON 2000
467	AP F TO H 2001
468	CASH RECEIPTS 2000
469	AR CASH REC 2000
470	MISC CASH RECEIPTS 2001

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<b>No.</b>	<b>Description</b>
471	AP MILTON 2001
472	MILTON EASTON COATINGS 2000
473	AP MILTON 2001
474	DELIVERY SLIPS 2003
475	AP MILTON 2001
476	AP MILTON 2001
477	GM CASH RECEIPTS 2001
478	GENERAL LEDGER JOURNALS ABURG 1997
479	P-Z FILES AND AMBURG PENSION 2001
480	2001 GM CONTAINERS
481	GM CHRYSLER AND MMNA TOOLING
482	AP MILTON 2001
483	QUALITY CHECK SHEETS 2003
484	QUALITY CHECK AND AUDIT SHEETS 2003
485	HEALTH & SAFETY 2008