

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**



THE HONOURABLE MR.
JUSTICE CUMMING

) THURSDAY , THE 20TH
)
) DAY OF JANUARY, 2011

BETWEEN :

BANK OF MONTREAL

Applicant

- and -

ACS PRECISION COMPONENTS PARTNERSHIP

Respondent

ORDER

THIS MOTION, made by Zeifman Partners Inc. (the "Receiver") in its capacity as Receiver of ACS Precision Components Partnership ("ACS"), for, *inter alia*, an Order,

- a) if necessary, abridging the time for and validating the method of service of the Notice of Motion and the Eighth Report of the Receiver to the Court dated January 10, 2011 (the "Eighth Report") and directing that any further service of the Notice of Motion and the Eighth Report be dispensed with such that this motion is properly returnable on January 20, 2011;
- b) accepting and approving the Eighth Report and approving the activities of the Receiver described therein;
- c) approving the Receiver's Statement of Receipts and Disbursements for the period May 6, 2010 to December 17, 2010;
- d) approving a settlement between the Receiver and Omex Manufacturing ULC ("Omex");

- e) approving, *nunc pro tunc*, the return of a forklift to De Lage Landen Financial Services Canada Inc. ("DLL");
- f) approving a distribution of \$2,797,891.45 to ATS Automation Tooling Systems Inc. ("ATS") in respect of ATS' secured claim;
- g) approving the following distributions to former employees of ACS in respect of their secured claims under Section 81.4(1) of the *Bankruptcy and Insolvency Act* ("BIA"):
 - i) amounts owing to the former employees to a maximum of \$2,000 each as set forth on Schedule X to the Eighth Report in respect of unremitted retirement savings plans contributions; and
 - ii) the sum of \$2,000 to Christopher Park in respect of compensation owed to Mr. Park for overtime hours worked prior to the Receiver's appointment;
- h) approving the fees and disbursements of the Receiver for the period from August 1, 2010 to October 31, 2010 and the Receiver's legal counsel, Miller Thomson LLP, for the period from August 1, 2010 to October 31, 2010;
- i) authorizing the Receiver to destroy the records of ACS as described on Schedule AA to the Eighth Report; and
- j) granting such further and other relief as counsel may advise and this Honourable Court may deem just.

was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion, the Eighth Report, the Affidavit of Allan Rutman sworn December 2, 2010 (the "Rutman Affidavit"), the Affidavit of Sherry Kettle sworn December 2, 2010 (the "Kettle Affidavit") and on hearing the submissions of counsel for the Receiver, and the lawyers for such other parties as present:

1. THIS COURT ORDERS that the time for and method of service of the Notice of Motion and the Receiver's Eighth Report is hereby abridged and validated so that this motion is properly returnable today and hereby dispenses with further service thereof.

2. THIS COURT ORDERS that unless otherwise defined, capitalized terms in this Order shall have the same meaning as given to those terms in the Eighth Report.

3. THIS COURT ORDERS that the Eighth Report is hereby accepted and approved and the Receiver's activities as set out in the Eighth Report be and are hereby approved.

4. THIS COURT ORDERS that the Receiver's Statement of Receipts and Disbursements for the period from May 6, 2010 to December 17, 2010, a copy of which is attached as Schedule O to the Eighth Report, be and is hereby approved.

5. THIS COURT ORDERS that the Settlement Agreement (the "Settlement Agreement") made on January 7, 2011 as of the 23rd day of December, 2010 among the Receiver, Omex, 2178124 Ontario Inc. and ACS Precision Components Holdings (Hong Kong) Co. Ltd., a copy of which is attached as Schedule N to the Eighth Report, is hereby approved and the Receiver is authorized and directed to take all steps and actions required to be taken by the Receiver under the Settlement Agreement to complete the settlement contemplated thereby.

6. THIS COURT ORDERS, *nunc pro tunc*, that the return of the 2006 Caterpillar P5000 Forklift V.I.N. AT3506567 to DLL is hereby approved.

7. THIS COURT ORDERS that the distribution by the Receiver of the following amounts to ATS on account of ATS's secured claim is hereby approved:

- (a) \$2.75 million, being the principal balance outstanding on the ATS Promissory Notes;
- (b) \$47,891.45, on account of ATS' legal costs as secured by the ATS GSA; and
- (c) further legal costs, if any, incurred by ATS subsequent to October 26, 2010 and which are secured by the ATS GSA, upon satisfactory proof of same being provided to the Receiver.

8. THIS COURT ORDERS that the following distributions by the Receiver to former employees of ACS in respect of their secured claims under Section 81.4(1) of the BIA are hereby approved:

- i) amounts owing to the former employees to a maximum of \$2,000 each as set forth on Schedule X to the Eighth Report in respect of the

employees' and ACS' portions of unremitted retirement savings plans contributions; and

- ii) the sum of \$2,000 to Christopher Park in respect of compensation owed to Mr. Park for overtime hours worked prior to the Receiver's appointment.

9. THIS COURT ORDERS that the fees and disbursements of the Receiver in the amount of \$218,146.63, including disbursements and HST, for the period from August 1, 2010 to October 31, 2010 as particularized in the Rutman Affidavit sworn December 2, 2010 and the Exhibit thereto, be and are hereby approved.

10. THIS COURT ORDERS that the fees and disbursements of the Receiver's legal counsel, Miller Thomson LLP, in the amount of \$73,312.21, including disbursements and GST/HST, for the period from August 1, 2010 to October 31, 2010 (plus services rendered on June 24, 2010) as particularized in the Kettle Affidavit sworn December 2, 2010 and the Exhibit thereto, be and are hereby approved.

11. THIS COURT ORDERS that the Receiver is hereby authorized to destroy the records of ACS as described on Schedule AA to the Eighth Report.

12. 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.

Jan. 20, 2011

Peter A. Cumming J.

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

JAN 20 2011

PER/PAR:

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BANK OF MONTREAL
Applicant and
ACS PRECISION COMPONENTS
Respondent

Court File No: 10-8702-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at Toronto

ORDER

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