

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

BETWEEN:

**BANK OF MONTREAL**

Applicant

- and -

**ACS PRECISION COMPONENTS PARTNERSHIP**

Respondent

**NINTH REPORT TO THE COURT  
SUBMITTED BY ZEIFMAN PARTNERS INC. AS RECEIVER**

**Introduction**

1. By Order of the Honourable Mr. Justice Campbell dated May 6, 2010, Zeifman Partners Inc. (the "Receiver") was appointed as receiver without security of all of the assets, undertakings and properties of ACS Precision Components Partnership ("ACS") acquired for, or used in relation to a business carried on by ACS (the "Receivership Order"). A copy of the Receivership Order is attached hereto as **Schedule A**.
2. Unless otherwise indicated in this Report, all dollar amounts are in Canadian dollars.

**Purpose of Report**

3. The purpose of this Report is to:
  - (a) advise this Honourable Court of the activities of the Receiver and the conduct of the receivership subsequent to the Receiver's Eighth Report;
  - (b) request an Order approving the conduct and activities of the Receiver to date;
  - (c) advise this Honourable Court on the status of the motions brought by Aalbers Tool & Mold Inc. ("Aalbers") and Omega Tool Corporation ("Omega") for the determination of their claims in accordance with the process established by the

Order of the Honourable Madam Justice Hoy dated June 15, 2010 as amended by the Order of the Honourable Mr. Justice Newbould dated September 3, 2010;

- (d) request an Order approving a settlement between the Receiver and Omega including the distribution of the sum of \$109,301.85 to Omega on account of its secured claim;
- (e) seek directions for the determination of the claim asserted by Miller's Electric Limited ("Miller's") under the *Repair and Storage Liens Act* (the "RSLA");
- (f) advise the court on steps being taken by the Receiver to recover amounts owing to ACS by two related companies, ACS Precision Components (Shanghai) Co. Ltd. ("AC Shanghai") and Anderson-Cook, Inc. ("AC");
- (g) request this Honourable Court approve a process and timetable to determine the amount owing by AC Shanghai to ACS;
- (h) request an Order approving the Receiver's Statement of Receipts and Disbursements for the period from May 6, 2010 to April 11, 2011;
- (i) request an Order approving the professional fees of the Receiver and its legal counsel as reflected herein; and
- (j) request an Order approving the professional fees of the Representative Counsel for the unsecured creditors as appointed by the Order of the Honourable Mr. Justice Cumming dated January 6, 2011 with respect to the Motion heard on January 20, 2011.

#### **The Business of ACS**

4. Prior to the making of the Receivership Order, ACS carried on a plastic injection molding and related mold building business from leased premises located at 1574 Eagle Street North, Cambridge, Ontario. The customer base of ACS consisted primarily of tier one parts suppliers to the automotive industry.

### **Activities of the Receiver**

5. As previously reported to the Court in the Receiver's Sixth Report, ACS ceased production effective September 22, 2010 and all remaining ACS employees were terminated effective September 30, 2010.
6. The Receiver is continuing to correspond with customers, former employees, suppliers and creditors on an as required basis.
7. The Receiver is continuing to attend to all responsibilities in respect of the terminated employees, including communicating with the government and providing information as required.
8. As authorized by the Order of the Honourable Mr. Justice Cumming dated January 20, 2011 (the "Cumming Order"), the Receiver has:
  - (a) distributed a total of \$29,348.49 to former employees of ACS in respect of the employees and ACS's portions of unremitted retirement savings plans contributions;
  - (b) distributed \$2,000.00 to Christopher Park in respect of compensation owed to Mr. Park for overtime hours worked prior to the Receiver's appointment;
  - (c) distributed to ATS Automation Tooling Systems Inc. ("ATS") the sum of \$2,797,891.45 in respect of ATS's secured claim; and
  - (d) destroyed the records of ACS which were not required by the Receiver for the administration of the receivership, as described on Schedule AA to the Eighth Report.
9. The Cumming Order approved a Settlement Agreement (the "Settlement Agreement") among the Receiver, Omex Manufacturing ULC ("Omex"), 2178124 Ontario Inc. and ACS Precision Components Holdings (Hong Kong) Co. Ltd. and authorized and directed the Receiver to take all steps and actions required by the Receiver under the Settlement Agreement to complete the settlement contemplated thereby.
10. The settlement contemplated by the Settlement Agreement was completed on February 1, 2011. The sum of \$2,756,028.32 was received by the Receiver from

Omex on February 1, 2011 in accordance with the Settlement Agreement. Following receipt of the settlement funds, the security previously granted by Omex to Bank of Montreal ("BMO"), which security had been assigned to the Receiver following the payment from the receivership estate of the amounts owing to BMO by Omex, was discharged.

#### **Aalbers Motion**

11. On June 15, 2010, the Honourable Madam Justice Hoy made an Order (the "Hoy Order") which, *inter alia*, established a process for the determination of the claims of Aalbers and Omega. A copy of the Hoy Order is attached as **Schedule B**.
12. Pursuant to the Hoy Order, Aalbers was to file a motion by no later than July 16, 2010 for the determination of its claim. Aalbers filed a motion prior to July 16, 2010.
13. The Receiver served a Responding Motion Record on December 10, 2010 in connection with the Aalbers Motion. The completion of those materials was delayed as the individual required to swear the Affidavit has obtained other employment and is not under the "control" of the Receiver.
14. When the Receiver's Eighth Report was prepared, the Receiver anticipated that cross-examinations in connection with the Aalbers Motion would be undertaken in January, 2011. However, cross-examinations in relation to the Aalbers Motion were postponed when counsel for Aalbers advised counsel for the Receiver that Aalbers was preparing a reply affidavit.
15. The Receiver has now received a Supplementary Motion Record from Aalbers with a reply affidavit of Wayne Baert sworn on March 15, 2011. Receiver's counsel is in the process of arranging cross-examinations on the affidavits.

#### **Settlement with and Distribution to Omega**

16. Pursuant to the Hoy Order, the Receiver and Omega exchanged motion materials to determine the claim of Omega (the "Omega Claim").
17. The Receiver and Omega have agreed, subject to court approval, to resolve the Omega Claim and motion.

18. The Omega Claim arises from a mold (the "Omega Tooling") fabricated by and in the possession of Omega at the date of the receivership. The Omega Tooling was required by ACS on an urgent basis to produce parts for its customer, A.G. Simpson Automotive Inc. ("AGS"). On May 17, 2010 the Honourable Mr. Justice Cameron granted an Order (the "Omega Order") directing Omega to forthwith deliver possession of the Omega Tooling to the Receiver without prejudice to the rights and claims of Omega and all other parties asserting a claim to the Omega Tooling. A copy of the Omega Order is attached hereto as **Schedule C**.
19. The Omega Tooling was delivered up by Omega to the Receiver following the entry of the Omega Order.
20. ACS had agreed to supply the Omega Tooling to its customer, AGS. Prior to the receivership, AGS had made a partial payment to ACS on account of the purchase price for the Omega Tooling. During the course of the receivership, the Receiver delivered the Omega Tooling to AGS upon payment by AGS to the Receiver of the balance of the purchase price for the Omega Tooling in the amount of \$109,301.85.
21. Omega was not paid by ACS prior to the receivership for the Omega Tooling. Omega asserted a secured claim to the Omega Tooling in the amount of \$146,233.50, being the amount owed by ACS to Omega in respect of the Omega Tooling at the date of the Receivership.
22. It was the opinion of the Receiver and the Receiver's legal counsel, that the Omega Claim was subordinate to the secured claims of BMO and ATS. At the date of the Hoy Order (June 15, 2010) it was uncertain whether the secured claims of BMO and ATS would be paid in full and whether any funds would be available for Omega on account of its secured claim. Since then, the secured claims of BMO and ATS have been repaid in full.
23. The Receiver has obtained a legal opinion from Miller Thomson LLP ("MT") which confirms that, subject to the customary exceptions and qualifications, Omega had a valid, enforceable and perfected security interest in the Omega Tooling. A copy of that opinion is attached as **Schedule D**.

24. Through counsel, the Receiver and Omega have agreed, subject to Court approval, to settle the Omega Claim and Motion on the basis that Omega will receive the sum of \$109,301.85 (being equal to the amount received by the Receiver from AGS for the Omega Tooling) on account of its secured claim, with the remainder of Omega's claim in the amount of \$36,931.65 standing as an unsecured claim.
25. The Receiver seeks approval for that settlement and to distribute the sum of \$109,301.85 to Omega on account of Omega's secured claim in accordance with that settlement.
26. There are five registrations under the *Personal Property Security Act* ("PPSA") against ACS. Those registrations are summarized on **Schedule E** to this Report and are in favour of the following:
  - (a) BMO;
  - (b) ATS;
  - (c) Omega (two registrations); and
  - (d) DeLage Landen ("DLL")
27. There is one registration under the RSLA against ACS in the amount of \$286,831 filed by Miller's.
28. A copy of a search of registrations under the PPSA as of December 22, 2010 is attached as **Schedule F** hereto.
29. The Receiver understands that the two Omega PPSA registrations relate to the Omega Claim which is the subject of the Omega motion and settlement for which Court approval is being sought.
30. Employee wages and other priority payables (employee source deductions for income tax, CPP and EI, goods and services tax and retail sales tax) were paid current to the date of the receivership. On June 30, 2010 the Receiver paid all vacation pay owing to the hourly employees. Salaried employees were paid their vacation pay upon termination.

31. Employee claims (the "Employee Claims") under section 81.4(1) of the *Bankruptcy and Insolvency Act* were addressed by the Cumming Order. Pursuant to the Cumming Order, the Receiver has distributed \$31,348.49 in satisfaction of the Employee Claims.
32. The DLL registration relates to a fork lift which was returned by the Receiver to DLL, as approved by the Court in the Cumming Order.
33. As previously reported to the Court, the amounts owing to BMO on account of its secured claim were repaid in September, 2010 pursuant to the Order of the Honourable Justice Newbould dated September 3, 2010. The amounts owing to ATS on account of its secured claim were repaid in February, 2011 pursuant to the Cumming Order.
34. With the payment of the amounts owing to BMO and ACS and the Employee Claims the Receiver is only aware of the following pre-receivership claims which may have priority over the Omega Claim:
  - (a) the claim of Aalbers to the Aalbers Fund (approximately \$203,000) which is the subject of the Aalber's Motion; and
  - (b) the Millers' RSLA Lien (approximately \$287,000).

The validity and priority of the above claims has not yet been determined. Sufficient funds remain available in the Receiver's possession should such claims be determined to be valid and in priority to the claims of other creditors.

#### **Miller's RSLA Lien Claim**

35. Miller's has asserted a repairer's lien under the RSLA in the approximate amount of \$287,000 in respect of work completed in relation to the move by ACS from its former premises to the premises located at 1574 Eagle Street North, Cambridge. In broad terms, Miller's disconnected certain equipment at the former premises and re-connected the equipment at the new premises.
36. The description of work performed, goods sold and equipment rented on various invoices rendered by Miller's to ACS includes, *inter alia*, the following:
  - (a) new plant wiring power feeders;

- (b) new plant wiring—progress billing, plant re-arrangement;
- (c) supply materials for 6-200W lamps & 2 baseboard heaters in each of 3 storage trailers;
- (d) install 15 kva transformer and panel and receptacles in office area and supply ground wire for transformer;
- (e) tool room wiring—new tool room;
- (f) miscellaneous electrical work including receptacles on the mezzanine for office staff; 45 KVA distribution transformer and 225 amp 42 circuit panel in the electrical room and supply and install 10 duplex receptacles along front wall under window on mezzanine;
- (g) supply and install 10 new 120 volt receptacles on dedicated circuits mounted on a strut for new lunch room on the mezzanine fed from the new panel in the electrical room;
- (h) relocate 600A 600V cables for new A/C unit in office;
- (i) install switch, lights and two baseboard heaters supplied by ACC in 3 storage trailers;
- (j) wiring to connect 3 storage trailers; and
- (k) ESA connection inspection.

37. In the Receiver's view, Miller's has not provided sufficient evidence to support their claim for a repairer's lien. In particular, the Receiver is not satisfied that:

- (a) the work performed by Miller's is a "repair" pursuant to the RSLA;
- (b) the alleged repair relates to tangible personal property other than a fixture or real property; and
- (c) Miller's has established a link between the alleged repair and the specific equipment against which a lien is being asserted.



38. The Receiver notes that the *Construction Lien Act* (the "CLA") was amended on October 25, 2010 to, *inter alia*, expand the definition of the word "improvement" under the CLA to specifically include the installation of electrical equipment on, *inter alia*, land and buildings.
39. The Receiver recommends that if Miller's intends to continue to assert a claim under the RSLA that it be required to serve within 45 days a motion returnable in Toronto before a Judge of the Commercial List on a date to be agreed upon or fixed by the Court for a determination of its claim. Counsel for Miller's has advised Receiver's counsel that it consents to such an Order.

**AC Precision Components (Shanghai) Co. Ltd.**

40. The books and records of ACS record an outstanding account receivable of approximately \$1 million owing to ACS by AC Shanghai. AC Shanghai is a corporation formed under the laws of the Peoples Republic of China and carries on a business similar to that previously carried on by ACS from premises located in Shanghai, China.
41. AC Shanghai and ACS are related through common ownership. AC is the ultimate holder of a 51% interest in both ACS and AC Shanghai.
42. The approximately \$1 million recorded on the books of ACS as owing by AC Shanghai to ACS has three components:
  - (a) US\$706,918.78 for equipment supplied by ACS to AC Shanghai;
  - (b) US\$72,840.62 for employees' wages and services provided by ACS to AC Shanghai; and
  - (c) \$202,796 in respect of an account receivable owing by AC Shanghai to AC and transferred by AC to ACS on the eve of the receivership.
43. In February, 2011, a representative of the Receiver travelled to Shanghai, China to review the books, records and premises of AC Shanghai and meet with local legal and other professional advisors with a view to assessing steps to be taken to collect the amount owing to ACS by AC Shanghai.

44. On April 8, 2011 counsel for the Receiver issued a demand for payment on behalf of the Receiver to AC Shanghai, a copy of which is attached as **Schedule G**. To date, no response has been received to that demand.
45. Failing a satisfactory response to the demand, the Receiver recommends that the Court approve a process and timetable as follows to facilitate the timely determination in this receivership proceeding of the amount owing by AC Shanghai to ACS:
- (a) the Receiver shall serve a Motion for a determination of the amount owing by AC Shanghai and judgment for the amount so determined. Service of the Receiver's motion may be effected on AC Shanghai by e-mail with service to be effective the first business day after sending;
  - (b) AC Shanghai to serve responding materials within 20 days of service of the Receiver's Motion;
  - (c) the Receiver to serve reply materials, if any, within 20 days of service of AC Shanghai's responding materials;
  - (d) cross-examinations, if any, to be conducted within 30 days of the later of i) service of AC Shanghai's responding materials and ii) service of the Receiver's reply materials;
  - (e) undertakings, if any, arising from cross-examinations to be fulfilled within 20 days of completion of cross-examinations; and
  - (f) hearing of the Motion shall be scheduled on a date to be agreed by the parties or as fixed by the Court.

**Anderson-Cook, Inc.**

46. AC is a United States corporation and the ultimate owner of a 51% interest in ACS. Prior to the making of the Receivership Order, there were intercompany accounts between AC and ACS for various items including product supplied by ACS to AC and management services provided by AC to ACS. Immediately prior to the Receivership Order being made, an entry was made in the ACS accounting records to the intercompany accounts between ACS and AC for the transfer by AC to ACS of an account receivable in the amount of US\$202,796 owing to AC by AC Shanghai.

47. Immediately prior to the Receivership ACS paid AC \$82,913.75, representing the balance in the intercompany accounts between ACS and AC. In calculating that amount, the US\$202,796 amount of the AC Shanghai account receivable was credited against the amounts owing by AC to ACS.
48. The Receiver is unaware of any proper business purpose underpinning the transfer of the US\$202,796 AC Shanghai account receivable by AC to ACS immediately prior to the Receivership. It is the Receiver's view that the transfer of the AC Shanghai account receivable from AC to ACS was undertaken in an attempt to artificially reduce the amount otherwise owing by AC to ACS on the intercompany account.
49. Counsel for the Receiver has written to AC demanding payment of the sum of US\$202,796. A copy of the demand letter from the Receiver's counsel to AC is attached as **Schedule H**.

#### **Statement of Receipts and Disbursements**

50. The Receiver's Interim Statement of Receipt and Disbursements (the "Statement") for the period from May 6, 2010 to April 11, 2011 is attached hereto as **Schedule I**.
51. As of April 11, 2011, the Receiver was holding Cdn\$4,854,116 and US\$204,455.
52. According to the books and records of ACS, there are approximately 230 unsecured creditors with claims totalling approximately \$6.7 million. The Receiver has been advised by ACS' largest customer, Magna, of its intention to assert a claim arising from the need to resource to other suppliers.

#### **Professional Fees of Receiver and Receiver's Counsel**

53. The Receiver and its legal counsel have maintained detailed records of their professional time and costs since the date of the Receivership Order.
54. Pursuant to paragraph 19 of the Receivership Order, 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 shall form a first charge on the property of ACS in priority to all security interests,

trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any person.

55. The total fees and disbursements of the Receiver for the period from November 1, 2010 to March 31, 2011 amount to \$189,886.94, plus HST. These fees and disbursements are particularized in the Affidavit of Allan Rutman, sworn April 13, 2011 and the invoices are attached as related exhibits.
56. The total fees and disbursements billed by MT, counsel to the Receiver, for the period from November 1, 2010 to February 28, 2011 amount to \$99,724.00, plus HST. These fees and disbursements are particularized in the Affidavit of Sherry Kettle sworn April 13, 2011 and the invoices attached as related exhibits.
57. It is the Receiver's opinion that the fees and disbursements of the Receiver and MT (collectively, the "Professional Fees") are fair and reasonable and justified in the circumstances, and accurately reflect the work done by the Receiver and MT in connection with the receivership during the relevant periods. The Receiver recommends approval of the Professional Fees by this Honourable Court.

#### **Professional Fees of Representative Counsel**

58. Pursuant to the Order of the Honourable Mr. Justice Cumming dated January 6, 2011 (the "Representative Counsel Order"), Raymond Slattery of Minden Gross LLP was appointed as representative counsel (the "Representative Counsel") for the unsecured creditors in respect of the issue of the distribution of operating income generated during the Receivership which Motion was heard by the Court on January 20, 2011. A copy of the Representative Counsel Order is attached as **Schedule J**.
59. Pursuant to paragraph 4 and 5 of the Representative Counsel Order, the Representative Counsel is to be paid their reasonable fees and disbursements at their standard rates and charges with the Representative Counsel being required to pass their accounts from time to time before a Judge of the Commercial List with the allocation of such fees and disbursements to be determined by further Order of the Court.
60. At the Motion heard on January 20, 2011 the Court concluded that the operating income generated during the receivership formed part of the receivership estate for the

benefit of the creditors and was not to be reimbursed to the customers which received a continuing supply of product during the receivership. A copy of the endorsement of Justice Cumming is attached as **Schedule K**.

61. The fees and disbursements of the Representative Counsel amount to \$53,872.04 plus HST (the "Representative Counsel Fees").
62. Subject to the taxation thereof, the Receiver has paid the Representative Counsel Fees.
63. It is the Receiver's opinion that the Representative Counsel Fees are fair and reasonable and justified in the circumstances and accurately reflect the work done by the Representative Counsel in connection with the Motion heard on January 20, 2011. The Receiver recommends approval of the Representative Counsel Fees by this Honourable Court.

#### **Assignment in Bankruptcy**

64. Pursuant to paragraph 3(s) of the Receivership Order, the Receiver is empowered and authorized to file an assignment for the general benefit of the creditors of ACS. It is the Receiver's intention to file an assignment for the general benefit of the creditors of ACS on or before April 30, 2011 so as to,
  - (a) facilitate the distribution of funds to the unsecured creditors of ACS; and
  - (b) make available the full array of remedies under the *Bankruptcy and Insolvency Act* in respect of the transfer by AC to ACS of the AC Shanghai account receivable in the amount of US\$202,796 on the eve of the Receivership in the event that a satisfactory response is not received by the Receiver to the demand made upon AC in respect to same.

#### **Recommendation of the Receiver**

65. The Receiver respectfully requests this Honourable Court to:
  - (a) accept and approve this, the Receiver's Ninth Report and the conduct and activities of the Receiver as set out herein;

- (b) approve the settlement between the Receiver and Omega, as described herein, including the distribution of \$109,301.85 to Omega on account of its secured claim;
- (c) provide directions for the determination of the claim asserted by Miller's under the RSLA;
- (d) approve a process and timetable to determine the amount owing by AC Shanghai to ACS;
- (e) approve the Receiver's Statement of Receipts and Disbursements for the period from May 6, 2010 to April 11, 2011;
- (f) approve the Professional Fees; and
- (g) approve the Representative Counsel Fees.

All of the foregoing is respectfully submitted this 15th day of April, 2011.

**ZEIFMAN PARTNERS INC., Court  
Appointed Receiver of ACS Precision  
Components Partnership**

Per:



\_\_\_\_\_  
Allan Rutman, President

**SCHEDULE A**

**Order of the Honourable Mr. Justice Campbell dated May 6, 2010**

**ONTARIO**

**SUPERIOR COURT OF JUSTICE**

**COMMERCIAL LIST**

THE HONOURABLE	)	THURSDAY, THE 6 <sup>TH</sup> DAY
	)	
MR. JUSTICE CAMPBELL	)	OF MAY, 2010
	)	

**BANK OF MONTREAL**

Applicant

- and -

**ACS PRECISION COMPONENTS PARTNERSHIP**

Respondent



**ORDER**

THIS APPLICATION made by the Applicant for, *inter alia*, an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "BIA") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "CJA") appointing Zeifman Partners Inc. ("ZP") as receiver (in such capacities, the "Receiver") without security, of all of the assets, undertakings and properties of ACS Precision Components Partnership (the "Debtor") acquired for, or used in relation to a business carried on by the Debtor, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Alex McIntosh sworn May 4, 2010 and the Exhibits thereto and on hearing the submissions of counsel for the Applicant, the Debtor and ATS Automation Tooling Systems Inc., the Debtor consenting, and on reading the consent of ZP to act as the Receiver,



**SERVICE**

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

**APPOINTMENT**

2. THIS COURT ORDERS that pursuant to section 243(1) of the BIA and section 101 of the CJA, ZP is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of the Debtor acquired for, or used in relation to a business carried on by the Debtor, 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 of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (b) to receive, preserve, and protect 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 manage, operate, and carry on the business of the Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtor;

- (d) 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 Receiver's powers and duties, including without limitation those conferred by this Order;
- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtor or any part or parts thereof;
- (f) 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;
- (g) to settle, extend or compromise any indebtedness owing to the Debtor;
- (h) 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;
- (i) to undertake environmental or workers' health and safety assessments of the Property and operations of the Debtor;
- (j) 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;
- (k) 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;

- (l) 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 \$250,000, provided that the aggregate consideration for all such transactions does not exceed \$1,000,000; 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*, shall not be required, and in each case the Ontario *Bulk Sales Act* shall not apply.

- (m) 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;
- (n) 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;
- (o) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (p) 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;

- (q) 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;
- (r) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have;
- (s) to file an assignment for the general benefit of the creditors of the Debtor or consent to the making of a Bankruptcy Order on behalf of the Debtor; and
- (t) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

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.

#### **SPECIFIC PROVISIONS**

4. THIS COURT ORDERS that the Agreement Regarding Receivership dated May 4, 2010 (the "Agreement") among the Applicant, the Debtor and ZP, a copy of which is attached hereto as Schedule "A", including Exhibits "A" and "B" attached thereto, be and it is hereby ratified and approved, and shall have full force and effect in the within proceedings. In the event of any inconsistency between the terms of the Agreement and the provisions of this Order, the terms of the Agreement shall govern.

5. THIS COURT ORDERS that, without limiting paragraph 4 above, the Receiver is authorized to do all things contemplated to be done by the Receiver in the Agreement, as and when contemplated to be done therein. For certainty, the Receiver shall be under no obligation to cause the Debtor to produce component parts for any customers of the Debtor save and except in accordance with the Agreement.

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

6. THIS COURT ORDERS that (i) the Debtor, (ii) all of its current and former officers, employees, agents, accountants, legal counsel and partners, 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.
  
7. 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 7 or in paragraph 8 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.
  
8. 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**

9. 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**

10. 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**

11. 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 this stay and suspension does not apply in respect of any "eligible financial contract" as defined in the BIA, and further provided 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**

12. 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**

13. 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, payroll 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**

14. 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.

### **EMPLOYEES**

15. THIS COURT ORDERS that all employees of the Debtor shall remain the employees of the Debtor until such time as the Receiver, on the Debtor's behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in

respect of its obligations under sections 81.4(5) and 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

#### **PIPEDA**

16. THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act*, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "Sale"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtor, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

#### **LIMITATION ON ENVIRONMENTAL LIABILITIES**

17. 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**

18. THIS COURT ORDERS that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under sections 81.4(5) and 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*. 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**

19. THIS COURT ORDERS that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "Receiver's Charge") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver's Charge 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, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

20. THIS COURT ORDERS that 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.

21. 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.

### **FUNDING OF THE RECEIVERSHIP**

22. THIS COURT ORDERS that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$600,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "Receiver's Borrowings Charge") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

23. THIS COURT ORDERS that neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

24. THIS COURT ORDERS that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "B" hereto (the "Receiver's Certificates") for any amount borrowed by it pursuant to this Order.

25. THIS COURT ORDERS that the monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

### **GENERAL**

26. 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.

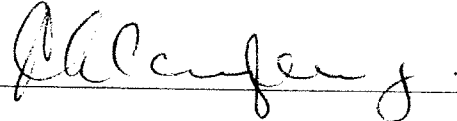
27. THIS COURT ORDERS that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtor.

28. 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.

29. 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, and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

30. THIS COURT ORDERS that the Applicant shall have its costs of this application, up to and including entry and service of this Order, provided for by the terms of the Applicant's security or, if not so provided by the Applicant's security, then on a substantial indemnity basis to be paid by the Receiver from the Debtor's estate with such priority and at such time as this Court may determine.

31. 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.

  
\_\_\_\_\_

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

MAY 06 2010

PER / PAR. TV

**SCHEDULE "A"**  
**AGREEMENT REGARDING RECEIVERSHIP**

## AGREEMENT REGARDING RECEIVERSHIP

ACS Precision Components Partnership, an Ontario partnership ("Borrower"), Bank of Montreal ("Lender") and Zeifman Partners Inc. ("ZP") enter into this Agreement Regarding Receivership (this "Agreement") on May 4, 2010.

### BACKGROUND

A. Pursuant to a Commitment Letter dated December 16, 2008 and related loan and security documents (together, the "Loan Documents"), Lender provided secured financing to Borrower. Borrower is in default of its obligations to Lender and Lender has demanded repayment of the obligations outstanding under the Loan Documents and issued a Notice of Intention to Enforce Security pursuant to Section 244 of the *Bankruptcy and Insolvency Act* (the "Act").

B. Borrower acknowledges that as of April 22, 2010, its obligations to Lender (inclusive of its obligations arising from Borrower's guarantee of the obligations of OMEX Manufacturing ULC) totalled \$3,704,134.28 plus accrued but unpaid interest from and after April 22, 2010 and costs and expenses called for by the Loan Documents (the "Loans").

C. In an effort to maximize the value of its assets and provide an opportunity for its customers to orderly re-source their production to other suppliers, subject to the terms of this Agreement, Borrower has agreed to consent to the appointment of a receiver and manager over its assets and operations.

Based on the foregoing recitals and other good and valuable consideration, the receipt and adequacy of which are acknowledged, the parties agree as follows:

### TERMS AND CONDITIONS

1. Borrower consents to each of the following:
  - (a) the granting of an Order (the "Order") by the Ontario Superior Court of Justice, Commercial List (the "Court") on the application of the Lender for the appointment of a receiver (the "Receiver") of all of the assets, undertakings and properties of the Borrower under Section 243 of the Act and Section 101 of the Courts of Justice Act; and
  - (b) the appointment in the Order of ZP as Receiver.
2. Borrower acknowledges that it is in default under the Loan Documents and pursuant to Section 244 of the Act hereby waives the 10 day notice period prescribed thereby.
3. In consideration of Borrower's consents and waivers set forth in this Agreement, Lender agrees to allow the Receiver, in acting pursuant to the Order, to use

cash proceeds of accounts receivable and inventory ("Cash Collateral") on the following terms:

- (a) the Receiver will not be allowed to use any cash proceeds from fixed asset sales (such proceeds will be segregated by the Receiver in a separate account pending Court approval for the distribution of such proceeds).
- (b) Cash Collateral may be used only to the extent the following formula is satisfied (the "Formula"):
  - (i) remaining Cash Collateral being held by Receiver in a segregated deposit account; plus
  - (ii) 90% of accounts subject to a setoff limitation substantially in the form of paragraph 3 of the form Accommodation Agreement attached as Exhibit A (the "Form Accommodation Agreement"); plus
  - (iii) 70% of raw materials and finished goods inventory which are subject to a purchase obligation under a Form Accommodation Agreement or Letter Agreement; plus
  - (iv) 85% of the amount of any tooling accounts that customers agree in writing to pay within 30 days without setoff or reduction on any basis;

is equal to or greater than the sum of the following:

- (i) the balance of the Loans (inclusive of unpaid interest and fees), plus
  - (ii) a reserve of \$100,000 (the "Wind Down Reserve"), plus
  - (iii) a reserve of \$300,000 (the "Employee Claim Reserve"), plus
  - (iv) a reserve equal to Receiver's good faith estimate of unpaid professional fees and costs owing to Receiver and its counsel (the "Fee Reserve").
- (c) The Formula will be calculated on a daily basis based on Cash Collateral, accounts receivable and inventory balances, with all amounts [other than inventory values] updated daily. [Inventory values adjusted on Tuesday of each week based on actual inventory levels as of the close of business on the prior Friday].

- (d) the Receiver will not be allowed to use any Cash Collateral for production after May 13, 2010 for any customer representing 4% or more of Borrower's historical sales unless the customer agrees to the accommodations outlined in the Form Accommodation Agreement.
- (e) Subject to the Formula and there being sufficient Cash Collateral available to fund such expenses, the Receiver may use (i) the Employee Claim Reserve to fund vacation pay and accrued but unpaid wages owing to Borrower's employees as of the effective date of the receivership, (ii) the Wind Down Reserve to fund costs and expenses incurred by Receiver after production ceases for all customers, and (iii) the Fee Reserve to pay professional fees owing to Receiver and its legal counsel.
- (f) For certainty, any "Surcharges" (as that term is defined in the Form Accommodation Agreement or the Letter Agreement, as defined below) paid by Customers will be Cash Collateral.
- (g) Lender will have no obligation to make any new advances to Borrower or the Receiver.

4. Lender will:

- (a) promptly seek the appointment of ZP as Receiver; and
- (b) consent to the Receiver's sale of dedicated machinery, equipment, tooling and fixtures owned by Borrower ("Dedicated Assets") for an amount not less than 90% of appraised fair market value as provided for in the Corporate Assets Valuations Appraisal dated April 23, 2010; for certainty, "dedicated" means used solely by Borrower in producing component parts for a particular customer and not reasonably useable in producing component parts for third parties).

5. Subject to being appointed as Receiver and this Agreement and the exhibits hereto being approved by the Court, and subject to any further Order of the Court, ZP agrees that it will:

- (a) use its best efforts to cause Borrower to produce parts banks for customers who execute the Form Accommodation Agreements substantially in the form of Exhibit "A" ("Participating Customers") and to otherwise cooperate with the Participating Customers in their re-sourcing activities;



- (b) seek expedited court approval, if necessary, to sell Dedicated Assets on the terms of subsection 4(b) above;
- (c) not allow any customer to remove Tooling (as defined in the Form Accommodation Agreement) from Borrower's possession unless (i) required to do so by court order, or (ii) the customer pays (or agrees to pay in a written agreement satisfactory to Receiver) all accounts payable owing to Borrower subject to the setoff limitations provided in the Form Accommodation Agreement (regardless of whether the customer has executed a Form Accommodation Agreement);
- (d) use Cash Collateral consistent with the terms of this Agreement;
- (e) use the Employee Claim Reserve to fund vacation pay and accrued but unpaid wages owing to Borrower's employees as of the effective date of the receivership; and
- (f) use its best efforts to get all customers representing less than 4% of Borrower's historical sales to execute and deliver a letter agreement substantially in the form of Exhibit B (the "Letter Agreement") in exchange for the Receiver allowing Borrower to produce goods for such customers.

6. ZP will have no obligations or duties under this Agreement unless and until it is appointed Receiver and this Agreement and the Exhibits hereto being approved by the Court.

7. This Agreement sets forth the entire agreement and understanding of the parties, and supersedes all prior agreements and understandings between the parties with respect to the assignment. This Agreement will be binding on, and inure to the benefit of, the parties and their successors and assigns.


8. This Agreement may be signed in counterparts, each of which will be an original and both of which taken together will constitute one agreement, and facsimile signatures will be treated as original for all purposes.

9. This Agreement may not be changed, waived, discharged or terminated orally, but only by an instrument in writing signed by the party against which enforcement of such change, waiver, discharge or termination is sought.

**[End of document –signatures are set forth on the next page]**

[Signature page to Agreement Regarding Receivership dated May 4, 2010]

**BANK OF MONTREAL**

By:   
Name: Dave Coutts  
Title: Account Manager  
I have authority to bind the Bank

**ZEIFMAN PARTNERS INC.**

By: \_\_\_\_\_  
Name: Allan Rutman  
Title: President  
I have authority to bind the  
Company

**ACS PRECISION COMPONENTS  
PARTNERSHIP**

By: \_\_\_\_\_  
Name: Matthew Richey  
Title: Chief Executive Officer


And  
By: \_\_\_\_\_  
Name: Douglas Spittal  
Title: Executive V-P  
We have authority to bind the  
Partnership

[Signature page to Agreement Regarding Receivership dated May 4, 2010]

**BANK OF MONTREAL**

By: \_\_\_\_\_  
Name: Dave Coutts  
Title: Account Manager  
I have authority to bind the Bank

**ZEIFMAN PARTNERS INC.**

By:  \_\_\_\_\_  
Name: Allan Rutman  
Title: President  
I have authority to bind the  
Company

**ACS PRECISION COMPONENTS  
PARTNERSHIP**

By: \_\_\_\_\_  
Name: Matthew Richey  
Title: Chief Executive Officer

And  
By: \_\_\_\_\_  
Name: Douglas Spittal  
Title: Executive V-P  
We have authority to bind the  
Partnership

[Signature page to Agreement Regarding Receivership dated May 4, 2010]

**BANK OF MONTREAL**

By: \_\_\_\_\_  
Name: Dave Coutts  
Title: Account Manager  
I have authority to bind the Bank

**ZEIFMAN PARTNERS INC.**

By: \_\_\_\_\_  
Name: Allan Rutman  
Title: President  
I have authority to bind the  
Company

**ACS PRECISION COMPONENTS  
PARTNERSHIP**

By: Matthew Richey  
Name: Matthew Richey  
Title: Chief Executive Officer

And  
By: [Signature]  
Name: Douglas Spittal  
Title: Executive V-P  
We have authority to bind the  
Partnership

## EXHIBIT A

### CUSTOMER ACCOMMODATION AGREEMENT

Zeifman Partners Inc., solely in its capacity as receiver and manager of ACS Precision Components Partnership, an Ontario partnership ("ACS") and \_\_\_\_\_ ("Customer") enter into this Customer Accommodation Agreement (this "Agreement") as of May \_\_\_\_, 2010.

### BACKGROUND

A. ACS manufactures component parts for Customer (the "Component Parts") pursuant to various purchase orders and supply contracts (each a "Purchase Order" and collectively, the "Purchase Orders").

B. ACS defaulted on its obligations to its senior lender, Bank of Montreal ("BMO") and BMO demanded payment of all outstanding obligations on April 27, 2010.

C. On May 6, 2010 at approximately \_\_\_\_ p.m. E.D.T. (the "Effective Date"), the Ontario Superior Court of Justice, Commercial List (the "Receivership Court") entered an order (the "Receivership Order") appointing Zeifman Partners Inc. as receiver and manager of ACS (the "Receiver").

D. The Receivership Order provides that the Receiver is under no obligation to allow ACS to continue to produce Component Parts for any customer unless such customer enters into acceptable arrangements with the Receiver.

E. Subject to the terms and conditions of this Agreement, Receiver has agreed to allow ACS to manufacture and supply Component Parts to Customer.

**BASED** on the foregoing background and for good and valuable consideration, the receipt and adequacy of which is acknowledged, the parties agree as follows:

### TERMS AND CONDITIONS

1. Payment of Existing Accounts. For convenience, all amounts owing by Customer to ACS for Component Parts shipped on or before the Effective Date or for tooling that has received so-called "PPAP" or equivalent approval on or before the Effective Date are collectively referred to as the "Pre-Effective Date Payables". Customer acknowledges and agrees that the Pre-Effective Date Payables are equal to at least CDN \$ \_\_\_\_\_ and that subject to any Allowed Setoffs (defined below), Customer claims no rights of setoff or any other claim of any nature whatsoever and that the foregoing amount is due and owing, in full, by the Customer to ACS. By May \_\_\_\_, 2010 Customer will pay all Pre-Effective Date Payables subject to the terms of Section 3 below; payment will be made by cheque and must be received by the

Receiver on or before May \_\_\_\_\_, 2010 at the address set forth under the Receiver's signature below or via wire transfer as follows:

\_\_\_\_\_, Toronto Canada  
SWIFT No: \_\_\_\_\_  
Account No: \_\_\_\_\_  
Account Name: Zeifman Partners, as receiver and manger of  
ACS Precision Components Partnership

2. Expedited Payment Terms. For shipments of Component Parts to Customer after the Effective Date (the "Post-Effective Date Payables"), Customer will pay for shipments on terms of net 7 days or better.

3. Limitation of Setoff Rights. With respect to all accounts payable owing to ACS, whether arising before or after the Effective Date, Customer agrees to suspend and not assert any defenses, rights and claims for setoffs, deductions and/or recoupment other than for Allowed Setoffs. For purposes of this Agreement, "Allowed Setoffs" means setoffs, recoupments or deductions for defective or nonconforming products, short shipments, misshipments, or *bona fide* billing errors (improper invoices or mispricing). Provided further that under no circumstances will (a) Allowed Setoffs exceed ten percent (10%) of the face amount of any *bona fide* invoice, or (b) setoffs or recoupments, including Allowed Setoffs, be taken against the Surcharge (as defined below).

4. Surcharges. For all Component Parts shipped to Customer after the Effective Date, Customer agrees to pay a thirty percent (30%) surcharge (the "Surcharge") in excess of the applicable Purchase Order price. Additionally, Customer will bear the cost of premium freight to the extent it is incurred in connection with delivery of Component Parts to Customer. If Receiver, acting reasonably, believes that the Surcharge is insufficient to fully fund Customer's pro-rata share of all cash losses incurred or to be incurred in producing Component Parts for Customer (including Receiver's and its counsel's professional fees and costs, the cost of winding down the operations of ACS when all production ceases and payment of any employee claims other than termination and severance pay), on 5 days' written notice to Customer, unless Customer agrees in writing to increase its Surcharge to the level requested by Receiver, Receiver will have the right to cause ACS to cease production for Customer.

5. Tooling Purchase Orders. Customer previously entered into purchase orders or other agreements (the "Tooling Purchase Orders") with ACS for the tooling, gauges, molds, fixtures, and appurtenances thereto described on Schedule A (collectively, the "Tooling"). In turn, ACS entered into agreements with third parties to manufacture the Tooling (the "Tool Vendor"); as of the Effective Date, the Tooling was not completed such that payment was not due under the applicable Tooling Purchase Order. In respect of the Tooling Purchase Orders, Customer agrees to (a) assume full responsibility for dealing with Tool Vendors (by assuming ACS' obligations to Tool Vendor or entering into a new contract with Tool Vendor(s)), (b) within 10 days after

receipt of reasonable documentation from the Receiver to evidence the amount due, pay to Receiver an amount equal to the sum of any payments previously made by ACS to the Tool Vendors in respect of the Tooling, with such payments made without setoff, recoupment or deduction for any reason, and (c) upon the Tooling receiving final PPAP approval, pay to the Receiver (without setoff or deduction on any basis) an amount equal to the difference between (i) the applicable ACS Tooling Purchase Order price, minus (ii) amounts paid by Customer to Tool Vendors in respect of the Tooling, minus (iii) amounts paid to Receiver under subpart (b) above. Upon Customer's payment of the foregoing amounts, any right, title or interest of the Receiver or ACS to the subject Tooling will pass to Customer and Customer will thereafter be released from any further payment obligation to the Receiver or ACS on account of the Tooling Purchase Order.

6. Inventory Purchase. At the earlier of the time Customer re-sources any Component Part from ACS or when ACS ceases production of Component Parts, Customer agrees to purchase from Receiver (free and clear of all liens, security interests and charges), all raw materials, work in process and finished goods inventory related to the manufacture, production or assembly of the subject Component Part (the "Customer Inventory") that is "useable" and in a "merchantable" condition. The price for the Customer Inventory to be purchased under this Paragraph 6 will be calculated as follows:

- (a) for raw material – 100% of the cost of the raw material, with cost based on ACS' actual landed cost;
- (b) for work-in-process – 100% of the applicable Purchase Order price plus the Surcharge, with such amount pro-rated on a percentage of completion basis; and
- (c) for finished Component Parts – 100% of the applicable Purchase Order price plus the Surcharge.

For the purpose of this Agreement, the term "useable" means inventory in quantities that are reasonably useable by Customer or Customer's new suppliers in the production of Component Parts. The term "merchantable" as used in this Agreement means of good quality and in conformance with any applicable Purchase Order specifications. Customer will pay the purchase price for the Customer Inventory without setoff, recoupment or other deduction of any kind or nature prior to taking delivery of such Customer Inventory.

7. Continue to manufacture; allocation of resources. Subject to the availability of sufficient financing, raw materials, labor, machine capacity and the terms of Paragraph 4 above, Receiver will use its best efforts to cause ACS to continue to manufacture Component Parts in accordance with Customer's requirements. Production capacity and available resources will be allocated equitably among all customers providing accommodations substantially equivalent to those provided in this

Agreement (such customers are referred to collectively as the "Participating Customers").

8. Inventory Bank. Upon Customer's reasonable request and subject to availability of sufficient financing, raw materials, labor, machine capacity and the terms of Paragraph 4 above, Receiver will use its best efforts to cause ACS to build inventory banks of Component Parts ("Inventory Banks"). Inventory Banks will be shipped as produced and Customer will pay for same in accordance with Paragraphs 2, 3, and 4. Receiver will use its best efforts to cause ACS to allocate available capacity and resources equitably among the Participating Customers. For purposes of Paragraph 7 and this Paragraph 8, an "equitable allocation" means that Customer's production will receive at least a pro-rata share of available resources or capacity (including any excess capacity used to produce parts banks) based on the dollar value of Customer's and other Participating Customers' respective purchases from ACS during the one (1) year period prior to the Effective Date.

9. Cooperation in Re-Sourcing. Receiver will cause ACS to provide Customer and its new supplier(s) reasonable access to ACS' manufacturing operations to facilitate the transfer of production of the Component Parts provided such access does not unreasonably interfere with production for other Participating Customers. Further, Customer agrees to give Receiver as much advance notice as possible, and in no event less than twenty-one (21) days' notice, regarding Customers re-sourcing plans so Receiver can manage ACS' operations in an efficient and economical manner.

10. Tooling Acknowledgement.

- (a) Within ten (10) days of execution of this Agreement, Customer will provide Receiver a list of all tooling, dies, test and assembly fixtures, jigs, gauges, paint racks, patterns, casting patterns, cavities, molds and documentation including engineering specifications and test reports together with any accessions, attachments, parts, accessories, substitutions, replacements, and appurtenances used by ACS in connection with its manufacture of Component Parts for the Customer (collectively "Tooling") and claimed to be owned by the Customer. Customer and Receiver will exercise best efforts in good faith to resolve any discrepancy or dispute relating to the ownership of such Tooling.
- (b) As soon as practicable, but in any event no later than forty-five (45) days after the execution of this Agreement, Receiver will attach to this Agreement Schedule B listing all Tooling Customer claims to be owned by Customer and to which the Receiver acknowledges and agrees are owned by Customer (the "Customer's Tooling"). By appending Schedule B, Receiver acknowledges and agrees that Customer's Tooling is owned by the Customer and that no person or entity other than Customer has any right, title or interest in



Customer's Tooling other than ACS' right, subject to Customer's unfettered discretion, to utilize Customer's Tooling in the manufacture of Component Parts pursuant to the terms of the Purchase Orders (as amended by this Agreement). Subject to Customer's compliance with the terms of this Agreement, Customer will have the right to take immediate possession of the Customer's Tooling at any time, should Customer elect to exercise such right, and Receiver agrees to cooperate with Customer in its taking possession of the Customer's Tooling.

- (c) In the event of a dispute as to the ownership of any one or more items of Tooling, Customer will have the right to apply to the Ontario Superior Court of Justice, Commercial List in the receivership proceeding of ACS to determine ownership of such Tooling.

11. No liability. The Receiver will not be deemed to be a successor to ACS in respect of any obligations under the Purchase Orders or the Tooling Purchase Orders (collectively, the "Customer Agreements") and Receiver is acting solely in its capacity of receiver and manager of ACS and with no personal or corporate liability. Subject to the Allowed Setoffs, Customer further agrees that Receiver will have no liability to Customer for, and Customer will indemnify and hold Receiver harmless from and against any claims of third parties for, (a) any failure to supply Component Parts, including without limitation, in the quantities or at the times requested by Customer, (b) breaches by ACS of any agreements it has with Customer, and (c) any liability for non-conforming or defective Component Parts sold to Customer, including in respect of product liability claims and claims for latent defects in such Component Parts. **FURTHER, RECEIVER HAS NOT GIVEN AND WILL NOT BE DEEMED TO HAVE GIVEN ANY CUSTOMER OR ITS SUCCESSORS OR PERMITTED ASSIGNS ANY WARRANTIES (INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE), IN RESPECT OF ANY COMPONENT PARTS OR CUSTOMER INVENTORY. ALL CONDITIONS AND WARRANTIES EXPRESSED OR IMPLIED BY THE SALE OF GOODS ACT OF ONTARIO DO NOT APPLY HERETO AND HAVE BEEN WAIVED BY THE CUSTOMER.**

12. General Terms.

A. Authorization. The parties executing this Agreement warrant that they have the corporate power and authority to execute this Agreement and this Agreement has been duly authorized by the parties.

B. Cooperation. Each party agrees to cooperate fully and in good faith with the other parties and to take all additional actions that may be necessary to give full force and effect to this Agreement.

C. Section Headings. The Section headings used in this Agreement are for convenience of reference only and are not to affect the construction hereof or be taken into consideration in the interpretation of this Agreement.

D. No Waiver; Cumulative Remedies; Unenforceability. No party to this agreement will by any act, delay, indulgence, omission, or otherwise be deemed to have waived any right or remedy under this Agreement, or any other agreement between the parties or between Customer and ACS, or of any breach of the terms and conditions of this Agreement or any other agreement between the parties or between Customer and ACS. A waiver by any party of any right or remedy under this Agreement on any one occasion will not be construed as a bar to any right or remedy which that party would otherwise have had on a subsequent occasion. No failure to exercise, nor any delay in exercising, any right, power, or privilege under this Agreement, by any party will operate as a waiver, nor shall any single or partial exercise of any right, power or privilege under this Agreement preclude any other or future exercise thereof or the exercise of any other right, power or privilege. The rights and remedies under this Agreement are cumulative, may be exercised singly or concurrently, and are not exclusive of any rights and remedies provided by any other agreements or applicable law. If any provision of this Agreement is held to be invalid or unenforceable, the remainder of this Agreement will not be affected thereby.

E. Reservation of Rights. Subject to the terms of this Agreement, Customer expressly reserves and does not waive any claims it has against ACS, including without limitation, for breaches of any Purchase Order, or obligations under any other agreements between Customer and ACS.

F. Waivers and Amendments; Successors and Assigns. No term or provision of this Agreement may be waived, altered, modified, or amended except by a written instrument, duly executed by the parties hereto. This Agreement and all of the parties' obligations are binding upon their respective successors, and together with the rights and remedies of the parties under this Agreement, inure to the benefit of the parties and their respective successors; provided, further, no party will assign any of its rights under this Agreement.

G. Counterparts. This Agreement may be executed in any number of counterparts and by each party hereto on separate counterparts, each of which when so executed and delivered will be an original, but all of which together will constitute one and the same instrument, and it will not be necessary in making proof of this Agreement to produce or account for more than one such counterpart. For purposes of this Agreement, facsimile signatures will be treated as originals.

H. Jurisdiction. Customer agrees to submit to the jurisdiction of the Ontario Superior Court of Justice, Commercial List in connection with any dispute under this Agreement and agrees that if the Receiver is required to seek the assistance of the Receivership Court to enforce this Agreement, in addition to any other remedies

available under applicable law, the Receiver will be entitled to recover its reasonable lawyer's fees and costs so incurred.

I. Entire Agreement; Conflicts; Ambiguous Language. This Agreement, together with any other agreements and schedules referenced to herein or executed in connection with this Agreement, constitutes the entire understanding of the parties in connection with the subject matter hereof. To the extent any term or condition of this Agreement is inconsistent or in conflict with the terms of any other agreements between ACS or the Receiver and the Customer, the terms of this Agreement will govern and control to the extent necessary to resolve such inconsistency or conflict. This Agreement is being entered into among competent persons who are experienced in business and represented by counsel, and has been reviewed by the parties and their respective counsel. Therefore, any ambiguous language in this Agreement will not necessarily be construed against any particular party as the drafter of such language.

J. Governing Law. This Agreement is made in the Province of Ontario and shall be governed by, and construed and enforced in accordance with, the laws of the Province of Ontario and of Canada applicable therein and the parties irrevocably attorn to the jurisdiction of the Court and other appropriate courts of the Province of Ontario in respect of any matters and disputes arising in connection with this Agreement.

K. CONSULTATION WITH COUNSEL. THE PARTIES ACKNOWLEDGE THAT THEY HAVE BEEN GIVEN THE OPPORTUNITY TO CONSULT WITH COUNSEL BEFORE EXECUTING THIS AGREEMENT AND ARE EXECUTING SUCH AGREEMENT WITHOUT DURESS OR COERCION AND WITHOUT RELIANCE ON ANY REPRESENTATIONS, WARRANTIES OR COMMITMENTS OF THE RECEIVER, OTHER THAN THOSE SPECIFICALLY SET FORTH IN THIS AGREEMENT.

[Intentionally left blank, signature page continued on following page]

**[Signature page to Customer Accommodation Agreement]**

"Receiver"

**ZEIFMAN PARTNERS INC.**, solely in its capacity as Receiver and Manager of ACS Precision Components Partnership and with no personal or corporate liability

By: \_\_\_\_\_

Its: \_\_\_\_\_

**Address for notices:**

One Toronto Street  
PO Box 28  
Suite 910  
Toronto, Ontario M5C 2C6 Canada

**"CUSTOMER"**

\_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_

**Address for notices:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**EXHIBIT B**

**[ZEIFMAN PARTNERS INC. LETTERHEAD]**

May \_\_\_\_, 2010

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Re: ACS Precision Components Partnership ("ACS")**

Dear Customer:

ACS manufactures various component parts (the "Component Parts") for \_\_\_\_\_ ("Customer" or "you") pursuant to various purchase orders and supply contracts (each a "Purchase Order" and collectively the "Purchase Orders"). At approximately \_\_\_\_ p.m. E.D.T. on May 6, 2010 (the "Effective Date"), the Ontario Superior Court of Justice, Commercial List, entered an order (the "Receivership Order") appointing Zeifman Partners Inc. as receiver and manager (the "Receiver") of ACS.

The Receivership Order provides that the Receiver is under no obligation to allow ACS to continue to produce Component Parts for any customer unless such customer enters into acceptable arrangements with the Receiver. The purpose of this letter agreement is to set forth the terms and conditions pursuant to which the Receiver will allow ACS to manufacture Component Parts for you.

Subject to the availability of sufficient financing, raw materials, labor and machine capacity and subject to the following terms, the Receiver will use its best efforts to cause ACS to continue to manufacture Component Parts in accordance with Customer's requirements:

1. **Payment of Existing Accounts**. You acknowledge and agree that the aggregate amount owing by you to ACS for Component Parts shipped on or before the Effective Date (the "Pre-Effective Date Payables") is no less than CDN \$\_\_\_\_\_. By May \_\_\_\_, 2010, you will pay all Pre-Effective Date Payables in accordance with the terms of Section 3 below.
2. **Expedited Payment Terms**. For shipments of Component Parts to you after the Effective Date (the "Post-Effective Date Payables"), you will pay for all invoices provided by ACS on terms of net seven (7) days or better.

3. **Limitation of Setoff Rights.** With respect to Pre-Effective Date Payables and Post-Effective Date Payables, you agree to suspend and not assert any defenses, rights and claims for setoffs, deductions and/or recoupment other than for Allowed Setoffs. For purposes of this letter agreement, "Allowed Setoffs" means setoffs, recoupments or deductions for defective or nonconforming products, short shipments, misshipments, or billing errors (improper invoices or mispricing). Provided further that under no circumstances shall (a) Allowed Setoffs exceed ten percent (10%) of the face amount of any *bona fide* invoice, or (b) setoffs or recoupments, including Allowed Setoffs, be taken against the Surcharge (as defined below).
4. **Surcharge.** For all Component Parts shipped to you after the Effective Date, you agree to pay a [thirty percent (30%)] increase (the "Surcharge") in excess of current Purchase Order prices.
5. **Inventory Purchase.** You agree to purchase from Receiver, at the time of resourcing any Component Part, all raw materials, work in process and finished goods inventory related to the manufacture, production or assembly of the subject Component Part (collectively, the "Customer Inventory") that is "useable" and in a "merchantable" condition. The price for the Customer Inventory to be purchased under this Section will be calculated as follows:
  - (a) for raw material – 100% of the cost of the raw material, with cost based on ACS' actual landed cost;
  - (b) for work-in-process – 100% of the applicable Purchase Order price plus the Surcharge, with such amount pro-rated on a percentage of completion basis; and
  - (c) for finished Component Parts – 100% of the applicable Purchase Order price plus the Surcharge.

For the purpose of this Agreement, the term "useable" means inventory in quantities that are reasonably useable by you or your new suppliers in the production of Component Parts. The term "merchantable" as used in this Agreement means of good quality and in conformance with any applicable Purchase Order specifications. You agree to pay the purchase price for the Customer Inventory without setoff, recoupment or other deduction of any kind or nature within three (3) days of taking delivery of such Customer Inventory.

- 6. **No Liability.** Receiver is acting solely in its capacity of receiver and manager of ACS and with no personal or corporate liability. Further, Receiver will not be deemed to be successors to ACS in respect of any obligations under the Purchase Orders. You also agree that the Receiver will have no liability to you for, (a) any failure to supply Component Parts, including without limitation, in the quantities or at the times requested by you, (b) breaches by ACS of any agreements it has with you, and (c) Component Parts sold to you (including in respect of product liability claims and claims for latent defects in such Component Parts).
  
- 7. **No Warranty.** RECEIVER HAS NOT GIVEN AND WILL NOT BE DEEMED TO HAVE GIVEN ANY CUSTOMER OR ITS SUCCESSORS OR PERMITTED ASSIGNS ANY WARRANTIES (INCLUDING WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE), IN RESPECT OF ANY COMPONENT PARTS OR CUSTOMER INVENTORY. ALL CONDITIONS AND WARRANTIES EXPRESSED OR IMPLIED BY THE SALE OF GOODS ACT OF ONTARIO DO NOT APPLY HERETO AND HAVE BEEN WAIVED BY THE CUSTOMER.

Please acknowledge your agreement to these terms by signing in the space provided. This letter may be signed in counterparts and facsimile copies of signatures will constitute originals for all purposes. This letter sets forth the entire understanding of the parties with respect to the subject matter hereof.

**ZEIFMAN PARTNERS INC.**, solely in its capacity as Receiver and Manager of ACS Precision Components Partnership and with no personal or corporate liability

By: \_\_\_\_\_  
 Its: \_\_\_\_\_

**Acknowledged and agreed:**  
**[CUSTOMER]**

By: \_\_\_\_\_  
 Its: \_\_\_\_\_  
 an authorized representative

**SCHEDULE "B"**

**RECEIVER CERTIFICATE**

CERTIFICATE NO. \_\_\_\_\_

AMOUNT \$ \_\_\_\_\_

1. THIS IS TO CERTIFY that Zeifman Partners Inc., the receiver (the "Receiver") of the assets, undertakings and properties ACS Precision Components Partnership acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively, the "Property") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated the \_\_\_ day of \_\_\_\_\_, 20\_\_ (the "Order") made in an action having Court file number \_\_-CL-\_\_\_\_\_, has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of \$\_\_\_\_\_, being part of the total principal sum of \$\_\_\_\_\_ which the Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily][monthly not in advance on the \_\_\_\_\_ day of each month] after the date hereof at a notional rate per annum equal to the rate of \_\_\_\_\_ per cent above the prime commercial lending rate of Bank of \_\_\_\_\_ from time to time.

3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.



6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

Zeifman Partners Inc., solely in its capacity  
as Receiver of the Property, and not in its  
personal capacity

Per: \_\_\_\_\_  
Name:  
Title:

**BANK OF MONTREAL**  
Applicant **and**  
**ACS PRECISION COMPONENTS**  
PARTNERSHIP  
Respondent

Court File No: 10-8702-00CL

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**

Proceeding commenced at Toronto

**ORDER**

**MILLER THOMSON LLP**  
**ONE LONDON PLACE**  
**255 QUEENS AVENUE, SUITE 2010**  
**LONDON, ON CANADA N6A 5R8**

Tony Van Klink LSUC#: 29008M  
Tel: 519.931-3509  
Fax: 519.858.8511

Lawyers for the Applicant

**SCHEDULE B**

**Order of the Honourable Madam Justice Hoy dated June 15, 2010**

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

THE HONOURABLE *MADAM* ) TUESDAY, THE 15TH  
JUSTICE *HOY* )  
DAY OF JUNE, 2010

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,

- (a) if necessary, an Order abridging the time for and validating the method of service of the Notice of Motion and directing that any further service of the Notice of Motion be dispensed with such that this motion is properly returnable on June 15, 2010;
- (b) an Order accepting and approving the Third Report of the Receiver to the Court dated June 3, 2010 (the "Third Report") and approving the activities of the Receiver described therein;
- (c) an Order approving the key employee retention plan described in the Third Report;
- (d) directions for the determination of the claims, if any, of Omega Tool Corporation ("Omega") to the 2 cavity 2 shot mold built by Omega for ACS pursuant to purchase order number 330426 issued March 16, 2009 by ACS to Omega, being the mold which is the subject matter of the Order of the Honourable Mr. Justice Cameron dated May 17, 2010;

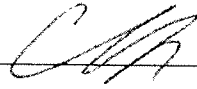
- (e) directions for the determination of the claims, if any, of Aalbers Tool & Mold Inc. ("Aalbers") to the sum of US\$203,032 (the "Aalber's Fund") being held by the Receiver pursuant to the Order of the Honourable Justice Pepall dated May 28, 2010 in the place and stead of a roller cage mold and related inserts built by Aalbers for ACS pursuant to purchase order number 331148 issued July 6, 2009 by ACS to Aalbers;
- (f) an Order that the Confidential Supplement to the Third Report be sealed pending further Order of this Court; and
- (g) Such further and other relief as counsel may advise and this Honourable Court may deem just.

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

ON READING the Notice of Motion, the Receiver's Third Report to the Court dated June 8, 2010 (the "Third Report"), the Confidential Supplement to the Third Report, and on hearing the submissions of the lawyers 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 Third 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 the Third Report is hereby accepted and approved and the Receiver's activities as set out in the Third Report be and are hereby approved.
3. THIS COURT ORDERS that the Key Employee Retention Plan described in the Third Report be and is hereby approved.
4. THIS COURT ORDERS that if Omega and Aalbers wish to assert claims to the Omega Tooling and the Aalbers Fund respectively, they shall each file a motion to have their claims determined by the Court by serving on the Receiver and the Service List and filing with the Court by no later than July 16, 2010 a Motion Record for such purpose. Such motions shall all be returnable on the same date with an initial return date to be agreed by the lawyers for the Receiver, Omega and Aalbers or as further ordered by the Court.

5. THIS COURT ORDERS that the Confidential Supplement to the Third Report be sealed pending further Order of this Court.



Christina Laslavic  
Registrar, Superior Court of Justice

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

JUN 15 2010

PER / PAR 

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**

**MILLER THOMSON LLP  
ONE LONDON PLACE  
255 QUEENS AVENUE, SUITE 2010  
LONDON, ON CANADA N6A 5R8**

Tony Van Klink LSUC#: 29008M  
Tel: 519.931-3509  
Fax: 519.858.8511

Lawyers for Zeifman Partners Inc.,  
Receiver

**SCHEDULE C**

**Order of the Honourable Mr. Justice Cameron dated May 17, 2010**



**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

THE HONOURABLE MR. ) MONDAY, THE 17TH  
JUSTICE CAMERON ) DAY OF MAY, 2010



**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 an Order that Omega Tool Corporation ("Omega") forthwith deliver up possession to the Receiver of the two cavity 2-shot mold (the "Mold") built by Omega for ACS pursuant to Purchase Order Number 330426 issued March 16, 2009 by ACS to Omega was heard this day at the Court House, 330 University Avenue, Toronto, Ontario.

ON READING the Motion Record of the Receiver, including the Receiver's First Report to the Court dated May 14, 2010, and on hearing the submissions of the lawyers for the Receiver, A.G. Simpson Automotive Inc. ("AG Simpson") and Omega Tool Corporation ("Omega") and counsel for such other parties as present, *SM*

1. THIS COURT ORDERS that the time for and method of service of the Notice of Motion and Motion Record 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 Omega forthwith deliver up possession of the Mold to the Receiver;
3. THIS COURT ORDERS that a Writ of Delivery shall issue with respect to the Mold;
4. THIS COURT ORDERS that the delivery up of possession of the Mold by Omega to the Receiver shall be without prejudice to the rights and claims of all parties asserting a claim against the Mold;
5. THIS COURT ORDERS that for the purposes of determining the nature and priority of all claims against the Mold, such claims shall have the same priority as they had with respect to the Mold immediately prior to the delivery up of the Mold to the Receiver, as if the Mold had not been delivered up to the Receiver and remained in the possession or control of Omega.



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

MAY 17 2010

PER / PAR: 

BANK OF MONTREAL  
and  
Applicant

ACS PRECISION COMPONENTS  
Respondent

Court File No: 10-8702-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE -  
COMMERCIAL LIST**

Proceeding commenced at Toronto

**ORDER**

**MILLER THOMSON LLP  
ONE LONDON PLACE  
255 QUEENS AVENUE, SUITE 2010  
LONDON, ON CANADA N6A 5R8**

Tony Van Klink LSUC#: 29008M  
Tel: 519.931-3509  
Fax: 519.858.8511

Lawyers for Zeifman Partners Inc.,  
Receiver

**SCHEDULE D**

**Legal Opinion from Miller Thomson to the Receiver**

April 14, 2011

Via E-mail and Ordinary Mail

Zeifman Partners Inc.  
201 Bridgeland Avenue  
Toronto, ON M6A 1Y7

Attention: Allan Rutman

Dear Sir:

**Tony Van Klink**  
Direct Line: 519.931.3509  
tvanklink@millerthomson.com

File: 131002-0001

**Re: ACS Precision Components Partnership**

By Order of the Honourable Mr. Justice Campbell dated May 6, 2010, Zeifman Partners Inc. (the "Receiver") was appointed as receiver without security of all of the assets, undertakings and properties of ACS Precision Components Partnership ("ACS") acquired for, or used in relation to a business carried on by ACS.

The following is our report to you and our opinion on the validity and enforceability of certain security granted by ACS to Omega Tool Corporation ("Omega").

**Assumptions and Qualifications**

The opinions expressed in this letter are subject to the qualifications and assumptions set forth on Schedule "A" to this letter.

**Searches**

We have conducted the following searches concerning ACS:

1. Business Names Report – We obtained a Business Names Report from the Ministry of Government Services for the Province of Ontario with respect to ACS dated April 20, 2010 which confirms that ACS was registered as a general partnership under the name "ACS Precision Components Partnership" on December 3, 2008. The Business Names Report records the partners of ACS as 2178124 Ontario Inc. and A-C (Plastics) Holdings, Inc.;

2. *Personal Property Security Act* ("PPSA") – We obtained a search of registrations against ACS under the PPSA with a file currency date of December 22, 2010. The registrations disclosed by that search are summarized on Schedule "B" to this letter;
3. *Bank Act* (Canada) – We conducted a search of registrations against ACS under the *Bank Act* which search was current as of December 29, 2010. That search disclosed a Notice of Intention to give security under the *Bank Act* registered on December 19, 2008 in Ontario against ACS in favour of Bank of Montreal as No. 01235112.

### **Documents Reviewed**

For the purposes of this opinion we have reviewed the Affidavits of Dave Cumming (a sales representative with Omega) sworn August 25, 2010 (the "Cumming Affidavit") and Justin Suckert (a former program manager at ACS) sworn November 8, 2010 (the "Suckert Affidavit") together with the exhibits thereto, which Affidavits were prepared in connection with the process established by the Order of the Honourable Madam Justice Hoy dated June 15, 2010 for the determination of Omega's claim.

### **The Facts**

Based on our review of the Cumming Affidavit and the Suckert Affidavit, and the exhibits thereto, we understand the relevant facts to be as follows:

1. On or about December 19, 2008 Omega issued a Quote (the "Omega Quote") to ATS Automation and Tooling Systems Inc. ("ATS") to build a cavity injection mold (the "Omega Tooling") at a price of \$135,000, excluding taxes. The Omega Tooling was to be used for the production of parts (bumper hidens) to be used in the production of pickup trucks for General Motors;
2. The Omega Quote contained the following term:

"Upon acceptance of the quotation, by issuance of an order, notwithstanding the terms of such order, the purchaser grants Omega Tool Corp. a security interest in the tool. The security interest shall be continuing security to Omega Tool Corp. to secure payment until paid in full. The security granted shall be governed by and constructed in accordance with the *Personal Property Security Act* (Ontario) or in the applicable jurisdiction of the purchaser."
3. On or about December 31, 2008 ACS purchased the plastic injection molding and related tool building business of ATS;
4. On or about January 6, 2009 a representative of ACS signed the base of the Omega Quote to confirm agreement with the Omega Quote and authorizing Omega to proceed;
5. On January 8, 2009 Omega caused a Financing Statement to be registered under the *Personal Property Security Act* of Ontario ("PPSA") against ATS as debtor;



6. On or about March 16, 2009 ACS issued a purchase order to Omega to build the Omega Tooling at a price of \$135,000, excluding taxes. The ACS purchase order referenced the Omega Quote;
7. At the date of the Receivership ACS owed Omega \$135,000, excluding taxes, for building the Omega Tooling plus an additional \$4,270 for additional work completed by Omega to the Omega Tooling arising from engineering changes; and
8. On May 17, 2010 Omega caused a Financing Statement to be registered under the PPSA against ACS as debtor. The Financing Statement included the collateral classifications of equipment, accounts and other.

### **Analysis**

The terms of the Omega Quote include the grant of a security interest to secure payment of the purchase price for the Omega Tooling. The terms of the Omega Quote were accepted by ACS on January 6, 2009 and through the issuance of a purchase order on May 16, 2009. As such, in our opinion, Omega held a security interest in the Omega Tooling securing the payment of the purchase price.

The Financing Statement registered by Omega under the PPSA on January 8, 2009 was against ATS as debtor. As such, that Financing Statement did not, in our opinion, perfect the security interest granted by ACS to Omega.

Omega registered a Financing Statement against ACS on May 17, 2010, 11 days after the Receiver's appointment.

Section 20(1)(b) of the PPSA provides that a security interest, until perfected, is not effective against "a person who represents the creditors of the debtor, including an assignee for the benefit of creditors and a trustee and bankruptcy". In *Re 1231640 Ontario Inc.*, the Court of Appeal for Ontario considered whether an interim receiver appointed by the Court pursuant to section 47 of the *Bankruptcy and Insolvency Act* (the "BIA") is "a person who represents the creditors of the debtor" within the meaning of section 20(1)(b) of the PPSA. The Court of Appeal for Ontario held that a receiver appointed by the Court pursuant to section 47 of the BIA is not a person who represents the creditors of the debtor within the meaning of section 20(1)(b) of the PPSA. As such, the Court of Appeal concluded that it was open to a secured creditor to perfect its security by the registration of a Financing Statement under the PPSA following the date of the interim receiver's appointment.

The reasoning of the Court of Appeal for Ontario applies equally to a receiver appointed pursuant to section 243(1) of the BIA. As such, in our opinion it was open to Omega to perfect its security interest in the Omega Tooling by the registration of a Financing Statement under the PPSA following the appointment of the Receiver by the Court on May 6, 2010.

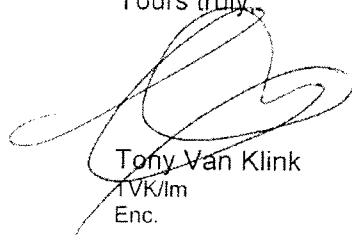


**Opinions**

Subject to the qualifications and assumptions set forth on Schedule "A" to this letter, we are of the opinion that:

1. Omega has a valid and perfected security interest in the Omega Tooling; and
2. The Omega Security is valid and enforceable security against ACS and ACS' creditors;

Yours truly,



Tony Van Klink  
TVK/lm  
Enc.





## SCHEDULE "A"

### **Genuineness and Authenticity**

We assume the genuineness of all signatures and the authenticity of all documents or copies thereof.

### **Equity and other Statutory Limitations**

The opinions herein expressed are subject to any equities between the parties of which we have no notice or knowledge.

### **Proper Corporate Authorization**

We assume that, at all relevant times, the persons purporting to execute the documents on behalf of ACS and Omega had authority to do so, or if they lacked such authority, that ACS and Omega were unaware of the lack thereof.

### **Accuracy of PPSA Register and Public Records**

We have assumed the accuracy of all public records, indexes and filing systems in which we have searched or have caused inquiries to be made. We also assume that the registrations disclosed by the PPSA searches which we have conducted accurately reflect the contents of and all registrations affecting ACS made by all secured parties.

### **Laws of Ontario**

The opinions expressed herein, insofar as same relate to personal property, are limited to personal property located in the Province of Ontario. The opinions expressed herein are, as well, limited to the laws of the Province of Ontario and all federal laws applicable therein.

### **Attachment**

We are unable to verify ownership of personal property in Ontario. Consequently, we are unable to express any opinion with respect to whether or not security documents made in favour of Omega effectively charge or create a security interest in any particular piece of personal property. We assume for the purposes hereof, that the parties executing the security documents either owned or had rights akin to ownership in respect of personal property sufficient to permit the security interest created in favour of Omega to attach (to become effective) within the meaning of the *Personal Property Security Act*.

### **Consideration and Outstanding Indebtedness**

We assume that consideration was given by the secured parties to whom the security documents described in the attached letter were granted to support the granting of those security documents.



**SCHEDULE "B"**

SUMMARY OF PPSA REGISTRATIONS AGAINST ACS PRECISION COMPONENTS PARTNERSHIP FILE CURRENCY DATE OF DECEMBER 22, 2010				
REGISTRATION NO. AND FILE NO.	PPSA (P)/ RSLA (R)	SECURED PARTY	COLLATERAL CLASSIFICATION	COLLATERAL DESCRIPTION AND OTHER
20081222 1053 1862 6660 (Financing Statement) File No. 650663946	P	Bank of Montreal	Inventory, Equipment, Accounts, Other, Motor Vehicle Included	
20081231 1305 1590 0219 (Financing Statement) File No. 650794878	P	ATS Automation Tooling Systems Inc.	Inventory, Equipment, Accounts, Other, Motor Vehicle Included	
20100517 1154 1590 3039 (Financing Statement) File No. 650917755	P	Omega Tool Corp.	Equipment, Accounts, Other	
20100121 1946 1531 7814 (Financing Statement) File No. 658810134	P	De Lage Landen Financial Services Canada Inc.	Equipment, Other, Motor Vehicle Included	2006 Caterpillar P5000 Forklift VIN #AT3506567 All goods supplied by the secured party, all parts and accessories thereto and accessions thereto and all replacements or substitutions for such goods, proceeds accounts, chattel paper, money, intangibles, goods, documents of title, instruments, securities (all as defined in the <i>Personal Property Security Act</i> (ON) and insurance proceeds.
20100517 1124 1590 3038 (Financing Statement) File No. 661417416	P	Omega Tool Corp.	Equipment, Accounts, Other	
20100521 1025 2227 2683 (Financing Statement) File No. 661545702	R	Miller's Electric Limited		Amount: \$286,831

**SCHEDULE E**

**PPSA Registration Summary**

SUMMARY OF PPSA REGISTRATIONS AGAINST ACS PRECISION COMPONENTS PARTNERSHIP FILE CURRENCY DATE OF DECEMBER 22, 2010				
REGISTRATION NO. AND FILE NO.	PPSA (P)/ RSLA (R)	SECURED PARTY	COLLATERAL CLASSIFICATION	COLLATERAL DESCRIPTION AND OTHER
20081222 1053 1862 6660 (Financing Statement) File No. 650663946	P	Bank of Montreal	Inventory, Equipment, Accounts, Other, Motor Vehicle Included	
20081231 1305 1590 0219 (Financing Statement) File No. 650794878	P	ATS Automation Tooling Systems Inc.	Inventory, Equipment, Accounts, Other, Motor Vehicle Included	
20100517 1154 1590 3039 (Financing Statement) File No: 650917755	P	Omega Tool Corp.	Equipment, Accounts, Other	
20100121 1946 1531 7814 (Financing Statement) File No. 658810134	P	De Lage Landen Financial Services Canada Inc.	Equipment, Other, Motor Vehicle Included	2006 Caterpillar P5000 Forklift VIN #AT3506567 All goods supplied by the secured party, all parts and accessories thereto and accessions thereto and all replacements or substitutions for such goods, proceeds accounts, chattel paper, money, intangibles, goods, documents of title, instruments, securities (all as defined in the <i>Personal Property Security Act</i> (ON) and insurance proceeds.
20100517 1124 1590 3038 (Financing Statement) File No. 661417416	P	Omega Tool Corp.	Equipment, Accounts, Other	
20100521 1025 2227 2683 (Financing Statement) File No. 661545702	R	Miller's Electric Limited		Amount: \$286,831

**SCHEDULE F**

**Search of PPSA Registrations as of December 22, 2010**

|← ← All Pages ▾ → →|

Show All Pages

**Note: All pages have been returned.**

<b>Type of Search</b>	Business Debtor						
<b>Search Conducted On</b>	ACS PRECISION COMPONENTS PARTNERSHIP						
<b>File Currency</b>	22DEC 2010						
	<b>File Number</b>	<b>Family</b>	<b>of Families</b>	<b>Page</b>	<b>of Pages</b>	<b>Expiry Date</b>	<b>Status</b>
	650663946	1	6	1	18	22DEC 2015	

**FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN**

<b>File Number</b>	<b>Caution Filing</b>	<b>Page of</b>	<b>Total Pages</b>	<b>Motor Vehicle Schedule</b>	<b>Registration Number</b>	<b>Registered Under</b>	<b>Registration Period</b>
650663946		001	001		20081222 1053 1862 6660	P PPSA	7

<b>Individual Debtor</b>	<b>Date of Birth</b>	<b>First Given Name</b>	<b>Initial</b>	<b>Surname</b>
<b>Business Debtor</b>	<b>Business Debtor Name</b>			<b>Ontario Corporation No.</b>
	ACS PRECISION COMPONENTS PARTNERSHIP			
	<b>Address</b>		<b>City</b>	<b>Province</b> <b>Postal Code</b>
	250 ROYAL OAK ROAD		CAMBRIDGE	ON            N3H 5M3

<b>Individual Debtor</b>	<b>Date of Birth</b>	<b>First Given Name</b>	<b>Initial</b>	<b>Surname</b>
<b>Business Debtor</b>	<b>Business Debtor Name</b>			<b>Ontario Corporation No.</b>
	ACS PRECISION COMPONENTS PARTNERSHIP			
	<b>Address</b>		<b>City</b>	<b>Province</b> <b>Postal Code</b>
	730 FOUNTAIN STREET NORTH		CAMBRIDGE	ON            N3H 4R7

<b>Secured Party</b>	<b>Secured Party / Lien Claimant</b>			
	BANK OF MONTREAL			
	<b>Address</b>		<b>City</b>	<b>Province</b> <b>Postal Code</b>
	2 KING STREET WEST		KITCHENER	ON            N2G 1A3

<b>Collateral Classification</b>	<b>Consumer Goods</b>	<b>Inventory</b>	<b>Equipment</b>	<b>Accounts</b>	<b>Other</b>	<b>Motor Vehicle Included</b>	<b>Amount</b>	<b>Date of Maturity or</b>	<b>No Fixed Maturity Date</b>
		X	X	X	X	X			X

<b>Motor Vehicle Description</b>	<b>Year</b>	<b>Make</b>	<b>Model</b>	<b>V.I.N.</b>

<b>General Collateral Description</b>	<b>General Collateral Description</b>

<b>Registering Agent</b>	<b>Registering Agent</b>			
	MILLER THOMSON LLP (JL)			
	<b>Address</b>		<b>City</b>	<b>Province</b> <b>Postal Code</b>
	295 HAGEY BLVD., SUITE 300		WATERLOO	ON            N2L 6R5

END OF FAMILY

<b>Type of Search</b>	Business Debtor						
<b>Search Conducted On</b>	ACS PRECISION COMPONENTS PARTNERSHIP						
<b>File Currency</b>	22DEC 2010						
	<b>File Number</b>	<b>Family</b>	<b>of Families</b>	<b>Page</b>	<b>of Pages</b>	<b>Expiry Date</b>	<b>Status</b>
	650794878	2	6	2	18	31DEC 2018	

**FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN**

<b>File Number</b>	<b>Caution Filing</b>	<b>Page of</b>	<b>Total Pages</b>	<b>Motor Vehicle Schedule</b>	<b>Registration Number</b>	<b>Registered Under</b>	<b>Registration Period</b>

<b>Individual Debtor</b>	<b>Date of Birth</b>	<b>First Given Name</b>	<b>Initial</b>	<b>Surname</b>
<b>Business Debtor</b>	<b>Business Debtor Name</b> 2178124 ONTARIO INC.			<b>Ontario Corporation No.</b>
	<b>Address</b> 35 EMERALD LANE	<b>City</b> AMHERSTBURG	<b>Province</b> ON	<b>Postal Code</b> N9V 3R3

<b>Individual Debtor</b>	<b>Date of Birth</b>	<b>First Given Name</b>	<b>Initial</b>	<b>Surname</b>
<b>Business Debtor</b>	<b>Business Debtor Name</b> 2178124 ONTARIO INC.			<b>Ontario Corporation No.</b>
	<b>Address</b> 730 FOUNTAIN STREET NORTH	<b>City</b> CAMBRIDGE	<b>Province</b> ON	<b>Postal Code</b> N3H 4R7

<b>Secured Party</b>	<b>Secured Party / Lien Claimant</b> ATS AUTOMATION TOOLING SYSTEMS INC.			
	<b>Address</b> 250 ROYAL OAK ROAD	<b>City</b> CAMBRIDGE	<b>Province</b> ON	<b>Postal Code</b> N3H 4R6

Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
		X	X	X	X	X			

<b>Motor Vehicle Description</b>	<b>Year</b>	<b>Make</b>	<b>Model</b>	<b>V.I.N.</b>

<b>General Collateral Description</b>	<b>General Collateral Description</b>

<b>Registering Agent</b>	<b>Registering Agent</b> GOODMANS LLP (D. WISEMAN/HDW)			
	<b>Address</b> 2400 250 YONGE STREET	<b>City</b> TORONTO	<b>Province</b> ON	<b>Postal Code</b> M5B 2M6

CONTINUED

<b>Type of Search</b>	Business Debtor								
<b>Search Conducted On</b>	ACS PRECISION COMPONENTS PARTNERSHIP								
<b>File Currency</b>	22DEC 2010								
	<b>File Number</b>	<b>Family</b>	<b>of Families</b>	<b>Page</b>	<b>of Pages</b>	<b>Expiry Date</b>	<b>Status</b>		
	650794878	2	6	3	18	31DEC 2018			

**FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN**

<b>File Number</b>	<b>Caution Filing</b>	<b>Page of</b>	<b>Total Pages</b>	<b>Motor Vehicle Schedule</b>	<b>Registration Number</b>	<b>Registered Under</b>	<b>Registration Period</b>
650794878		002	5		20081231 1305 1590 0219		

<b>Individual Debtor</b>	<b>Date of Birth</b>	<b>First Given Name</b>	<b>Initial</b>	<b>Surname</b>
<b>Business Debtor</b>	<b>Business Debtor Name</b> ACS PRECISION COMPONENTS PARTNERSHIP			<b>Ontario Corporation No.</b>
	<b>Address</b> 250 ROYAL OAK ROAD	<b>City</b> CAMBRIDGE	<b>Province</b> ON	<b>Postal Code</b> N3H 5M3

<b>Individual Debtor</b>	<b>Date of Birth</b>	<b>First Given Name</b>	<b>Initial</b>	<b>Surname</b>
<b>Business Debtor</b>	<b>Business Debtor Name</b> ACS PRECISION COMPONENTS PARTNERSHIP			<b>Ontario Corporation No.</b>
	<b>Address</b> 730 FOUNTAIN STREET NORTH	<b>City</b> CAMBRIDGE	<b>Province</b> ON	<b>Postal Code</b> N3H 4R7

<b>Secured Party</b>	<b>Secured Party / Lien Claimant</b>			
	<b>Address</b>	<b>City</b>	<b>Province</b>	<b>Postal Code</b>

<b>Collateral Classification</b>	<b>Consumer Goods</b>	<b>Inventory</b>	<b>Equipment</b>	<b>Accounts</b>	<b>Other</b>	<b>Motor Vehicle Included</b>	<b>Amount</b>	<b>Date of Maturity or</b>	<b>No Fixed Maturity Date</b>
<b>Motor Vehicle Description</b>	<b>Year</b>	<b>Make</b>			<b>Model</b>		<b>V.I.N.</b>		
<b>General Collateral Description</b>	<b>General Collateral Description</b>								
<b>Registering Agent</b>	<b>Registering Agent</b>								
	<b>Address</b>				<b>City</b>	<b>Province</b>	<b>Postal Code</b>		

CONTINUED

<b>Type of Search</b>	Business Debtor								
<b>Search Conducted On</b>	ACS PRECISION COMPONENTS PARTNERSHIP								
<b>File Currency</b>	22DEC 2010								
	<b>File Number</b>	<b>Family</b>	<b>of Families</b>	<b>Page</b>	<b>of Pages</b>	<b>Expiry Date</b>	<b>Status</b>		
	650794878	2	6	4	18	31DEC 2018			

**FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN**

<b>File Number</b>	<b>Caution Filing</b>	<b>Page of</b>	<b>Total Pages</b>	<b>Motor Vehicle Schedule</b>	<b>Registration Number</b>	<b>Registered Under</b>	<b>Registration Period</b>
650794878		003	5		20081231 1305 1590 0219		

<b>Individual Debtor</b>	<b>Date of Birth</b>	<b>First Given Name</b>			<b>Initial</b>	<b>Surname</b>		
<b>Business Debtor</b>	<b>Business Debtor Name</b>					<b>Ontario Corporation No.</b>		
	OMEX MANUFACTURING ULC							
	<b>Address</b>				<b>City</b>	<b>Province</b>	<b>Postal Code</b>	
	800 - 885 WEST GEORGIA STREET				VANCOUVER	BC	V6C 3H1	

<b>Individual Debtor</b>	<b>Date of Birth</b>	<b>First Given Name</b>			<b>Initial</b>	<b>Surname</b>		
<b>Business Debtor</b>	<b>Business Debtor Name</b>					<b>Ontario Corporation No.</b>		
	OMEX MANUFACTURING ULC							
	<b>Address</b>				<b>City</b>	<b>Province</b>	<b>Postal Code</b>	
	251 LORNE AVENUE EAST				STRATFORD	ON	N5A 6S4	

<b>Secured Party</b>	<b>Secured Party / Lien Claimant</b>								
	<b>Address</b>				<b>City</b>	<b>Province</b>	<b>Postal Code</b>		

<b>Collateral Classification</b>	<b>Consumer Goods</b>	<b>Inventory</b>	<b>Equipment</b>	<b>Accounts</b>	<b>Other</b>	<b>Motor Vehicle Included</b>	<b>Amount</b>	<b>Date of Maturity or</b>	<b>No Fixed Maturity Date</b>
<b>Motor Vehicle Description</b>	<b>Year</b>	<b>Make</b>			<b>Model</b>		<b>V.I.N.</b>		
<b>General Collateral Description</b>	<b>General Collateral Description</b>								
<b>Registering Agent</b>	<b>Registering Agent</b>								
	<b>Address</b>				<b>City</b>	<b>Province</b>	<b>Postal Code</b>		

CONTINUED

<b>Type of Search</b>	Business Debtor								
<b>Search Conducted On</b>	ACS PRECISION COMPONENTS PARTNERSHIP								



File Currency	22DEC 2010					
File Number	Family	of Families	Page	of Pages	Expiry Date	Status
650794878	2	6	5	18	31DEC 2018	

**FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN**

File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period
650794878		004	5		20081231 1305 1590 0219		

Individual Debtor	Date of Birth	First Given Name	Initial	Surname	
Business Debtor	Business Debtor Name			Ontario Corporation No.	
	ACS PRECISION COMPONENTS HOLDINGS (HONG KONG) CO. LTD.				
	Address		City	Province	Postal Code
	250 ROYAL OAK ROAD		CAMBRIDGE	ON	N3H 5M3

Individual Debtor	Date of Birth	First Given Name	Initial	Surname	
Business Debtor	Business Debtor Name			Ontario Corporation No.	
	ACS PRECISION COMPONENTS HOLDINGS (HONG KONG) CO. LTD.				
	Address		City	Province	Postal Code
	730 FOUNTAIN STREET NORTH		CAMBRIDGE	ON	N3H 4R7

Secured Party	Secured Party / Lien Claimant				
	Address		City	Province	Postal Code

Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date

Motor Vehicle Description	Year	Make	Model	V.I.N.

General Collateral Description	General Collateral Description			

Registering Agent	Registering Agent				
	Address		City	Province	Postal Code

CONTINUED

Type of Search	Business Debtor					
Search Conducted On	ACS PRECISION COMPONENTS PARTNERSHIP					
File Currency	22DEC 2010					
File Number	Family	of Families	Page	of Pages	Expiry Date	Status
650794878	2	6	6	18	31DEC 2018	

**FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN**

File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period
650794878		005	5		20081231 1305 1590 0219		

Individual Debtor	Date of Birth	First Given Name	Initial	Surname	
Business Debtor	Business Debtor Name			Ontario Corporation No.	
	ACS PRECISION COMPONENTS HOLDINGS (HONG KONG) CO., LIMITED				
	Address		City	Province	Postal Code
	250 ROYAL OAK ROAD		CAMBRIDGE	ON	N3H 5M3

Individual Debtor	Date of Birth	First Given Name	Initial	Surname	
Business Debtor	Business Debtor Name			Ontario Corporation No.	
	ACS PRECISION COMPONENTS HOLDINGS (HONG KONG) CO., LIMITED				
	Address		City	Province	Postal Code
	730 FOUNTAIN STREET NORTH		CAMBRIDGE	ON	N3H 4R7

<b>Secured Party</b>		<b>Secured Party / Lien Claimant</b>								
<b>Address</b>		<b>City</b>				<b>Province</b>		<b>Postal Code</b>		
<b>Collateral Classification</b>		<b>Consumer Goods</b>	<b>Inventory</b>	<b>Equipment</b>	<b>Accounts</b>	<b>Other</b>	<b>Motor Vehicle Included</b>	<b>Amount</b>	<b>Date of Maturity or</b>	<b>No Fixed Maturity Date</b>
<b>Motor Vehicle Description</b>		<b>Year</b>	<b>Make</b>			<b>Model</b>		<b>V.I.N.</b>		
<b>General Collateral Description</b>		<b>General Collateral Description</b>								
<b>Registering Agent</b>		<b>Registering Agent</b>								
<b>Address</b>		<b>City</b>				<b>Province</b>		<b>Postal Code</b>		

END OF FAMILY

<b>Type of Search</b>	Business Debtor									
<b>Search Conducted On</b>	ACS PRECISION COMPONENTS PARTNERSHIP									
<b>File Currency</b>	22DEC 2010									
	<b>File Number</b>	<b>Family</b>	<b>of Families</b>	<b>Page</b>	<b>of Pages</b>	<b>Expiry Date</b>	<b>Status</b>			
	650917755	3	6	7	18	08JAN 2013				

**FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN**

<b>File Number</b>	<b>Caution Filing</b>	<b>Page of</b>	<b>Total Pages</b>	<b>Motor Vehicle Schedule</b>	<b>Registration Number</b>	<b>Registered Under</b>	<b>Registration Period</b>
650917755		001	001		20090108 1109 1862 7740	P PPSA	2

<b>Individual Debtor</b>	<b>Date of Birth</b>	<b>First Given Name</b>	<b>Initial</b>	<b>Surname</b>
<b>Business Debtor</b>	<b>Business Debtor Name</b>			<b>Ontario Corporation No.</b>
	ATS AUTOMATION TOOLING SYSTEMS INC.			
	<b>Address</b>	<b>City</b>	<b>Province</b>	<b>Postal Code</b>
	250 ROYAL OAK ROAD	CAMBRIDGE	ON	N3H 4R6

<b>Individual Debtor</b>	<b>Date of Birth</b>	<b>First Given Name</b>	<b>Initial</b>	<b>Surname</b>
<b>Business Debtor</b>	<b>Business Debtor Name</b>			<b>Ontario Corporation No.</b>
	ATS AUTOMATION TOOLING SYSTEMS INC.			
	<b>Address</b>	<b>City</b>	<b>Province</b>	<b>Postal Code</b>
	730 FOUNTAIN STREET N. BLDG #1	CAMBRIDGE	ON	N3H 4R7

<b>Secured Party</b>		<b>Secured Party / Lien Claimant</b>							
		OMEGA TOOL CORP.							
<b>Address</b>		<b>City</b>				<b>Province</b>		<b>Postal Code</b>	
2045 SOLAR CRESCENT		OLDCASTLE				ON		N0R 1L0	

<b>Collateral Classification</b>		<b>Consumer Goods</b>	<b>Inventory</b>	<b>Equipment</b>	<b>Accounts</b>	<b>Other</b>	<b>Motor Vehicle Included</b>	<b>Amount</b>	<b>Date of Maturity or</b>	<b>No Fixed Maturity Date</b>
				X	X	X				
<b>Motor Vehicle Description</b>		<b>Year</b>	<b>Make</b>			<b>Model</b>		<b>V.I.N.</b>		

<b>General Collateral Description</b>		<b>General Collateral Description</b>								

<b>Registering Agent</b>		<b>Registering Agent</b>								
		MILLER, CANFIELD, PADDOCK AND STONE, LLP								
<b>Address</b>		<b>City</b>				<b>Province</b>		<b>Postal Code</b>		

CONTINUED

Type of Search	Business Debtor								
Search Conducted On	ACS PRECISION COMPONENTS PARTNERSHIP								
File Currency	22DEC 2010								
	File Number	Family	of Families	Page	of Pages				
	650917755	3	6	8	18				
<b>FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT</b>									
	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule Attached	Registration Number	Registered Under			
		001	4		20100517 1154 1590 3039				
Record Referenced	File Number	Page Amended	No Specific Page Amended	Change Required	Renewal Years	Correct Period			
	650917755			E TRANSFER					
Reference Debtor/ Transferor	First Given Name	Initial		Surname					
	Business Debtor Name								
	ATS AUTOMATION TOOLING SYSTEMS INC.								
Other Change	Other Change								
Reason / Description	Reason / Description								
Debtor/ Transferee	Date of Birth	First Given Name		Initial	Surname				
	Business Debtor Name								
	ACS PRECISION COMPONENTS PARTNERSHIP								
	Address			City	Province	Postal Code			
	250 ROYAL OAK ROAD			CAMBRIDGE	ON	N3H 4R6			
Assignor	Assignor								
Secured Party	Secured Party/ Lien Claimant/ Assignee								
	Address			City	Province	Postal Code			
Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
Motor Vehicle Description	Year	Make		Model		V.I.N.			
General Collateral Description	General Collateral Description								
Registering Agent	Registering Agent or Secured Party/ Lien Claimant								
	FEIGE, NAWROCKI (EF)								
	Address			City	Province	Postal Code			
	3300 130 ADELAIDE ST. WEST			TORONTO	ON	M5H 3P5			

CONTINUED

Type of Search	Business Debtor					
Search Conducted On	ACS PRECISION COMPONENTS PARTNERSHIP					
File Currency	22DEC 2010					
	File Number	Family	of Families	Page	of Pages	
	650917755	3	6	9	18	

**FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT**

	<b>Caution Filing</b>	<b>Page of</b>	<b>Total Pages</b>	<b>Motor Vehicle Schedule Attached</b>	<b>Registration Number</b>	<b>Registered Under</b>			
		002	4		20100517 1154 1590 3039				
<b>Record Referenced</b>	<b>File Number</b>	<b>Page Amended</b>	<b>No Specific Page Amended</b>	<b>Change Required</b>	<b>Renewal Years</b>	<b>Correct Period</b>			
	650917755								
<b>Reference Debtor / Transferor</b>	<b>First Given Name</b>	<b>Initial</b>		<b>Surname</b>					
	<b>Business Debtor Name</b>								
<b>Other Change</b>	<b>Other Change</b>								
<b>Reason / Description</b>	<b>Reason / Description</b>								
<b>Debtor / Transferee</b>	<b>Date of Birth</b>	<b>First Given Name</b>		<b>Initial</b>	<b>Surname</b>				
	<b>Business Debtor Name</b>								
	ACS PRECISION COMPONENTS PARTNERSHIP								
	<b>Address</b>		<b>City</b>		<b>Province</b>	<b>Postal Code</b>			
	730 FOUNTAIN STREET NORTH, BUILDING #1		CAMBRIDGE		ON	N3H 4R7			
<b>Assignor</b>	<b>Assignor</b>								
<b>Secured Party</b>	<b>Secured Party / Lien Claimant / Assignee</b>								
	<b>Address</b>		<b>City</b>		<b>Province</b>	<b>Postal Code</b>			
<b>Collateral Classification</b>	<b>Consumer Goods</b>	<b>Inventory</b>	<b>Equipment</b>	<b>Accounts</b>	<b>Other</b>	<b>Motor Vehicle Included</b>	<b>Amount</b>	<b>Date of Maturity or</b>	<b>No Fixed Maturity Date</b>
<b>Motor Vehicle Description</b>	<b>Year</b>	<b>Make</b>			<b>Model</b>	<b>V.I.N.</b>			
<b>General Collateral Description</b>	<b>General Collateral Description</b>								
<b>Registering Agent</b>	<b>Registering Agent or Secured Party / Lien Claimant</b>								
	<b>Address</b>			<b>City</b>		<b>Province</b>	<b>Postal Code</b>		

CONTINUED

<b>Type of Search</b>	Business Debtor								
<b>Search Conducted On</b>	ACS PRECISION COMPONENTS PARTNERSHIP								
<b>File Currency</b>	22DEC 2010								
	<b>File Number</b>	<b>Family</b>	<b>of Families</b>	<b>Page</b>					<b>of Pages</b>
	650917755	3	6	10					18

**FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT**

	<b>Caution Filing</b>	<b>Page of</b>	<b>Total Pages</b>	<b>Motor Vehicle Schedule Attached</b>	<b>Registration Number</b>	<b>Registered Under</b>	
		003	4		20100517 1154 1590 3039		
<b>Record Referenced</b>	<b>File Number</b>	<b>Page Amended</b>	<b>No Specific Page Amended</b>	<b>Change Required</b>	<b>Renewal Years</b>	<b>Correct Period</b>	
	650917755						
<b>Reference Debtor /</b>	<b>First Given Name</b>	<b>Initial</b>		<b>Surname</b>			

<b>Transferor</b>	<b>Business Debtor Name</b>
<b>Other Change</b>	<b>Other Change</b>
<b>Reason / Description</b>	<b>Reason / Description</b>

<b>Debtor/ Transferee</b>	<b>Date of Birth</b>	<b>First Given Name</b>	<b>Initial</b>	<b>Surname</b>
	<b>Business Debtor Name</b>			<b>Ontario Corporation No.</b>
	2178124 ONTARIO INC.			2178124
	<b>Address</b>		<b>City</b>	<b>Province</b> <b>Postal Code</b>
	35 EMERALD LANE		AMHERSTBURG	ON N9V 3R3

<b>Assignor</b>	<b>Assignor</b>			
<b>Secured Party</b>	<b>Secured Party/ Lien Claimant/ Assignee</b>			
	<b>Address</b>	<b>City</b>	<b>Province</b>	<b>Postal Code</b>

<b>Collateral Classification</b>	<b>Consumer Goods</b>	<b>Inventory</b>	<b>Equipment</b>	<b>Accounts</b>	<b>Other</b>	<b>Motor Vehicle Included</b>	<b>Amount</b>	<b>Date of Maturity or</b>	<b>No Fixed Maturity Date</b>

<b>Motor Vehicle Description</b>	<b>Year</b>	<b>Make</b>	<b>Model</b>	<b>V.I.N.</b>

<b>General Collateral Description</b>	<b>General Collateral Description</b>

<b>Registering Agent</b>	<b>Registering Agent or Secured Party/ Lien Claimant</b>			
	<b>Address</b>	<b>City</b>	<b>Province</b>	<b>Postal Code</b>

CONTINUED

<b>Type of Search</b>	Business Debtor				
<b>Search Conducted On</b>	ACS PRECISION COMPONENTS PARTNERSHIP				
<b>File Currency</b>	22DEC 2010				
	<b>File Number</b>	<b>Family</b>	<b>of Families</b>	<b>Page</b>	<b>of Pages</b>
	650917755	3	6	11	18

**FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT**

	<b>Caution Filing</b>	<b>Page of</b>	<b>Total Pages</b>	<b>Motor Vehicle Schedule Attached</b>	<b>Registration Number</b>	<b>Registered Under</b>
		004	4		20100517 1154 1590 3039	

<b>Record Referenced</b>	<b>File Number</b>	<b>Page Amended</b>	<b>No Specific Page Amended</b>	<b>Change Required</b>	<b>Renewal Years</b>	<b>Correct Period</b>
	650917755					

<b>Reference Debtor / Transferor</b>	<b>First Given Name</b>	<b>Initial</b>	<b>Surname</b>
	<b>Business Debtor Name</b>		

<b>Other Change</b>	<b>Other Change</b>

<b>Reason / Description</b>	<b>Reason / Description</b>

<b>Debtor/ Transferee</b>	<b>Date of Birth</b>	<b>First Given Name</b>	<b>Initial</b>	<b>Surname</b>
	<b>Business Debtor Name</b>			<b>Ontario Corporation No.</b>
	A-C (PLASTICS) HOLDINGS, INC.			1783359
	<b>Address</b>	<b>City</b>	<b>Province</b>	<b>Postal Code</b>
	44785 MACOMB INDUSTRIAL DRIVE	CLINTON TOWNSHIP	MI	48036

<b>Assignor</b>	<b>Assignor</b>			
<b>Secured Party</b>	<b>Secured Party/ Lien Claimant/ Assignee</b>			
	<b>Address</b>	<b>City</b>	<b>Province</b>	<b>Postal Code</b>

Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
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Motor Vehicle Description	Year	Make	Model	V.I.N.
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<b>General Collateral Description</b>	<b>General Collateral Description</b>
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<b>Registering Agent</b>	<b>Registering Agent or Secured Party/ Lien Claimant</b>			
	<b>Address</b>	<b>City</b>	<b>Province</b>	<b>Postal Code</b>

CONTINUED

<b>Type of Search</b>	Business Debtor			
<b>Search Conducted On</b>	ACS PRECISION COMPONENTS PARTNERSHIP			
<b>File Currency</b>	22DEC 2010			
<b>File Number</b>	<b>Family</b>	<b>of Families</b>	<b>Page</b>	<b>of Pages</b>
650917755	3	6	12	18

**FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT**

Caution Filing	Page of	Total Pages	Motor Vehicle Schedule Attached	Registration Number	Registered Under
	01	001		20101214 1452 1590 3511	

Record Referenced	File Number	Page Amended	No Specific Page Amended	Change Required	Renewal Years	Correct Period
	650917755			B RENEWAL	2	

<b>Reference Debtor/ Transferor</b>	<b>First Given Name</b>	<b>Initial</b>	<b>Surname</b>
	<b>Business Debtor Name</b>		
	ACS PRECISION COMPONENTS PARTNERSHIP		

<b>Other Change</b>	<b>Other Change</b>
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<b>Reason / Description</b>	<b>Reason / Description</b>
-----------------------------	-----------------------------

<b>Debtor/ Transferee</b>	<b>Date of Birth</b>	<b>First Given Name</b>	<b>Initial</b>	<b>Surname</b>		
	<b>Business Debtor Name</b>			<b>Ontario Corporation No.</b>		
	Address			City	Province	Postal Code
	<b>Assignor</b>					

<b>Assignor</b>									
<b>Secured Party / Lien Claimant / Assignee</b>									
<b>Address</b>						<b>City</b>	<b>Province</b>	<b>Postal Code</b>	
<b>Collateral Classification</b>	<b>Consumer Goods</b>	<b>Inventory</b>	<b>Equipment</b>	<b>Accounts</b>	<b>Other</b>	<b>Motor Vehicle Included</b>	<b>Amount</b>	<b>Date of Maturity or</b>	<b>No Fixed Maturity Date</b>
<b>Motor Vehicle Description</b>	<b>Year</b>	<b>Make</b>			<b>Model</b>		<b>V.I.N.</b>		
<b>General Collateral Description</b>	<b>General Collateral Description</b>								
<b>Registering Agent or Secured Party / Lien Claimant</b>									
MCMILLAN LLP (BH/AL/0097542)									
<b>Address</b>						<b>City</b>	<b>Province</b>	<b>Postal Code</b>	
181 BAY ST., STE. 4400, BROOKFIELD PLACE						TORONTO	ON	M5J 2T3	

END OF FAMILY

<b>Type of Search</b>	Business Debtor								
<b>Search Conducted On</b>	ACS PRECISION COMPONENTS PARTNERSHIP								
<b>File Currency</b>	22DEC 2010								
	<b>File Number</b>	<b>Family</b>	<b>of Families</b>	<b>Page</b>	<b>of Pages</b>	<b>Expiry Date</b>	<b>Status</b>		
	658810134	4	6	13	18	19JAN 2013			

**FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN**

<b>File Number</b>	<b>Caution Filing</b>	<b>Page of</b>	<b>Total Pages</b>	<b>Motor Vehicle Schedule</b>	<b>Registration Number</b>	<b>Registered Under</b>	<b>Registration Period</b>
658810134		01	002		20100119 1946 1531 6754	P PPSA	3

<b>Individual Debtor</b>	<b>Date of Birth</b>	<b>First Given Name</b>	<b>Initial</b>	<b>Surname</b>
<b>Business Debtor</b>	<b>Business Debtor Name</b>			<b>Ontario Corporation No.</b>
	ACS PRECISION COMPONENTS PARTNERSHIP			
	<b>Address</b>		<b>City</b>	<b>Province</b> <b>Postal Code</b>
	730 FOUNTAIN STREET N.		CAMBRIDGE	ON      N3H 4R7

<b>Individual Debtor</b>	<b>Date of Birth</b>	<b>First Given Name</b>	<b>Initial</b>	<b>Surname</b>
<b>Business Debtor</b>	<b>Business Debtor Name</b>			<b>Ontario Corporation No.</b>
	<b>Address</b>		<b>City</b>	<b>Province</b> <b>Postal Code</b>

<b>Secured Party</b>	<b>Secured Party / Lien Claimant</b>			
	DE LAGE LANDEN FINANCIAL SERVICES CANADA INC.			
	<b>Address</b>		<b>City</b>	<b>Province</b> <b>Postal Code</b>
	100 -1235 NORTH SERVICE ROAD W		OAKVILLE	ON      L6M 2W2

<b>Collateral Classification</b>	<b>Consumer Goods</b>	<b>Inventory</b>	<b>Equipment</b>	<b>Accounts</b>	<b>Other</b>	<b>Motor Vehicle Included</b>	<b>Amount</b>	<b>Date of Maturity or</b>	<b>No Fixed Maturity Date</b>
			X		X	X			
<b>Motor Vehicle Description</b>	<b>Year</b>	<b>Make</b>			<b>Model</b>		<b>V.I.N.</b>		
	2004	CATERPILLAR			GC25K FORKLIFT		AT82D03464		

<b>General Collateral Description</b>	<b>General Collateral Description</b>								
	ALL GOODS SUPPLIED BY THE SECURED PARTY, ALL PARTS AND ACCESSORIES THERETO AND ACCESSIONS THERETO AND ALL REPLACEMENTS OR SUBSTITUTIONS FOR SUCH GOODS. PROCEEDS ACCOUNTS, CHATTEL PAPER, MONEY,								
<b>Registering Agent</b>									
CANADIAN SECURITIES REGISTRATION SYSTEMS									
<b>Address</b>						<b>City</b>	<b>Province</b>	<b>Postal Code</b>	

CONTINUED

Type of Search	Business Debtor						
Search Conducted On	ACS PRECISION COMPONENTS PARTNERSHIP						
File Currency	22DEC 2010						
	File Number	Family	of Families	Page	of Pages	Expiry Date	Status
	658810134	4	6	14	18	19JAN 2013	

**FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN**

File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period
658810134		02	002		20100119 1946 1531 6754		

Individual Debtor	Date of Birth	First Given Name	Initial	Surname
Business Debtor	Business Debtor Name			Ontario Corporation No.
	Address		City	Province      Postal Code

Individual Debtor	Date of Birth	First Given Name	Initial	Surname
Business Debtor	Business Debtor Name			Ontario Corporation No.
	Address		City	Province      Postal Code

Secured Party	Secured Party / Lien Claimant			
	Address		City	Province      Postal Code

Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
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Motor Vehicle Description	Year	Make	Model	V.I.N.
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General Collateral Description	General Collateral Description
	INTANGIBLES, GOODS, DOCUMENTS OF TITLE, INSTRUMENTS, SECURITIES (ALL AS DEFINED IN THE PERSONAL PROPERTY SECURITY ACT (ON)) AND INSURANCE PROCEEDS.

Registering Agent	Registering Agent			
	Address		City	Province      Postal Code

CONTINUED

Type of Search	Business Debtor						
Search Conducted On	ACS PRECISION COMPONENTS PARTNERSHIP						
File Currency	22DEC 2010						
	File Number	Family	of Families	Page	of Pages		
	658810134	4	6	15	18		

**FORM 2C FINANCING CHANGE STATEMENT / CHANGE STATEMENT**

	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule Attached	Registration Number	Registered Under
		01	001		20100121 1946 1531 7814	

Record Referenced	File Number	Page Amended	No Specific Page Amended	Change Required	Renewal Years	Correct Period
	658810134		X	A AMNDMNT		

Reference Debtor/ Transferor	First Given Name	Initial	Surname
	Business Debtor Name		
	ACS PRECISION COMPONENTS PARTNERSHIP		



**Other Change** Other Change

**Reason / Description** Reason / Description  
TO AMEND SERIAL COLLATERAL AND ADD DEBTOR TO ORIGINAL REGISTRATION.

**Debtor/ Transferee** Date of Birth First Given Name Initial Surname

Business Debtor Name Ontario Corporation No.  
2178124 ONTARIO INC.

Address City Province Postal Code  
730 FOUNTAIN ST. N. CAMBRIDGE ON N3H 4R7

**Assignor** Assignor

**Secured Party** Secured Party/ Lien Claimant/ Assignee

Address City Province Postal Code

Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date

**Motor Vehicle Description** Year Make Model V.I.N.  
2006 CATERPILLAR P5000 FORKLIFT AT3506567

**General Collateral Description** General Collateral Description

**Registering Agent** Registering Agent or Secured Party/ Lien Claimant  
CANADIAN SECURITIES REGISTRATION SYSTEMS

Address City Province Postal Code  
4126 NORLAND AVENUE BURNABY BC V5G 3S8

END OF FAMILY

**Type of Search** Business Debtor

**Search Conducted On** ACS PRECISION COMPONENTS PARTNERSHIP

**File Currency** 22DEC 2010

File Number	Family	of Families	Page	of Pages	Expiry Date	Status
661417416	5	6	16	18	17MAY 2013	

**FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN**

File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period
661417416		001	2		20100517 1124 1590 3038	P PPSA	3

**Individual Debtor** Date of Birth First Given Name Initial Surname

**Business Debtor** Business Debtor Name Ontario Corporation No.  
ACS PRECISION COMPONENTS PARTNERSHIP

Address City Province Postal Code  
250 ROYAL OAK ROAD CAMBRIDGE ON N3H 4R6

**Individual Debtor** Date of Birth First Given Name Initial Surname

**Business Debtor** Business Debtor Name Ontario Corporation No.  
ACS PRECISION COMPONENTS PARTNERSHIP

Address City Province Postal Code  
730 FOUNTAIN STREET NORTH, BUILDING #1 CAMBRIDGE ON N3H 4R7

**Secured Party** Secured Party / Lien Claimant  
OMEGA TOOL CORP.

Address City Province Postal Code  
2045 SOLAR CRESCENT OLDCASTLE ON NOR 1L0

<b>Collateral Classification</b>	<b>Consumer Goods</b>	<b>Inventory</b>	<b>Equipment</b>	<b>Accounts</b>	<b>Other</b>	<b>Motor Vehicle Included</b>	<b>Amount</b>	<b>Date of Maturity or</b>	<b>No Fixed Maturity Date</b>
			X	X	X				
<b>Motor Vehicle Description</b>	<b>Year</b>	<b>Make</b>	<b>Model</b>			<b>V.I.N.</b>			
<b>General Collateral Description</b>	<b>General Collateral Description</b>								
<b>Registering Agent</b>	<b>Registering Agent</b>								
	FEIGE, NAWROCKI (EF)								
	<b>Address</b>				<b>City</b>		<b>Province</b>		<b>Postal Code</b>
	3300 130 ADELAIDE ST. WEST				TORONTO		ON		MSH 3P5

CONTINUED

<b>Type of Search</b>	Business Debtor					
<b>Search Conducted On</b>	ACS PRECISION COMPONENTS PARTNERSHIP					
<b>File Currency</b>	22DEC 2010					
<b>File Number</b>	<b>Family</b>	<b>of Families</b>	<b>Page</b>	<b>of Pages</b>	<b>Expiry Date</b>	<b>Status</b>
661417416	5	6	17	18	17MAY 2013	

**FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN**

<b>File Number</b>	<b>Caution Filing</b>	<b>Page of</b>	<b>Total Pages</b>	<b>Motor Vehicle Schedule</b>	<b>Registration Number</b>	<b>Registered Under</b>	<b>Registration Period</b>
661417416		002	2		20100517 1124 1590 3038		

<b>Individual Debtor</b>	<b>Date of Birth</b>	<b>First Given Name</b>	<b>Initial</b>	<b>Surname</b>

<b>Business Debtor</b>	<b>Business Debtor Name</b>	<b>Ontario Corporation No.</b>
	2178124 ONTARIO INC.	2178124
	<b>Address</b>	<b>City</b>
	35 EMERALD LANE	AMHERSTBURG
	<b>Province</b>	<b>Postal Code</b>
	ON	N9V 3R3

<b>Individual Debtor</b>	<b>Date of Birth</b>	<b>First Given Name</b>	<b>Initial</b>	<b>Surname</b>

<b>Business Debtor</b>	<b>Business Debtor Name</b>	<b>Ontario Corporation No.</b>
	A-C (PLASTICS) HOLDINGS, INC.	1783359
	<b>Address</b>	<b>City</b>
	44785 MACOMB INDUSTRIAL DRIVE	CLINTON TOWNSHIP
	<b>Province</b>	<b>Postal Code</b>
	MI	48036

<b>Secured Party</b>	<b>Secured Party / Lien Claimant</b>			
	<b>Address</b>	<b>City</b>	<b>Province</b>	<b>Postal Code</b>

<b>Collateral Classification</b>	<b>Consumer Goods</b>	<b>Inventory</b>	<b>Equipment</b>	<b>Accounts</b>	<b>Other</b>	<b>Motor Vehicle Included</b>	<b>Amount</b>	<b>Date of Maturity or</b>	<b>No Fixed Maturity Date</b>

<b>Motor Vehicle Description</b>	<b>Year</b>	<b>Make</b>	<b>Model</b>			<b>V.I.N.</b>			

<b>General Collateral Description</b>	<b>General Collateral Description</b>								

<b>Registering Agent</b>	<b>Registering Agent</b>								
	<b>Address</b>				<b>City</b>		<b>Province</b>		<b>Postal Code</b>

END OF FAMILY

Type of Search Business Debtor  
 Search Conducted On ACS PRECISION COMPONENTS PARTNERSHIP  
 File Currency 22DEC 2010

File Number	Family	of Families	Page	of Pages	Expiry Date	Status
661545702	6	6	18	18	21MAY 2013	

**FORM 1C FINANCING STATEMENT / CLAIM FOR LIEN**

File Number	Caution Filing	Page of	Total Pages	Motor Vehicle Schedule	Registration Number	Registered Under	Registration Period
661545702		001	1		20100521 1025 2227 2683	R RSLA	03

Individual Debtor	Date of Birth	First Given Name	Initial	Surname

Business Debtor	Business Debtor Name	Ontario Corporation No.
	ACS PRECISION COMPONENTS PARTNERSHIP	

Address	City	Province	Postal Code
1574 EAGLE STREET NORTH	CAMBRIDGE	ON	N3H 4S5

Individual Debtor	Date of Birth	First Given Name	Initial	Surname

Business Debtor	Business Debtor Name	Ontario Corporation No.

Address	City	Province	Postal Code

Secured Party	Secured Party / Lien Claimant
	MILLER'S ELECTRIC LIMITED

Address	City	Province	Postal Code
107 WHITNEY PLACE	KITCHENER	ON	N2G 2X8

Collateral Classification	Consumer Goods	Inventory	Equipment	Accounts	Other	Motor Vehicle Included	Amount	Date of Maturity or	No Fixed Maturity Date
							286831		

Motor Vehicle Description	Year	Make	Model	V.I.N.

General Collateral Description

Registering Agent	Registering Agent
	SHUH CLINE & GROSSMAN - MARK GROSSMAN

Address	City	Province	Postal Code
17 WEBER ST. WEST	KITCHENER	ON	N2H 3Y9

LAST PAGE  
 Note: All pages have been returned.

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**SCHEDULE G**

**Demand for Payment to AC Shanghai**



MILLER THOMSON LLP  
MILLERTHOMSON.COM

ONE LONDON PLACE + 255 QUEENS AVENUE, SUITE 2010  
LONDON, ON + N6A 5R8 + CANADA

T 519.931.3500  
F 519.858.8511

April 8, 2011

Via E-mail ([dingyaojun@andersoncook.com](mailto:dingyaojun@andersoncook.com) and  
[tcurtis@andersoncook.com](mailto:tcurtis@andersoncook.com))

**Tony Van Klink**  
Direct Line: 519.931.3509  
[tvanklink@millerthomson.com](mailto:tvanklink@millerthomson.com)

File: 131002-0001

Anderson-Cook Spittal Precision Components  
(Shanghai) Co. Ltd.  
Unit 103, T22-33,  
351 Jin Zang Road  
Jin Qiao Export Processing Zone  
Shanghai, China 201206

Attention: Ding Yaojun, Director of China  
Operations

Attention: Troy Curtis, Vice President, Business  
Development

Dear Sirs:

**Re: ACS Precision Components Partnership**

We are the solicitors for Zeifman Partners Inc. ("ZPI"). By Order of the Honourable Mr. Justice Campbell of the Superior Court of Justice for the Province of Ontario, Canada, dated May 6, 2010 (the "Receivership Order"), ZPI was appointed as receiver (the "Receiver") without security of all of the assets, undertakings and properties of ACS Precision Components Partnership ("ACS") acquired for, or used in relation to a business carried on by ACS.

According to the books and records of ACS, Anderson-Cook Spittal Precision Components (Shanghai) Co. Ltd. ("ACS China") was indebted to ACS as of May 6, 2010 in the sum of \$779,759.40 (the "Indebtedness") in respect of the following:

- (a) \$706,918.78 USD for equipment supplied by ACS to ACS China; and
- (b) \$72,840.62 USD for wages and consulting services provided by ACS to ACS China.

On behalf of the Receiver we hereby demand payment from ACS China of the Indebtedness.

Payment of the Indebtedness must be made by no later than 4:30 p.m. eastern standard time on April 15, 2011 failing which the Receiver will take whatever legal action is considered necessary to collect the Indebtedness, the costs of which will be for the account of ACS China.

Please govern yourselves accordingly.

Yours truly,



Tony Van Klink  
TYK/lm

c. Allan Rutman

**SCHEDULE H**

**Demand for Payment to AC**



MILLER THOMSON LLP  
MILLERTHOMSON.COM

ONE LONDON PLACE + 255 QUEENS AVENUE, SUITE 2010  
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April 8, 2011

Delivered Via E-mail:  
[mrichey@andersoncook.com](mailto:mrichey@andersoncook.com)

Anderson-Cook, Inc.  
44785 Macomb Industrial Drive  
Clinton Township, Michigan  
USA 48036-1147

Attention: Matthew Richey, CEO

Dear Sir:

**Re: ACS Precision Components Partnership**

We are the solicitors for Zeifman Partners Inc. ("ZPI"). By Order of the Honourable Mr. Justice Campbell of the Superior Court of Justice for the Province of Ontario dated May 6, 2010 (the "Receivership Order"), ZPI was appointed as receiver (the "Receiver") without security of all of the assets, undertakings and properties of ACS Precision Components Partnership ("ACS") acquired for, or used in relation to a business carried on by ACS.

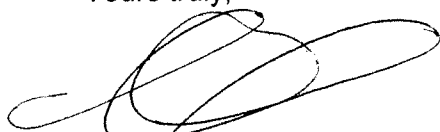
According to the books and records of ACS, on the eve of the Receivership Order being made, Anderson-Cook Inc. ("AC") purported to transfer to ACS a debt owing to AC by Anderson-Cook Spittal Precision Components (Shanghai) Co. Ltd. ("ACS China") in the amount of \$202,796 USD (the "ACS China A/R"). An amount equal to the ACS China A/R was credited by ACS against amounts owing by AC to ACS. The Receiver is unaware of any legitimate business purpose underpinning the transfer of the ACS China A/R to ACS. It is the Receiver's view that the transfer was undertaken in an attempt to artificially reduce the amount properly payable by AC to ACS immediately prior to the receivership of ACS. It is the Receiver's position that the transfer of the ACS China A/R did not reduce the liability of AC to ACS and that AC remains indebted to ACS for an amount equal to the ACS China A/R, i.e. \$202,796 USD.

On behalf of the Receiver we hereby demand payment of the sum of \$202,796 USD. Payment must be made by no later than 4:30 p.m. on April 15, 2011 failing which the Receiver will take whatever legal action is considered necessary to collect same from AC.



Please govern yourself accordingly.

Yours truly,

A handwritten signature in black ink, appearing to be 'Tony Van Klink', written in a cursive style.

Tony Van Klink  
TVK/Im

- c. Allan Rutman
- c. Don Baty

**SCHEDULE I**

**Receiver's Interim Statement of Receipt and Disbursements**

**Zeifman Partners Inc., Court Appointed Receiver of ACS Precision Components Partnership**  
**Interim Statement of Receipts and Disbursements**  
**For the Period from May 6, 2010 to April 11, 2011**

**Page 1**

	<u>CAD</u>	<u>USD</u>
	\$	\$
Cash from Operations - see Page 2	\$ 3,384,757	\$ 6,111,317
Payment to Bank of Montreal re: ACS secured claim	(2,993,859)	-
Payment to Automated Tooling Systems ("ATS") re: secured claim	(2,797,891)	-
OMEX Settlement	1,000,000	-
Payment to Bank of Montreal-secured claim re: Omex Guarantee	(1,676,683)	-
OMEX Payment of Guarantee Debt	1,676,683	-
Employee Priority Claims	(31,348)	-
OMEX Settlement re Preference Payments	40,000	-
Delphi Funded September Operating Loss Reserve	-	121,649
Transfers between CAD and US Accounts	6,252,457	(6,028,511)
	<hr/>	<hr/>
Ending Cash Balance	\$ 4,854,116	\$ 204,455
	<hr/>	<hr/>
Omega Tool & Die lien claim	\$ -	\$ (109,302)
	<hr/>	<hr/>
Ending Cash Balance Less Omega lien claim	\$ 4,854,116	\$ 95,153
	<hr/>	<hr/>

**Notes**

- Balances in cash receipt and disbursement line items reflected above are inclusive of respective taxes.
- Remaining receipts include \$5,000 in accounts receivable from ProTerra LED.
- The Receiver had entered into a settlement agreement subject to court approval to pay Omega Tool & Die the sum of \$109,301.85 US in respect of their lien claim.
- Lien claims have been filed by Aalbers Tool & Die in the sum of \$203,032 US and Miller's Electric in the sum of \$286,831 CDN. It is likely these matters will need to be resolved in an application to the Court.
- Delphi Automotive Systems LLC ("Delphi") paid US \$200,000 to the Receiver in respect of September operating losses on account of an extension to the production period. The September Loss is calculated \$121,649, resulting in excess reserve of US \$78,351. The said sum has now been repaid to Delphi pursuant to Order of the Court.
- Credit balances in the cash disbursement line items above represent US\$ cash receipts from customers in respect of CAD\$ cash disbursements made by the Receiver.

**Zeifman Partners Inc., Court Appointed Receiver of ACS Precision Components Partnership**  
**Interim Statement of Receipts and Disbursements**  
**For the Period from May 6, 2010 to April 11, 2011**

Page 2

	CAD	USD
	\$	\$
<b>Cash Receipts</b>		
Revenues from Operations	\$ 3,229,901	\$ 6,789,360
Realization of Pre-receivership A/R	1,685,940	1,710,828
Sale of Assets	3,096,524	426,407
Inventory Receipts	175,825	442,805
Tooling Receipts	-	500,087
Goods and Service Tax Refunds	182,660	-
Miscellaneous Receipts	39,066	872
Interest	50,827	420
<b>Total Receipts</b>	<b>8,460,743</b>	<b>9,870,779</b>
<b>Cash Disbursements</b>		
Direct Material Purchases	370,858	3,705,820
Payroll and Benefits	2,121,067	-
Rent/Lease Payment	371,839	-
GST/HST Paid	181,228	-
Utilities	225,066	-
Repairs & Maintenance	123,817	(395)
Freight & Brokerage	82,160	(20,331)
WSIB Expense	61,265	-
Key Employee Retention Plan	55,800	-
Administration/Corporate Charges	37,186	32,665
Insurance	30,257	3,070
Office Expense	9,794	37,094
Supplies	33,164	(1,739)
Bank Charges	7,414	1,007
Pre Receivership Vacation Pay	256,656	-
Consulting Services	-	2,272
Receiver's Fees	768,657	-
Legal Fees	339,758	-
<b>Total Disbursements</b>	<b>5,075,986</b>	<b>3,759,462</b>
<b>Cash Inflow</b>	<b>3,384,757</b>	<b>6,111,317</b>

**SCHEDULE J**

**Order of the Honourable Mr. Justice Cumming dated January 6, 2011**

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

THE HONOURABLE ) THURSDAY , THE 6TH  
JUSTICE CUMMING ) 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 an Order,

- a) if necessary, abridging the time for and validating the method of service of this Notice of Motion and the Seventh Report of the Receiver to the Court dated December 24, 2010 (the "Seventh Report") and directing that any further service of this Notice of Motion and the Seventh Report be dispensed with such that this motion is properly returnable on January 6, 2011;
- b) accepting and approving the Seventh Report of the Receiver;
- c) approving the appointment of Raymond Slattery of Minden Gross LLP as representative counsel for the unsecured creditors; and
- d) 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 Seventh Report 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 Seventh 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 the Seventh Report is hereby accepted and approved.
3. THIS COURT ORDERS that the appointment of Raymond Slattery of Minden Gross LLP as representative counsel (hereafter the "Representative Counsel") for the unsecured creditors in respect of the issue of the distribution of operating income generated during the receivership, scheduled to be heard by Motion on January 20, 2011, and for no other purpose, is hereby approved.
4. THIS COURT ORDERS that the Representative Counsel shall be paid their reasonable fees and disbursements at their standard rates and charges. Subject to the passing of the accounts for same, the Receiver is authorized to pay such fees and disbursements from the funds in the receivership estate, *the allocation of which will be determined by further order of this court - fac*
5. THIS COURT ORDERS that the Representative Counsel shall pass their accounts from time to time and for this purpose the accounts of the Representative Counsel are hereby referred to a Judge of the Commercial List of the Ontario Superior Court of Justice.
6. THIS COURT ORDERS that the Receiver shall provide to the Representative Counsel the names, addresses, telephone, facsimile and e-mail information for the unsecured creditors.
7. THIS COURT ORDERS that Representative Counsel shall provide notice ("Notice") of the granting of this Order to the unsecured creditors by sending a copy of this Order forthwith to each of the unsecured creditors along with Representative Counsel's contact information by e-mail, or if no e-mail address is available to the Receiver, then by fax. If no fax number is available to the Receiver, then Representative Counsel shall send Notice by the most direct courier available. Representative Counsel shall send Notice only to those unsecured creditors in respect of whom the Receiver has provided contact information pursuant to paragraph 6 of this Order.

8. THIS COURT ORDERS that Representative Counsel are authorized to take all steps and to do all acts necessary or desirable to carry out the terms of this Order.

9. THIS COURT ORDERS that Representative Counsel shall have no liability as a result of their appointment or the fulfillment of their duties in carrying out the provisions of this Order save and except for any gross negligence or unlawful misconduct on their part.

10. THIS COURT ORDERS that all unsecured creditors who do not wish to be bound by this Order and all other related Orders which may subsequently be made in these proceedings shall notify Representative Counsel of same within five business days of service of the Notice, and at the latest by January 18, 2011, and in the form attached as Schedule "A" hereto, and shall thereafter not be bound by this Order and shall represent themselves as an independent individual party to the extent they wish to appear in these proceedings.

11. 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. 6, 2011 Peter A. Cumming J.

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

JAN 6 - 2011

PER / PAR:

NB



SCHEDULE "A"

Court File No. 10-8702-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

BETWEEN:

**BANK OF MONTREAL**

Applicant

- and -

**ACS PRECISION COMPONENTS PARTNERSHIP**

Respondent

**OPT-OUT LETTER**

Minden Gross LLP  
Barristers & Solicitors  
145 King Street West  
Toronto, ON M5H 4G2  
Attention: Raymond Slattery  
Tel: 416-369-4149  
Fax: 416-864-9223

\_\_\_\_\_ is an unsecured creditor (the "Unsecured Creditor") of ACS Precision Components Partnership.

Under paragraph \_\_\_ of the Order of the Honourable Mr./Madam Justice \_\_\_\_\_ dated January 20, 2011, unsecured creditors who do not wish Raymond Slattery of Minden Gross LLP to act as their representative counsel ("Representative Counsel") may opt out.

I hereby notify Representative Counsel that I do not wish to be bound by the Order and will be represented as an independent individual party to the extent I wish to appear in these proceedings. I certify that I have authority to bind the Unsecured Creditor to which this Opt-Out Letter applies.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

BANK OF MONTREAL  
Applicant and Respondent  
ACS PRECISION COMPONENTS  
and Respondent

Court File No: 10-8702-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

Proceeding commenced at Toronto

**ORDER**

MILLER THOMSON LLP  
ONE LONDON PLACE  
255 QUEENS AVENUE, SUITE 2010  
LONDON, ON CANADA N6A 5R8

Tony Van Klink LSUC#: 29008M  
Tel: 519.931-3509  
Fax: 519.858.8511

Lawyers for Zeifman Partners Inc.,  
Receiver

**SCHEDULE K**

**Endorsement of the Honourable Mr. Justice Cumming dated February 22, 2011**

**CITATION:** Bank of Montreal v. ACS Precision Components Partnership, 2011 ONSC 700  
**COURT FILE NO.:** 10-8702-00CL  
**DATE:** 20110222

**SUPERIOR COURT OF JUSTICE - ONTARIO**

**RE:** BANK OF MONTREAL, Applicant

**AND:**

ACS PRECISION COMPONENTS PARTNERSHIP, Respondent

**BEFORE:** CUMMING J.

**COUNSEL:** Tony van Klink, for the Receiver, Zeifman Partners Inc.

R. M. Slattery and D. T. Ullmann, for the Unsecured Creditors

W. Brad Hanna and Wael Rostom, for Magna Closures Inc.

Graham Phoenix, for Continental Automotive

John D. Leslie, for Brose

Brian Empey, for ATS Automation Tooling Systems Inc.

Jackie Moher, for Delphi Automotive Systems, LLC

J. H. Grout, for OMEX and Anderson Cook

David Preger, for Vistcon Corporation and Automotive Components Holdings, LLC

**HEARD:** January 20, 2011

**ENDORSEMENT**

[1] Zeifman Partners Inc. (the "Receiver"), the Court appointed Receiver of ACS Precision Components Partnership ("ACS"), brings a motion seeking, *inter alia*, approval of the Receiver's Eighth Report.

[2] The Receiver entered into a Settlement Agreement involving secured creditors which was approved at the return of the motion on January 20, 2010. The several items raised by the motion, save one, were approved in an endorsement of that date.

- Page 2 -

[3] There remains a contested issue arising from the motion in respect of a single item, being the Receiver's request for directions from the Court with respect to the entitlement to net income generated from operations during the receivership.

[4] There are some 230 unsecured creditors of ACS, with claims totalling some \$6.7 million.

### **Background**

[5] Prior to going into receivership, ACS carried on a plastic injection moulding and related mould building business in Cambridge, Ontario. The customer base of ACS consisted primarily of tier one parts suppliers to the automotive industry. Thus, ACS was one participant in the vertically integrated 'just-in-time' delivery system for components in the overall process of manufacturing automobiles for sale to the public.

[6] The largest customer of ACS was Magna Closures Inc. ("Magna"), with some 60% of ACS's historical sales.

[7] Following its appointment on May 6, 2010, the Receiver caused ACS to continue operations and produce parts for customers of ACS until September 22, 2010.

[8] In managing ACS's operation, the Receiver entered into so-called "Accommodation Agreements" with each of the ACS customers having more than 4% of sales in the 12 month period preceding the receivership so as to allow for continued production of parts and the building of parts banks for those customers while they were transitioned to new suppliers. The Accommodation Agreements for five of those customers were for a term ending July 2, 2010, being the projected exit date of Magna from the premises.

[9] The Receiver also entered into so-called "Letter Agreements" with seven ACS customers having less than 4% of sales in the 12 month period preceding the receivership and who required a continued supply of parts during the receivership.

[10] The Accommodation Agreements were either substantially in the form of the model Accommodation Agreement which was an Exhibit to the Court-approved "Agreement Regarding Receivership", being Schedule "A" to the Receivership Order, or in the form negotiated with ACS's largest customer, Magna.

[11] The Accommodation Agreements and Letter Agreements provided for a 30% surcharge on the price of parts shipped during the receivership until July 2, 2010. If the Receiver, acting reasonably, believed the surcharge to be insufficient to fully fund all cash losses to be incurred in producing component parts for customers, the Accommodation Agreements permitted the Receiver, on 5 days' notice to the customers, to increase the surcharge. The customers had the option of not placing further orders for parts by treating the notice as an exit event under the Accommodation Agreement.

[12] The Letter Agreements were silent as to any increase in the amount of the surcharge; however, the Receiver was not obligated to supply the Letter Agreement customers with parts in any fixed quantity for any period of time.

[13] The surcharge of 30% determined in the first instance was calculated by the Receiver just prior to the commencement of the receivership with the intention of offsetting the Receiver's forecasted cash losses from continuing the operations of ACS. Some, but not all, of the Accommodation Agreement customers of ACS, such as Magna, received this pre-receivership forecast. The forecast was not provided to any of the smaller customers who entered into Letter Agreements.

[14] The continuance of operations was of benefit to both the customers and to the estate of the receivership. The customers would receive an ongoing supply of parts while they transitioned to new suppliers. The receivership estate would benefit from maximizing the realization of work in process and inventory, and maximizing the realization from the existing accounts receivable by customers providing accommodations with respect to the payment thereof. Customers agreed to expedited payment terms for new shipments of component parts.

[15] Paragraph 5 of the Receivership Order authorizes the Receiver to do all the things contemplated by the "Agreement Regarding Receivership" (Schedule A to the Receiving Order) entered into between the Receiver, ACS and the prime secured lender of ACS, the Bank of Montreal. Paragraph 3, in particular, of this "Agreement Regarding Receivership" affords considerable protection to the receivership estate in the course of continuing the operations of ACS. (A prime objective of that provision was to protect the secured interest of the Bank of Montreal, through ensuring that the value of the receivership estate was not eroded through continuing operations.)

[16] The Bank of Montreal was a party to the "Agreement Regarding Receivership", which (paragraph 3) placed restrictions upon the Receiver in using any of the cash proceeds of ACS's accounts receivable and inventory to produce parts for any customer unless the customer agreed to purchase the parts on the terms set forth in the Accommodation Agreements. Thus, in entering into a supply contract, a customer was obliged to do so on terms that afforded considerable protection from loss to the receivership estate (and the Bank). Notwithstanding this protection, there was some residual risk of a loss to the receivership estate in having continuing operations. The purpose of the surcharge(s) was to further minimize the risk of a net loss to the receivership estate.

[17] The Receiver sought an increase in the surcharge to 40% effective for shipments after July 2, 2010, on the basis that an increase was necessary to offset the forecasted cash losses from continuing operations beyond July 2, 2010. There is no suggestion that the Receiver did not act reasonably in making this forecast. The Receiver gave a copy of the ACS production budget for July/August to all customers (*i.e.*, both those who were parties to Accommodation Agreements and those who were parties to Letter agreements), with a notice (Schedules "H" and "I" to the Eighth Report) to each customer which stated in part:

The Budget indicates that a 40% Surcharge is necessary to fund your pro-rata share of all cash losses anticipated during the months of July and August 2010. As a result, the Receiver requests that [name of customer] agrees in writing to a 40% Surcharge...for all product manufactured after July 2, 2010.

[18] Thus, a 40% surcharge was levied on all parts shipped from July 2, 2010 to September 2, 2010 pursuant to the Accommodation Agreements and by agreement between the Receiver and customers with Letter Agreements. A single customer, Delphi Automotive Systems LLC ("Delphi") was given continued production after September 2, 2010, to September 22, 2010 when ACS ceased production entirely.

[19] The Receiver was very successful in its management of ACS, such that a significant profit was generated from the operations of ACS during the receivership. The "Operating Results" prepared by the Receiver indicate that a total of \$377,590 profit was generated from the 30% surcharge, and a profit of \$423,661 resulted from the 40% surcharge.

#### Analysis

[20] Neither the Accommodation Agreements nor the Letter Agreements provide for any reimbursement to customers of all or any part of the surcharge under any circumstances, including if there were to be positive operating income, *i.e.*, a profit, generated thereby. The Agreements are silent on the issue of a surplus accruing from the utilization of the surcharges. The Accommodation Agreements also contain an 'entire agreement' clause.

[21] The customers who are parties to the Accommodation Agreements and Letter Agreements have made submissions as to why they should receive the operating profits generated during the 30% surcharge period and the 40% surcharge period. Magna was the main force in making these submissions. Magna's submissions are adopted by the other customers.

[22] The responding affiant for Magna, Mr. Al Kresovic, states that, in entering the Accommodation Agreement, Magna understood the surcharge "represented the amount required by the Receiver to allow ACS to supply parts to Magna on a break even basis, rather than at a loss". The Receiver states in its Eighth Report that its "intention [was] that the operation of the ACS business during the receivership would run on a break even basis".

[23] The Receiver states that it was not its intention under the Accommodation Agreements or Letter Agreements to make a profit from continuing to operate the ACS business. The purpose was to avoid a loss. However, realistically, given that the surcharges were based upon forecasts, it seems that there would inevitably be some profit or some loss. That is, it was extremely improbable there would be a precise 'break even' resulting from operations.

[24] Mr. Kresovic goes on to state: "significantly, Magna never expected that the [s]urcharge that it paid ...would exceed what the Receiver actually required to operate ACS on a break even basis".

[25] Magna submits in its factum that "the amount of the surcharge was designed only to offset losses which would otherwise arise from continuing parts production during the receivership". It is a reasonable inference that was the purpose of the surcharge. However, that was not the nature of the exchanged promises set forth in the Accommodation Agreements and Letter Agreements.

[26] An 'entire agreement' clause does not prevent a court from interpreting terms that are already part of a written agreement in the context of the agreement as a whole in its commercial

setting. *Paddon-Hughes Development Co. v. Pancontinental Oil Ltd.* 1998 CarswellAlta 940 at para.46 (Alta. C.A.), leave to appeal to S.C.C. refused, [1993] 1 S.C.R. 12. Even if an agreement is unambiguous, evidence of surrounding circumstances as to its commercial purpose and the context of the market in which the parties operate are relevant considerations with respect to the interpretation of the agreement. *Hi-Tech Group Inc v. Sears Canada Inc.* 2001 CarswellOnt 9 (Ont. C.A.) at paras. 18, 23 and 24.

[27] The Accommodation Agreements and Letter Agreements are contracts. Contracts involve the exchange of promises which create bundles of reasonable expectations to each party. Essentially, the contracts at hand involved the promise by the Receiver to supply parts. This created the expectation interest on the part of the customers to receive the delivery of the ordered parts in exchange for a fixed price (including the surcharge).

[28] There was no promise on the part of the customer to pay a higher price than the contract (including surcharge) price if the fixed price was insufficient to cover the expenses of the continued operations. Conversely, there was no promise by the Receiver to reimburse the customers for such part of the fixed contract price that was ultimately unnecessary to cover the cost of operations.

[29] The reasonable expectations at play in a contract are that the exchanged promises will be fulfilled. An objective test is employed in determining the content of a contractual promise; that is, what would a reasonable person have expected the contractual promise to include? For example, in a contract for the sale of goods, the seller's obligation is to deliver the goods promised and the enforceable reasonable expectation of the buyer in exchange for payment of the purchase price is to receive delivery or money damages equal to the amount necessary to purchase like goods in the open market. There may well be other, subjectively-held, non-enforceable expectations as to benefits ultimately resulting from the fulfillment of a contractual promise.

[30] Commercial contracts are entered into as 'win-win' exchanges of executory promises, with the assurance that the law will enforce those promises. The law seeks to give realization (through a remedy of specific performance or, more commonly, damages) to the reasonable expectation interest of the promisee(s) created by the contractual promise received.

[31] The customers in the situation at hand could have negotiated an express provision whereby any residual profit resulting from the surcharges would be refunded. Alternatively, the contractual arrangement could have been for the customers to reimburse the Receiver for actual losses.

[32] An example is seen with the contract entered into between the Receiver and Delphi for the period following September 3, 2010. Parts production ceased for all customers other than Delphi by about September 3, 2010. Production continued on a limited basis for Delphi until September 22, 2010 when ACS ceased production completely.

[33] During the Delphi production period, a net operating loss of \$121,649 resulted. Delphi had contracted in advance to cover any operating losses incurred during the Delphi operating period and for that purpose had deposited \$200,000 with the Receiver.



- Page 6 -

[34] Magna points to the language in paragraph 5 of the Accommodation Agreement:

If the Receiver, acting reasonably, believes that the Surcharge is insufficient to fully fund Customer's pro-rata share of all cash losses incurred or to be incurred in producing Component Parts for Customer...the Receiver shall provide...the Surcharge Increase Notice....

[35] The Accommodation Agreements and Letter Agreements were bargained at arm's length by sophisticated parties familiar with commercial contracts. Indeed, Magna, negotiated changes to the model Accommodation Agreement. For example, Magna obtained a change to the contractual provision limiting setoff rights whereby Magna would be able to take into account "material setoffs" in respect of so-called "hostage payments" demanded from Magna by a critical supplier of ACS (on account of pre-filing amounts owed by ACS) as a prerequisite to the timely release and supply of materials by that critical supplier.

[36] It is useful to first isolate the 30% surcharge period and deal with the operating profit over this period.

[37] Magna argues that it was the intention of both Magna and the Receiver that the surcharge was to be paid to cover actual losses arising from the continued operation of ACS during the receivership. In my view it is fair to say that such was the underlying purpose of the Accommodation Agreements and Letter Agreements. However, the promises exchanged by the Accommodation Agreements and Letter agreements over the currency of the 30% surcharge period were to pay a fixed price for goods manufactured.

[38] Magna argues that ACS's unsecured creditors extended credit to ACS before the start of the receivership. Hence, Magna submits they had no reasonable expectation of ACS generating net income during the receivership as a result of customers paying a surcharge. However, it is not the unsecured creditors who are contracting with the customers of ACS. It is the estate of the receivership, represented by the Receiver. If the estate of the receivership has a profit it will accrue to the benefit of the unsecured creditors but that does not change the contractual relationship. (If the estate of the receivership had incurred an overall net loss, that loss would ultimately fall upon the unsecured creditors and they would not have any contractual recourse against the customers.)

[39] Moreover, the operations of ACS during the receivership were conducted in part with the benefit of goods and services supplied to ACS prior to the receivership, in respect of which payment was not made.

[40] Magna argues that any distribution of net income generated by ACS as a result of the surcharges would be a windfall to the unsecured creditors and constitute unjust enrichment and hence, it is "fair and equitable" that such net income be returned to the customers.

[41] Unjust enrichment has three elements: (1) an enrichment to the defendant; (2) a corresponding deprivation of the plaintiff; and (3) an absence of juristic reason for the enrichment. *Garland v. Consumers' Gas Co.* (2004), CanLII 25 (S.C.C.) at para. 30.

[42] Magna submits that there is an unjust enrichment because of a mistake of fact and that a constructive trust is properly to be imposed to prevent the unjust enrichment. See *Harper v. Royal Bank of Canada* (1994), CanLII 8765 (Ont. Div. Ct.) at paras. 12-13.

[43] In my view, the enrichment of the receivership estate in the situation at hand was due to a juristic reason, namely, the contracts entered into between the Receiver and the customers. In my view, the issue at hand is properly to be determined by contract law.

[44] Magna says that it paid the surcharge "on the mistaken belief, based on information provided and representations made by the Receiver, that the [s]urcharge would only cover ACS's operating losses". However, there was not any mistake as to existing fact upon which the contractual exchange of promises was made. In my view, the Receiver made a representation only that it reasonably believed the surcharge would be necessary to avoid losses.

[45] There was a reasonably based opinion by the Receiver as to the necessity of a surcharge in a given amount. The 30% surcharge was based upon a forecast of revenues and expenses determined by the information available at the time the forecast was prepared. Forecasts are by definition simply forward looking estimates.

[46] The promise of the customer in the Accommodation Agreements in the first instance (paragraph 3) was straightforward and unqualified, that is, it was "to pay a surcharge ...of thirty percent....".

[47] It is noted that ACS incurred a loss of \$62,443 for the period May 6 to 31, 2010 notwithstanding the 30% premium and it was only because of a profit of \$440,033 for the balance of the 30% surcharge period that an eventual profit of \$377,590 was realized for the overall 30% surcharge period.

[48] It is only with the benefit of hindsight that it was determined that the projected amount of the 30% surcharge was seen, in fact, to be more than was necessary to avoid a loss for the 30% surcharge period. This result does not mean that there was any operative 'mistake' whereby the contractual promises and obligations are to be modified.

[49] The customers received the goods and services for which they bargained, at the agreed-upon contractual price, during the 30% surcharge period.

[50] I turn now to the 40% surcharge period.

[51] The existing contract through the Accommodation Agreements/Letter Agreements afforded flexibility to the Receiver to increase the surcharge: "if the Receiver, acting reasonably, believes the Surcharge is insufficient to fully fund Customer's pro-rata share of all cash losses incurred or to be incurred....". In the event of a notice of a surcharge increase pursuant to that belief of the Receiver, the customer could treat such surcharge increase notice as an exit event. That is, the notice of a surcharge increase is an offer by the Receiver to enter into a new contract with the customer. Thus, there were new contracts entered into for the 40% surcharge period with somewhat new language to be taken into account.

[52] The notice (*i.e.*, offer to contract) by the Receiver as to the surcharge increase states:

The Receiver of ACS believes that the 30% Surcharge...in excess of the applicable Purchase Order price will no longer be sufficient to fully fund [named customer's] pro-rata share of all cash losses incurred or to be incurred....". The Budget indicates a 40% Surcharge is necessary to fund your pro-rata share of all cash losses anticipated....

[53] This offer of the Receiver is intended as a promise to continue to supply component parts if the customer pays a given price. The Receiver's notice is simply stating as to how the Receiver calculated the fixed price for the future supply of goods. That is, the Receiver was stating that the fixed price (inclusive of the 40% surcharge) was based upon the Receiver's reasoned judgment as to the determination of an amount equal to cover the customer's share of all anticipated losses from operations. The Receiver's Budget "indicates that a 40% Surcharge is necessary to fund your pro-rata share of all [future] cash losses....".

[54] The question is whether this language in the notice changes the promises/obligations of the contracts as found above in respect of the contracts operative during the 30% surcharge period. In my view, the same reasoning applicable in the analysis of the contracts during the 30% surcharge period applies to the contracts in the 40% surcharge period.


[55] Again, there was a reasonably based opinion by the Receiver as to the necessity of a surcharge in a given amount. The 40% surcharge was based upon a forecast of revenues and expenses determined by the information available at the time the forecast was prepared. Forecasts are by definition simply forward looking estimates. The customers were given a copy of the forecast before deciding whether to contract for further components from ACS.

[56] The promise of the customer in the contract was straightforward and unqualified, that is, it was to pay a fixed price (inclusive of a 40% surcharge) for the manufacture and supply of components by ACS. There was no promise, express or implied, by the Receiver to give a refund if the surcharge resulted in a profit; conversely, there was no promise, express or implied, by the customer to pay an add-on amount in the event that the surcharge was inadequate to avoid a loss. The customers received the goods and services for which they bargained, at the agreed-upon contractual price, during the 40% surcharge period.

#### **Disposition**

[57] For the reasons given, this Court finds that the customers of ACS during the receivership are not entitled to receive the net income generated from operations during the receivership.

[58] An Order shall issue in accordance with these reasons.

  
CUMMING J.

Date: February 22, 2011

BANK OF MONTREAL  
Applicant and ACS PRECISION COMPONENTS  
Respondent

Court File No: 10-8702-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

Proceeding commenced at Toronto

**NINTH REPORT TO THE COURT  
SUBMITTED BY ZEIFMAN PARTNERS INC. AS  
RECEIVER**

MILLER THOMSON LLP  
ONE LONDON PLACE  
255 QUEENS AVENUE, SUITE 2010  
LONDON, ON CANADA N6A 5R8

Tony Van Klink LSUC#: 29008M  
Tel: 519.931-3509  
Fax: 519.858.8511

Lawyers for Zeifman Partners Inc.

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

**BETWEEN:**

**BANK OF MONTREAL**

Applicant

- and -

**ACS PRECISION COMPONENTS PARTNERSHIP**

Respondent

**AFFIDAVIT OF ALLAN RUTMAN**

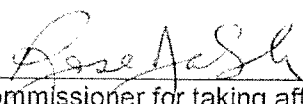
I, ALLAN RUTMAN, of the City of Toronto, in the Province of Ontario, **MAKE OATH AND SAY:**


1. I am a partner at Zeifman Partners Inc., and as such have personal knowledge of the matters to which I hereinafter depose.
2. By Order of the Honourable Mr. Justice Campbell dated May 6, 2010, Zeifman Partners Inc. (the "Receiver") was appointed as receiver without security of all of the assets, undertakings and properties of ACS Precision Components Partnership ("ACS") acquired for, or used in relation to a business carried on by ACS.
3. This Affidavit is made in support of a motion for, *inter alia*, the approval of the fees and disbursements of the Receiver for the period from November 1, 2010 to March 31, 2011. Attached and marked as **Exhibit "A"** to this Affidavit are true copies of the accounts rendered by the Receiver for the period from November 1, 2010 to March 31, 2011, in the amount of \$214,572.23, including disbursements and HST, such accounts being summarized below.

<u>Personnel</u>	<u>Hours</u>	<u>Rate</u>	<u>Total</u>
A. Rutman	200.50	\$550.00	\$110,275.00
N. Jung	2.00	\$380.00	760.00
J. Karkoutlian	4.50	\$315.00	1,417.50
J. Rutman	173.50	\$295.00	51,182.50
V. Smith	15.00	\$165.00	2,475.00
M. Stojanovic	39.25	\$155.00	6,083.75
R. DaSilva	35.50	\$150.00	5,325.00
<b>Total Professional Fees</b>	<b>470.25</b>	<b>(Average) \$377.50</b>	<b>\$177,518.75</b>
Total Disbursements			\$12,368.19
<b>Total Fees and Disbursements (excluding HST)</b>			<b>\$189,886.94</b>
HST			\$24,685.29
<b>Total Fees and Disbursements (including HST)</b>			<b>\$214,572.23</b>

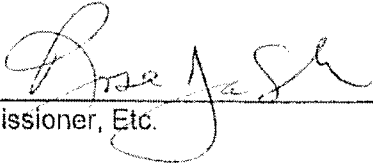
4. The detailed time dockets and accounts attached as Exhibit "A" are a fair and accurate description of the services provided and the amounts charged by the Receiver.
5. Given the nature of this insolvency proceeding, I believe the hours and rates of the Receiver are reasonable and comparable to other firms in the greater Toronto area and in southwestern Ontario for insolvency work of this nature.
6. Additional professional time will be required to complete the receivership proceedings of the Applicant. The Receiver requests that the Court approve its accounts for the period November 1, 2010 to March 31, 2011 for fees in the amount of \$177,518.75, disbursements of \$12,368.19 and HST of \$24,685.29, for a total of \$214,572.23, for services rendered and recorded to March 31, 2011.

SWORN BEFORE ME at the City of Toronto on April 13, 2011.

  
 Commissioner for taking affidavits  
 Rosa Da Silva, a Commissioner, etc.,  
 Province of Ontario, for Zeifman  
 Partners Inc., Trustee in Bankruptcy.  
 Expires November 3, 2013.

  
 ALLAN RUTMAN

Attached is Exhibit "A" to the  
Affidavit of Allan Rutman sworn the 13<sup>th</sup> day  
of April, 2011.

  
\_\_\_\_\_  
A Commissioner, Etc.

Rosa Da Silva, a Commissioner, etc.,  
Province of Ontario, for Zeifman  
Partners Inc., Trustee in Bankruptcy.  
Expires November 3, 2013.

# ZEIFMAN PARTNERS INC.

## ONTARIO SUPERIOR COURT OF JUSTICE

### IN THE MATTER OF THE RECEIVERSHIP OF ACS PRECISION COMPONENTS PARTNERSHIP OF THE CITY OF CAMBRIDGE, IN THE REGIONAL MUNICIPALITY OF WATERLOO, IN THE PROVINCE OF ONTARIO

CLIENT #ACSRSH2  
BN 89573 8201 RT0001

#### INTERIM BILLING

INVOICE #41015

To: Professional services rendered in respect of Court Appointed Receivership for ACS Precision Components Partnership from November 1, 2010 to November 30, 2010.

#### Time Charges and Expenses:

A. Rutman, Partner	A.R.	25.50 hours @	\$550.00 per hour	\$	14,025.00
J. Rutman	J.R.	82.25 hours @	\$295.00 per hour	\$	24,263.75
M. Stojanovic	M.S.	0.25 hours @	\$155.00 per hour	\$	38.75
R. DaSilva	R.D.	2.75 hours @	\$150.00 per hour	\$	412.50
				\$	38,740.00
Disbursements (Travel, accommodations, telephone, meals, courier, etc.)					\$ 2,596.01
					\$ 41,336.01
H.S.T.					\$ 5,373.68
<b>Total Balance Due</b>					<b>\$ 46,709.69</b>

/Cont.

201 Bridgeland Avenue  
Toronto, Ontario  
M6A 1Y7  
Tel: (416) 256-4005  
Fax: (416) 256-4001  
www.zeifman.ca



## ZEIFMAN PARTNERS INC.

<u>Date</u>	<u>Staff</u>	<u>Time</u>	<u>Detail</u>
11/1/2010	A.R.	0.75	Email correspondence to T. Van Klink re: OMEX update; discussion with J. Rutman re: same. Review email correspondence re: Miller Electric Claim update.
11/1/2010	J.R.	5.00	Telephone discussion with Execulink re: billing issues and pre receivership claims. Email exchanges with S. Gillespie and M. Tremblay of ATS re: Rogers account and termination charges. Email correspondence with P. Beynon and J. Sugar re: interested party in equipment. Revisions to GST continuity schedule. Review email correspondence from W. Lui of CRA re: post receivership refunds. Email exchange with B. Aldrich of Plex Systems re: cancellation of services. Discussion and email correspondence with A. Rutman.
11/2/2010	A.R.	1.00	Discussion with S. McVeigh re: OMEX matters. Email exchanges with J. Rutman and T. Van Klink re: OMEX.
11/2/2010	J.R.	0.50	Review email correspondence from T. Van Klink re: Anderson Cook and Omex issues. Review email correspondence from L. Ortega of Continental; forward to P. Beynon. Email correspondence from A. Rutman.
11/3/2010	A.R.	1.00	Discussion with S. McVeigh. Review memorandum from J. Rutman re: Omex information request.
11/3/2010	J.R.	3.50	Telephone discussion with M. Olson re: September operating losses. Review email correspondence from L. Ortega of Continental re: account reconciliation and amounts due Continental; telephone and email correspondence with P. Beynon. Email exchanges with S. McVeigh and A. Rutman re: Omex visit; revise draft memorandum for information requests. Telephone discussion with R. Madhany of ADP re: status of T4s. Email correspondence with A. Death re: Chillers invoices. Telephone and email correspondence with L. Amoils of Infinity re: sale of two shot press. Email correspondence with C. Mundie of Infinity re: setup of joint auction account.
11/3/2010	M.S.	0.25	Prepare September bank reconciliation.
11/4/2010	R.D.	0.50	Email correspondence with C. Mundie re: setting up of auction account; discussion with R. Fernandes re: information request re: account.

## ZEIFMAN PARTNERS INC.

<u>Date</u>	<u>Staff</u>	<u>Time</u>	<u>Detail</u>
11/5/2010	A.R.	0.50	Email exchange with T. Van Klink re: court date on customer issues. Review draft Affidavit re: Omega motion.
11/5/2010	J.R.	1.00	Review email correspondence from S. Kettle and J. Suckert re: Omega affidavit. Review email correspondence from A. Rutman and T. Van Klink re: motion timing. Telephone discussions with creditors.
11/8/2010	A.R.	1.25	Various calls with J. Rutman re: Omex. Review responding motion record from Miller Thomson.
11/8/2010	J.R.	9.00	Attendance at Omex premises. Plant tour and meeting with R. Slawek. Meetings and discussions with B. Johnston re: review and questions on financial reports. Review and analyze various financial reports on Omex performance and financial position; telephone discussion with A. Rutman. Review T4 reports received from ADP; draft summaries for T4 and T4A information; email correspondence with B. Johnston, R. Madhany and K. Jones re: T4As.
11/9/2010	A.R.	0.50	Email exchanges with J. Rutman re: ACS China claim.
11/9/2010	J.R.	2.00	Telephone discussion with D. Cotour of the Ministry of Labour re: claim filed by J. Morgan and status of the receivership. Finalize and file October GST return. Email exchanges with A. Rutman re: AC China balance.
11/10/2010	A.R.	0.75	Review correspondence re: examination on Justin Suckert's affidavit.
11/10/2010	J.R.	2.25	Update and revise R&D schedule. Discussions with J. Sugar re: liquidation process. Email exchange with S. Kettle re: Aalbers responding materials. Email exchange with S. Hong of Fedex Korea. Telephone and email exchanges with B. Aldrich of Plex re: viewing privileges of accounting system. Telephone discussion with WSIB representative re: pre receivership account. Email correspondence with R. Madhany and B. Johnston re: T4As. Email exchanges with J. Carvalho of Sunlife re: statement of account. Review email correspondence from M. Gedja of 1574 Eagle.
11/11/2010	A.R.	0.75	Email exchanges with J. Rutman re: ACS China and OMEX matters.

## ZEIFMAN PARTNERS INC.

<u>Date</u>	<u>Staff</u>	<u>Time</u>	<u>Detail</u>
11/11/2010	J.R.	2.25	Email exchange with B. Aldrich of Plex. Email exchange with S. Kettle re: Aalbers; telephone discussion with R. DaSilva. Email exchanges with A. Rutman re: China receivable; engaged in matters relating to same. Telephone discussion with I. Mundie re: Hydro power at facility. Email exchange with R. Craigen re: Proterra. Email correspondence with S. Kettle re: VW roller cage shipments; telephone discussion with P. Beynon.
11/12/2010	A.R.	1.00	Email exchange and discussion with J. Rutman re: Omex memorandum. Review email correspondence re appraisal of Omex equipment. Email correspondence to T. Van Klink re: Omex.
11/12/2010	J.R.	7.00	Email correspondence with S. Kettle. Email exchange with S. McVeigh re: appraisal report. Email exchange with A. Rutman re: memorandum. Email exchanges with B. Aldrich of Plex. Email exchanges with M. Gedja of 1574 Eagle Street. Telephone discussion with I. Mundie re: trailer and heaters. Review financial information reports received from Omex; draft memorandum summarizing and analyzing assets, liabilities, intercompany transactions and financial performance of Omex.
11/15/2010	A.R.	2.00	Conference call with Miller Thomson. Email exchange with J. Rutman re: wire payment to Continental Wire. Review correspondence from D. Baty re: Omex settlement offer. Review memorandum re: Omex financial review.
11/15/2010	J.R.	6.25	Review operating performance schedules in preparation for call; telephone discussion with T. Van Klink; revisions to operating schedule. Review email correspondence and letter from D. Baty; meeting with A. Rutman; telephone discussion with A. Rutman and T. Van Klink. Process payment for Continental re: shafts. Email exchanges with D. Gibson of Plex re: access to online data. Search Plex system for VW roller cage shipments; email correspondence with S. Kettle.
11/15/2010	R.D.	0.25	Banking administration.

## ZEIFMAN PARTNERS INC.

<u>Date</u>	<u>Staff</u>	<u>Time</u>	<u>Detail</u>
11/16/2010	A.R.	2.25	Conference call with T. Van Klink and J. Rutman re: Omex. Review post-receivership operating analysis. Discussions with J. Rutman. Review various email correspondence from T. Van Klink re: Omex settlement offer and Organization Chart.
11/16/2010	J.R.	7.00	Telephone discussion with T. Van Klink re: allocation of other items in profit allocation; telephone discussion with P. Beynon; finalize schedule; forward to T. Van Klink. Review email correspondence from T. Van Klink to D. Baty. Email exchange with C. Mundie of Infinity re: banking issues. Draft analysis of ADP tax form information; draft email to R. Madhany of ADP re: withholding discrepancies and form errors. Review corporate organization chart. Email exchanges with C. Andrew of Stevenson Hunt re: value adjustment. Telephone discussion with J. Sugar re: external hard drive from ACS. Email exchange with L. Phillips of Alegre. Telephone and email exchanges with M. Horseman of Sunlife re: employee RRSP accounts. Review email correspondence from S. Kettle re: Aalbers issues. Email exchanges with T. Van Klink and S. Kettle re: conference call. Telephone discussions with A. Rutman re: Omex and ATS debt issues. Conference call with T. Van Klink, S. Kettle and A. Rutman.
11/16/2010	R.D.	0.50	Banking administration.
11/17/2010	A.R.	2.50	Email correspondence and conference call with Miller Thomson re: ACS/Omex and ATS Debt. Discussions with J. Rutman.
11/17/2010	J.R.	4.75	Email exchange with R. Craigen of Proterra. Telephone discussions with J. Sugar and L. Amoils of Infinity. Conference call with P. Beynon, S. Kettle, T. Van Klink and A. Rutman re: Allocation of ATS debt; telephone discussion with D. Nowicki; telephone and email correspondence with A. Rutman; telephone and email correspondence with T. Van Klink and S. Kettle. Draft schedule for alternative asset allocation calculations. Review email correspondence from S. Kettle and J. Suckert. Email exchange with C. Andrew of Stevenson Hunt. Review email correspondence from D. Balasa of Sunlife. Review email correspondence from R. Madhany; return email.
11/17/2010	R.D.	0.25	Banking administration.

## ZEIFMAN PARTNERS INC.

<u>Date</u>	<u>Staff</u>	<u>Time</u>	<u>Detail</u>
11/18/2010	A.R.	2.00	Review ACS Payments to Omex; email exchanges with J. Rutman re: same. Various email exchanges with Miller Thomson re: Omex matters.
11/18/2010	J.R.	2.25	Email exchange with L. Lehton of Sunlife re: employee RRSP accessibility. Email correspondence with B. Aldrich of Plex re: account access. Telephone discussion and email correspondence with R. Madhany of ADP re: tax form errors and correction strategy. Draft summary of 2010 payments from ACS to Omex; email correspondence with A. Rutman. Email exchange with B. Johnston re: payroll and tax form issues. Review email correspondence from T. Van Klink re: Omex. Review and analyze asset allocation schedule. Email exchanges with A. Rutman re: intercompany transfers.
11/19/2010	A.R.	2.00	Conference call with Miller Thomson re: Omex and ATS debt. Review allocation and analysis; discussion with J. Rutman.
11/19/2010	J.R.	1.75	Email correspondence with R. Madhany of ADP re: tax form distribution. Email exchanges with P. Beynon re: files required for investigation. Conference call with T. Van Klink, S. Kettle and A. Rutman re: asset allocation schedule and strategy. Email correspondence from L. Leighton of Sunlife.
11/21/2010	J.R.	1.00	Email correspondence with L. Laughton of Sunlife. Email correspondence with Doris of Alma Wood re: open invoices. Email correspondence with M. Olson re: cash receipt details. Email exchange with L. Amoils re: NMG date of receipt.
11/22/2010	A.R.	1.00	Email exchange with J. Rutman re: file retention and destruction. Email correspondence to T. Van Klink re: Court Motion on customer issues.
11/22/2010	J.R.	3.50	Email exchanges with R. Madhany of ADP and B. Johnston of Omex. Draft schedule of employees which received T\$As in error; forward to R. Madhany. Email exchange with R. DaSilva re: files for P. Beynon. Email exchange with A. Rutman re: destruction of files at facility. Review correspondence from Stevenson Hunt re: insurance premium refund. Email exchange with Doris of Alma Wood re: outstanding invoices. Review email correspondence from D. Bish and A. Rutman re: ATS and customer profit allocation.

## ZEIFMAN PARTNERS INC.

<u>Date</u>	<u>Staff</u>	<u>Time</u>	<u>Detail</u>
			Review email correspondence from S. Kettle re: Omega and Aalbers. Telephone discussion with J. Luelo. Telephone discussion with I. Mundie of Infinity. Email correspondence with W. Lui of the CRA.
11/22/2010	R.D.	0.25	Banking administration.
11/23/2010	A.R.	1.50	Review draft letter re: Omex and ATS debt from Miller Thomson with J. Rutman; conference call with Miller Thomson re: same. Review R&D; email exchange with J. Rutman re: same. Review updated R&D.
11/23/2010	J.R.	3.25	Telephone discussion with S. Kettle re: legal claims. Review draft letter from T. Van Klink to D. Baty. Telephone discussion with A. Rutman. Conference call with S. Kettle, T. Van Klink and A. Rutman. Draft R&D for Court Report. Draft supplement to report re: receiver's activities. Telephone discussion with J. Sugar re: building. Email exchanges with S. Gillespie of ATS re: files and mail. Email exchanges with M. Olson of Delphi re: payment received in error and receivable items. Email exchanges with C. Park re: vacation pay claim.
11/24/2010	A.R.	1.00	Review updated R&D. Review response from Omega counsel re: Motion. Review correspondence re: wire payment to Delphi and approve same.
11/24/2010	J.R.	2.50	Review final letter from T. Van Klink to D. Baty. Email correspondence with T. Van Klink re: receiver's invoices and file inventory. Draft R&D for Seventh report; email exchanges with A. Rutman. Email exchange with R. DaSilva re: wire to Delphi re: return of funds transferred in error. Review letter from S. Kettle to McMillan Binch re: omega; review email correspondence from B. Harrison. Telephone and email exchange with S. Wilgosh of ADP re: T4 review and amendments.
11/24/2010	R.D.	0.25	Banking administration.
11/25/2010	A.R.	1.00	Review correspondence re: supplement to seventh court report and revised estimated realization and claims schedule.
11/25/2010	J.R.	1.75	Telephone and email exchanges with P. Beynon re: intercompany transactions analysis. Review excel analysis prepared by P. Beynon. Finalize R&D schedule; draft

## ZEIFMAN PARTNERS INC.

<u>Date</u>	<u>Staff</u>	<u>Time</u>	<u>Detail</u>
			estimated realization schedule; forward to T. van Klink.
11/26/2010	J.R.	2.50	Telephone and email correspondence with C. Mundie re: NMG balance; telephone discussion with BMO; email correspondence with A. Rutman. Telephone discussions with S. Wigosh of ADP re: revised tax forms. Telephone discussions and email correspondence with P. Beynon re: boxes required and progress on information review. Review Miller Thomson, Bell, and Alma Wood invoices; generate payments.
11/29/2010	A.R.	0.75	Email correspondence to T. Van Klink re: AC response on Omex and finalized material for customer related issues. Discussion with J. Rutman.
11/29/2010	J.R.	2.75	Update and revise R&D schedules. Email exchange with R. DaSilva re: transfers. Email exchange with S. Kettle re: Killop. Telephone discussion with Iris of ADP re: tax form run. Email correspondence with S. Kettle re: Vacation pay claim; draft schedules per request. Telephone discussion with B. Hartwick and I. Mundie re: waste containers. Email correspondence from M. Olson of Delphi. Telephone discussion with A. Rutman re: NMG and auction.
11/29/2010	R.D.	0.50	Banking administration.
11/30/2010	A.R.	2.00	Review draft report and various email correspondence. Calls with J. Rutman re: update on auction and other matters.
11/30/2010	J.R.	10.50	Attendance at auction; recording sales values; discussions with auctioneers and various other parties; telephone discussion with L. Amoils. Email exchange with S. Kettle re: Killop claim. Email exchange with C. Park. Review email correspondence from T. Van Klink and D. Baty. Review email correspondence from S. Kettle re: Westfall affidavit. Telephone and email correspondence with A. Rutman.
11/30/2010	R.D.	0.25	Banking administration.

And to generally all other communications, correspondence, attendances, and preparation not particularly described above.

# ZEIFMAN PARTNERS INC.

## ONTARIO SUPERIOR COURT OF JUSTICE

### IN THE MATTER OF THE RECEIVERSHIP OF ACS PRECISION COMPONENTS PARTNERSHIP OF THE CITY OF CAMBRIDGE, IN THE REGIONAL MUNICIPALITY OF WATERLOO, IN THE PROVINCE OF ONTARIO

CLIENT #ACSRSH2  
BN 89573 8201 RT0001

#### INTERIM BILLING

---

INVOICE #41034

To: Professional services rendered in respect of Court Appointed Receivership for  
ACS Precision Components Partnership from November 4, 2010 to December 31,  
2010.

#### Time Charges and Expenses:

A. Rutman, Partner	A.R.	29.00 hours @	\$550.00 per hour	\$	15,950.00
N. Jung	N.J.	2.00 hours @	\$380.00 per hour	\$	760.00
J. Karkoutlian	J.K.	0.50 hours @	\$315.00 per hour	\$	157.50
J. Rutman	J.R.	77.75 hours @	\$295.00 per hour	\$	22,936.25
V. Smith	V.S.	15.00 hours @	\$165.00 per hour	\$	2,475.00
M. Stojanovic	M.S.	1.50 hours @	\$155.00 per hour	\$	232.50
R. DaSilva	R.D.	3.00 hours @	\$150.00 per hour	\$	450.00
				\$	<u>42,961.25</u>
Disbursements (Travel, accommodations, telephone, meals, courier, etc.)				\$	<u>102.85</u>
				\$	43,064.10
H.S.T.				\$	<u>5,598.33</u>
Total Balance Due				\$	<u><u>48,662.43</u></u>

/Cont.

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M6A 1Y7  
Tel: (416) 256-4006  
Fax: (416) 256-4001  
www.zeifman.ca



## ZEIFMAN PARTNERS INC.

<u>Date</u>	<u>Staff</u>	<u>Time</u>	<u>Detail</u>
11/4/2010	J.R.	1.50	Review email correspondence from S. Kettle re: shipping dates to AG Simpson; telephone discussion with S. Kettle. Search historical email correspondence.
12/1/2010	A.R.	1.00	Conference call with Miller Thomson re: customer distribution and seventh report to court. Discussion with J. Rutman re: auction results.
12/1/2010	J.R.	4.50	Review draft seventh report to the court; telephone discussion with A. Rutman re: ACS budget, motion materials and customer agreements; telephone discussion with P. Beynon re: Omron; email correspondence with T. Van Klink. Telephone discussion with C. Mundie of Infinity re: auction results; email correspondence with A. Rutman. Email correspondence from R. Craigen re: Protterra receivable. Review Magna customer agreements for repayment and budget provisions. Email correspondence with S. Wilgosh and R. Madhany of ADP. Telephone discussion with R. Madhany re: final adjustments and payroll run. Email exchanges with T. Van Klink and S. Kettle. Conference call with T. Van Klink and A. Rutman re: Seventh report and customer distributions. Emails to T. Van Klink re: various documents for report. Telephone and email correspondence with P. Beynon re: secondary customer sales and premiums and preference payment investigations.
12/2/2010	A.R.	1.00	Review amendments to Seventh Report; email correspondence to T. Van Klink re: same. Review and execute Affidavit of Fees. Discussion with J. Rutman.
12/2/2010	J.R.	2.75	Telephone discussion with L. Amoils re: NMG distribution and auction related matters. Telephone discussion with UPS re: computer pickup; telephone discussion with I. Mundie. Review email correspondence from S. Kettle re: Westfall and receiver affidavit. Email exchanges with C. Brunet of ATS re: files. Review revisions to Seventh report. Draft service closure letters to Bell and Execulink. Email correspondence with S. Kettle re: motion timing and service requirements. Telephone discussion and email correspondence with A. Rutman.

## ZEIFMAN PARTNERS INC.

<u>Date</u>	<u>Staff</u>	<u>Time</u>	<u>Detail</u>
12/3/2010	A.R.	1.75	Conference call with Miller Thomson. Discussion with R. Slattery re: motion. Review ACS pre receivership payables; email correspondence to J. Rutman re: same. Email correspondence with Miller Thomson re: scheduling of motion.
12/3/2010	J.R.	2.00	Telephone and email exchange with E. Drapeau of CGI re: services and tax forms. Review various email correspondence from A. Rutman and T. Van Klink re: motion dates and strategy. Conference call with Miller Thomson; discussions with A. Rutman.
12/6/2010	A.R.	0.75	Email correspondence with T. Van Klink re: seventh report, scheduling of motion and representative counsel. Discussion with R. Slattery.
12/6/2010	J.R.	2.75	Telephone discussion with I. Mundie. Email exchange with C. Mundie and J. Sugar re: reporting. Review email correspondence from A. Rutman and T. Van Klink re: Seventh report and Omex. Telephone and email exchanges with N. Jung re: tax implications on partnership profit and capital gains. Email exchange with T. Dunn of Minden Gross.
12/6/2010	N.J.	2.00	Look up filing rules for T5013 and whether trustee liable for taxes on income earned in partnership
12/6/2010	M.S.	0.25	Prepare October bank reconciliation.
12/7/2010	A.R.	2.00	Reviewed and engaged in various email correspondence with J. Rutman re: tax implications. Call with T. Van Klink re: OMEX. Discussion with R. Slattery. Review Post- Receivership Operating Analysis. Review correspondence from P. Beynon re: intercompany transactions.
12/7/2010	J.R.	2.00	Telephone discussion with A. Rutman re: preference payments and Omex. Review message from Brian Killop. Email correspondence from S. Kettle re: Chris Park. Telephone discussions with C. Mundie re: sales report and NMG cheque; discussion and email correspondence with R. DaSilva. Telephone discussion with J. Sugar. Email correspondence with V. Smith re: external hard drive. Telephone discussion and email correspondence with M. Olson. Review email correspondence from A. Rutman.

## ZEIFMAN PARTNERS INC.

<u>Date</u>	<u>Staff</u>	<u>Time</u>	<u>Detail</u>
12/7/2010	R.D.	0.50	Banking administration.
12/8/2010	A.R.	1.00	Review correspondence from D. Baty re: ACS and Omex debt. Review Estimated Realization and Claims Analysis. Review email correspondence from S. Kettle re: amended Notice of Motion re: Omex motion.
12/8/2010	V.S.	7.50	Data Recovery.
12/9/2010	A.R.	1.50	Conference call with Miller Thomson and J. Rutman re: Omex. Call from R. Slattery re: report; email exchange with J. Rutman re: same. Review correspondence from Goodmans re: Omex; email exchange with J. Rutman re: same. Review email correspondence from J. Rutman re: Employment Standards Claims.
12/9/2010	J.R.	5.25	Review letter from D. Baty re: ACS and Omex Debt; telephone discussion with A. Rutman. Email correspondence with J. Sugar re: interim inspection; telephone discussion with I. Mundie re: same. Review PIER review on 2010 T4s; Telephone and email correspondence with R. Madhany of ADP; telephone discussion with CRA; draft letter to CRA re: two sets of T4s for employees. Telephone and email correspondence with D. Cotour of Ministry of Labour re: employee severance claims; draft schedules of employee information and severance calculations; forward to D. Cotour. Conference call with T. Van Klink, S. Kettle, and A. Rutman re: Omex response. Review letter from T. Van Klink to D. Baty. Review intercompany transfers analysis. Draft letter to WSIB; complete and file WSIB premium reconciliation form. Review email exchanges from C. Park and Kettle. Email correspondence with S. Kettle re: unsecured creditors. Email correspondence with Bell Canada re: cancellation of services. Telephone discussion with Execulink. Review email correspondence from B. Empey of Goodmans re: ATS claim. Email correspondence with M. Reed of ATS. Email correspondence with R. Slattery.
12/9/2010	V.S.	7.50	Data Recovery.
12/10/2010	A.R.	1.00	Email correspondence and discussion with J. Rutman re: payout of ATS position. Review email correspondence re: Omex. Discussion with J. Rutman re: update on various matters.

## ZEIFMAN PARTNERS INC.

<u>Date</u>	<u>Staff</u>	<u>Time</u>	<u>Detail</u>
12/10/2010	J.R.	3.00	Update and revise R&D schedule. Telephone discussions with J. Dacas of the WSIB. Review email correspondence from M. Ephrey of Goodmans; email correspondence with T. Van Klink. Review invoices; generate payments. Telephone discussion with L. Amoils. Email exchange with P. Beynon re: external hard drive files.
12/10/2010	R.D.	0.50	Banking administration.
12/13/2010	A.R.	1.50	Review correspondence re: Omex demand for payment. Discussions with J. Rutman re: various issues. Email correspondence to T. Van Klink re: update on various matters. Discussion with T. Van Klink. Review memorandum re: preference payment intercompany review; discuss same with J. Rutman. Review affidavit of Jamie Westfall.
12/13/2010	J.R.	6.00	Review banking; generate transfer request. Telephone call with T. Van Klink and A. Rutman re: intercompany transactions and demand letter. Telephone discussion with T. Van Klink re: R&D and cash in bank; review email correspondence from T. Van Klink to M. Eprey of Goodmans. Review intercompany transaction documentation prepared by P. Beynon; draft detailed memorandum; discussions with A> Rutman; forward to T. Van Klink. Email exchange with C. Mundie re: accounting and payout. Email correspondence with B. Carter re: facility inspection. Email correspondence to S. McVeigh. Review demand letter.
12/13/2010	J.K.	0.50	Discussion with J. Rutman with respect to various intercompany transactions and possible preferences and/or transfers under value.
12/13/2010	R.D.	0.50	Banking administration.
12/14/2010	A.R.	2.75	Engaged in email correspondence with S. McVeigh re: Omex matters. Engaged in various email correspondence with J. Rutman and Miller Thomson re: Omex. Review Omex appraisal. Email exchange with J. Rutman re: attendance at Omex. Review Responding Motion Record in relation to the Aalber's motion.

## ZEIFMAN PARTNERS INC.

<u>Date</u>	<u>Staff</u>	<u>Time</u>	<u>Detail</u>
12/14/2010	J.R.	3.50	Email exchange with S. Moseley of ATS re: ATS file retrieval. Review email from D. Baty. Review responding motion material re: Aalbers. Review email correspondence from B. Empey. Email exchanges with L. Phillips of Alegre. Telephone and email with S. Wilgosh of ADP re; insurable earnings. Review OMEX appraisal; email with A. Rutman. Email correspondence with B. Johnston re: information requests. Email exchanges with A. Rutman, S. McVeigh and T. Van Klink. Review email and reconciliation statement from J. Sugar; email exchanges with L. Amoils.
12/15/2010	A.R.	1.75	Email exchanges with J. Rutman re: scheduling of motion dates. Email exchange with S. McVeigh re: Omex. Discussion with J. Rutman.
12/15/2010	J.R.	9.00	Attendance at facility and warehouses re: interim inspection; various discussions with I. Mundie, T. Certer and Wick. Attendance at Omex, review financial reports; discussions with B. Johnson; telephone discussion with A. Rutman. Telephone discussions with L. Amoils re: final reconciliation items; email correspondence with J. Sugar re: auction costs to date. Review various correspondence with S. McVeigh and A. Rutman. Email correspondence with C. Andrew of Stevenson Hunt. Email exchanges with V. Smith and P. Beynon re: accounting files. Email correspondence with B. Johnson. Telephone discussions and email correspondence with S. Kettle.
12/16/2010	A.R.	2.50	Conference call with J. Meagher, S. McVeigh and D. Spittal. Call with T. Van Klink re: settlement of outstanding OMEX position.
12/16/2010	J.R.	5.50	Prepare for conference call. Conference call with S. McVeigh, D. Meagher and A. Rutman re: Omex issues. Telephone discussion with A. Rutman and T. Van Klink. Meeting with A. Rutman re: review of auctioneer reconciliation. Telephone discussions and email correspondence with C. Mundie. Follow up conference call. Draft supplemental report re: auction results; email correspondence with S. Kettle. Email with S. Kettle re: AGS cheque; engaged in matters relating to same. Draft letter to CRA re: additional PIER reviews. Revise WSIB reconciliation; send to J. Dacas. Review invoices; generate payments. Update and revise R&D schedules. Email correspondence with C. Andrew.

## ZEIFMAN PARTNERS INC.

<u>Date</u>	<u>Staff</u>	<u>Time</u>	<u>Detail</u>
12/17/2010	A.R.	1.00	Email correspondence with S. McVeigh re: Omex. Email exchange with staff re: transfer of funds to Laurentian account. Review updated R&D.
12/17/2010	R.D.	1.00	Banking administration.
12/20/2010	A.R.	3.25	Conference call with S. McVeigh and D. Meagher re: Omex. Call with T. Van Klink. Review summary of agreement with Omex; email exchange with J. Rutman re: same.
12/20/2010	J.R.	5.00	Update and revise R&D schedule. Review email correspondence re: Call with Anderson Cook. Draft letters to Union Gas and Dumfried Hydro re: exit date and billing instructions; email copy of B. Carter. Telephone call to S. Kettle re: requirement for information. Two sets of conference calls with D. Meagher, S. McVeigh and A. Rutman re: Omex issues. Telephone discussion with T. Van Klink re: settlement on Omex. Telephone discussion with S. Kettle re: information requests. Review email correspondence from B. Empey of Goodmans and T. Van Klink re: ATS legal fees. Draft email settlement agreement to Anderson Cook; forward to A. Rutman.
12/21/2010	A.R.	1.00	Engaged in email correspondence with S. McVeigh and T. Van Klink re: ACS and Omex - Settlement Agreements. Various email correspondence with J. Rutman re: same.
12/21/2010	J.R.	3.50	Review email from C. Mundie including receiver's costs of the auction process; email exchanges; generate payment. Email exchanges with A. Rutman re: draft email agreement with OMEX; review email from S. McVeigh. Telephone and email correspondence with T. Carter re: final inspection, rent and release; email with J. Sugar. Telephone discussions with P. Doucette of CRA re: PIER reviews.
12/21/2010	R.D.	0.25	Banking administration.
12/22/2010	A.R.	2.00	Discussion and email correspondence with T. Van Klink re: Omex matters. Discussion with S. McVeigh. Discussions with J. Rutman. Email correspondence to S. McVeigh re: amendments to ACS and Omex - Settlement Agreements.

## ZEIFMAN PARTNERS INC.

<u>Date</u>	<u>Staff</u>	<u>Time</u>	<u>Detail</u>
12/22/2010	J.R.	8.00	Review and analyze PIER reviews against ACS books and records. Various telephone discussions with P. Doucette of the CRA re: revisions and final assessments. Telephone discussion with S. McVeigh and D. Meagher of Anderson Cook. Telephone discussion with T. Van Klink re: ATS claims and OMEX. Telephone discussion with A. Rutman. Review email correspondence from D. Bish including ATS claims and supporting documentation. Email correspondence with J. Sugar re: ACS Final inspection. Review email correspondence from T. Van Klink re: revision to OMEX agreement. Telephone discussion with S. Wilgosh of ADP re: EI and CPP calculations. Email correspondence with T. Van Klink re: Auctioneer final reconciliation and revised SRD for report. Update and revise R&D report. Follow up call to S. McVeigh.
12/22/2010	R.D.	0.25	Banking administration.
12/23/2010	A.R.	1.00	Email exchange and discussion with J. Rutman re: Omex Settlement Agreement. Review amendments.
12/23/2010	J.R.	4.50	Email to D. Meagher; telephone discussions and email correspondence with S. McVeigh; telephone and emails with T. Van Klink re: OMEX email agreement and ATS claims. Telephone discussion with D. Spittal. Review email from S. Wilgosh of ADP. Telephone discussion with A. Rutman. Email exchange with Sam of Woojoo Machinery re: receivership update.
12/24/2010	A.R.	1.00	Review amendments to Seventh and Eighth Report to Court; various email correspondence with J. Rutman and T. Van Klink re: same.
12/24/2010	J.R.	2.50	Review Seventh Report to the Court and provide comments via email to T. Van Klink; review email correspondence from A. Rutman. Update and revise estimated realization schedule. Review emails from T. Van Klink; execute report for A. Rutman. Email correspondence with S. Kettle re: counsel for ACH. Review service email; email to L. Massey.

## ZEIFMAN PARTNERS INC.

<u>Date</u>	<u>Staff</u>	<u>Time</u>	<u>Detail</u>
12/28/2010	J.R.	2.50	Review Eighth Report to the Court and provide comments via email to T. Van Klink. Update and revise unsecured debt listing and estimated realization schedule. Review storage rent invoices; generate payment; update and revise R&D schedules and GST schedule. Email exchange with V. Rebhorn of Manpower re: status of receivership. Draft demand letter to ADP; email to M. Stojanovic.
12/28/2010	M.S.	0.25	Prepare November bank reconciliation.
12/29/2010	A.R.	0.50	Review Supplement to the Eighth Report. Review email correspondence re: revised unsecured debt schedule.
12/29/2010	J.R.	4.00	Attendance at premises for final inspection with landlord and auctioneer. Telephone discussion with J. Sugar of Infinity. Draft supplement to Eighth report re: vacancy of premises; forward to T. Van Klink. Update and revise R&D schedule for GST receipts. Revised estimated realization schedule and GST analysis. Email exchange with T. Van Klink re: unsecured creditor mailing listing.
12/30/2010	A.R.	0.75	Review Omex Settlement Agreement; email exchanges with T. Van Klink re: same.
12/30/2010	M.S.	1.00	Email exchange with J. Rutman and T. Van Klink with respect to list of creditors. Discuss and review list with J. Rutman and forward same to all parties involved.

And to generally all other communications, correspondence, attendances, and preparation not particularly described above.

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# ZEIFMAN PARTNERS INC.

## ONTARIO SUPERIOR COURT OF JUSTICE

### IN THE MATTER OF THE RECEIVERSHIP OF ACS PRECISION COMPONENTS PARTNERSHIP OF THE CITY OF CAMBRIDGE, IN THE REGIONAL MUNICIPALITY OF WATERLOO, IN THE PROVINCE OF ONTARIO

CLIENT #ACSRSH2  
BN 89573 8201 RT0001

#### INTERIM BILLING

INVOICE #41049

**To: Professional services rendered in respect of Court Appointed Receivership for ACS Precision Components Partnership from January 1, 2011 to January 31, 2011.**

#### Time Charges and Expenses:

A. Rutman, Partner	A.R.	57.25 hours @	\$550.00 per hour	\$ 31,487.50
J. Karkoutlian	J.K.	3.75 hours @	\$315.00 per hour	\$ 1,181.25
J. Rutman	J.R.	13.50 hours @	\$295.00 per hour	\$ 3,982.50
M. Stojanovic	M.S.	12.25 hours @	\$155.00 per hour	\$ 1,898.75
R. DaSilva	R.D.	13.25 hours @	\$150.00 per hour	\$ 1,987.50
				<u>\$ 40,537.50</u>
Disbursements (Travel, accommodations, telephone, meals, courier, etc.)				<u>\$ 524.22</u>
				\$ 41,061.72
H.S.T.				<u>\$ 5,338.02</u>
Total Balance Due				<u>\$ 46,399.74</u>

/Cont.

201 Bridgeland Avenue  
Toronto, Ontario  
M6A 1Y7  
Tel: (416) 266-4006  
Fax: (416) 266-4001  
www.zeifman.ca

## ZEIFMAN PARTNERS INC.

<u>Date</u>	<u>Staff</u>	<u>Time</u>	<u>Detail</u>
01/04/11	A.R.	1.75	Call from Magna re: motion. Email exchange with T. Van Klink re: update on Omex. Email correspondence to S. McVeigh re: Omex Agreement. Review draft letter to ADP.
01/04/11	M.S.	1.00	Engage in review of email correspondence and various documentation with respect to payroll matters. Update monthly statement of receipts and disbursements.
01/05/11	A.R.	2.25	Review outstanding matters. Call with Miller Thomson. Review court materials. Various email correspondence with S. Kettle and staff re: contact information for unsecured creditors. Review email correspondence from D. Baty re: amendments to Omex agreement. Email correspondence with T. Van Klink re: ATS debt.
01/05/11	M.S.	0.50	Review PIER analysis and letter to ADP. Discuss same with A. Rutman. Finalize letter and forward to ADP. Email exchange with J. Rutman re: PIER analysis, correspondence to ADP, and unsecured creditors.
01/05/11	J.R.	3.00	Compiling various emails and fax information for unsecured creditors. Email exchanges with M. Stojanovic re: ADP letter. Email exchange with M. Shaver and M. Stojanovic re: Material Group unsecured claim.
01/06/11	A.R.	4.25	Attendance in court re: motion. Review D. Baty response to draft Omex Agreement. Various email correspondence and discussions re: website posting of all court documents and contact information for unsecured creditors. Email correspondence with T. Van Klink re: Omex. Email exchange with J. Rutman re: WSIB.
01/06/11	R.D.	2.50	Email exchange and discussion with A. Rutman re: contact info. for unsecured creditors. Review files for Motion Material and Court Reports for posting on website.
01/06/11	J.R.	1.50	Emails exchanges with R. DaSilva re: creditor contact information. Review Court Order. Review legal opinion on security. Email exchange with A. Rutman re: WSIB accounts.

## ZEIFMAN PARTNERS INC.

<u>Date</u>	<u>Staff</u>	<u>Time</u>	<u>Detail</u>
01/07/11	A.R.	5.00	Engaged in various email correspondence re: Omex agreement; review and execute agreement. Reviewed draft Receiver's Report; various email exchanges with T. Van Klink re: same. Discussion with Ray Slattery. Email correspondence with D. Ullman of Minden Gross re: unsecured creditor contact information. Email correspondence to J. Rutman re: comparative analysis between budget and actual re: operations.
01/07/11	R.D.	4.00	Search for unsecured creditors contact information; forward same to D. Ullman of Minden Gross.
01/07/11	J.R.	1.50	Review email from A. Rutman and operating profit savings analysis; exchange emails. Review draft eighth report to Court; review email from T. Van Klink. Review email correspondence from S. Kettle re: Park and Killop. Telephone discussion with A. Rutman re: operating budgets and actuals.
01/09/11	J.R.	2.50	Drafting analysis of operating results budget to actual comparison; telephone and email correspondence with A. Rutman. Compile employee contact information; email to A. Rutman. Retrieve documentation for China receivables; review preference payment documentation; email to A. Rutman. Email exchange with A. Rutman re: Chillers' claim.
01/10/11	A.R.	4.00	Call with A. Kresovic and D. Forster of Magna. Call with W. Rostom. Various calls to Anderson Cook. Various email exchanges with T. Van Klink re: Omex and Eighth Report to Court; review and execute same. Review and execute Anderson Cook side letter. Review correspondence from J. Rutman re: China intercompany balances. Email correspondence with T. Van Klink re: employee claims. Review correspondence to Chillers Inc.
01/10/11	R.D.	0.75	Email exchange with Natasha of Minden Gross re: unsecured creditors email addresses. Banking administration.
01/10/11	M.S.	0.75	Email exchange with various creditors with respect to distribution and timeline re: same. Telephone discussions with WSIB staff with respect to outstanding pre-receivership balance.

## ZEIFMAN PARTNERS INC.

<u>Date</u>	<u>Staff</u>	<u>Time</u>	<u>Detail</u>
01/10/11	J.R.	0.50	Email exchange with J. Strome, former employee. Email exchanges with B. Price of Magna re: payment on invoice for woojoo pins.
01/11/11	A.R.	1.00	Review email correspondence from S. Kettle re: Miller's Electric RSLA claim; email exchange with J. Rutman re: same. Email exchange with S. McVeigh re: attendance in China.
01/11/11	J.R.	0.50	Email exchanges with A. Rutman re: Miller Electric claim.
01/12/11	A.R.	1.50	Discussion with P. Beynon re: Miller's Electric RSLA claim; review documentation; email correspondence to S. Kettle providing update re: same.
01/12/11	R.D.	0.50	Email correspondence with Natasha of Minden Gross re: unsecured creditor addresses; search for addresses and forward same.
01/13/11	A.R.	2.50	Email exchanges with S. McVeigh re: visit to ACS China. Email exchange with T. Van Klink re: email correspondence received from various customers re: upcoming motion. Review email correspondence from unsecured creditor re: letter sent out by Minden Gross.
01/13/11	J.K.	2.25	Telephone discussions with employees with respect to RSP contributions and letter received from the Ministry of Labour on severance and termination claim. Telephone discussion with J. Rutman and R. DaSilva on same.
01/13/11	M.S.	2.00	Engage in email exchange and telephone discussions with former employees with respect to correspondence provided to them by the Ministry of Labour in respect of possible claims. Email correspondence and several attempts to contact Ministry of Labour via telephone to discuss details of said correspondence and to request copy of same. Email exchange and telephone discussions with various unsecured creditors to discuss letter sent by Minden Gross advising unsecured creditors with respect to upcoming motion. Discuss details of letter with staff. Review email correspondence with respect to outstanding matters relating to payroll.

## ZEIFMAN PARTNERS INC.

<u>Date</u>	<u>Staff</u>	<u>Time</u>	<u>Detail</u>
01/14/11	A.R.	2.50	Email exchange with S. McVeigh re: arrangements to attend ACS China. Engaged in various email exchanges with T. Van Klink and J. Rutman re: matters relating to upcoming motion, customers, profit issues and unsecured creditors.
01/14/11	R.D.	0.50	Various calls with employees re: letter received from Ministry of Labour.
01/14/11	M.S.	2.00	Engage in telephone discussions with several former employees with respect to letters received from the Ministry of Labour. Email exchange and telephone discussions with D. Couture of the ministry with respect to same. Review proof of claim filed by the ministry and discuss same with staff.
01/14/11	J.R.	1.00	Telephone and email correspondence with M. Stojanovic re: MOL. Review MOL proof of claim.
01/17/11	A.R.	4.25	Various matters re: preparation for visit to ACS China. Review Magna responding motion; email exchange with T. Van Klink re: same. Email exchange with M. Stojanovic re: filing of HST returns. Review Continental Responding Motion Materials.
01/17/11	J.K.	0.75	Telephone discussion with former employee with respect to the letter from MOL and status of the company. Discussion with A. Rutman and R. DaSilva on filing 2010 corporate tax return.
01/18/11	A.R.	4.00	Receive and review various motion materials from customer. Review Brose Motion Record. Review Factum and Brief of Authorities of the Receiver. Review Magna Factum. Review Minden Gross factum. Review Delphi responding record.
01/18/11	J.K.	0.75	Telephone discussions with former employees with respect to letter received from MOL and the status of the Company.
01/18/11	R.D.	0.75	Banking administration. Calls with various employees re: letter received from Ministry of Labour.

## ZEIFMAN PARTNERS INC.

<u>Date</u>	<u>Staff</u>	<u>Time</u>	<u>Detail</u>
01/18/11	M.S.	4.00	Attend to further telephone calls from former employees with respect to communication from Ministry of Labour. Review outstanding payables and generate payments. Update and revise R&D schedules and GST schedule. Review file in respect of preparation of December HST return. Prepare and file same.
01/18/11	J.R.	0.50	Telephone and email exchange with R. DaSilva re: Woojoo correspondence. Telephone and email correspondence with M. Stojanovic re: GST filings.
01/19/11	A.R.	3.00	Review various motion materials in preparation for court hearing. Email exchanges with S. McVeigh re: letter required to obtain China Visa for attendance at ACS China.
01/20/11	A.R.	6.00	Attendance in Court. Attendance at Chinese Consulate re: obtaining Visa for attendance at ACS China. Various email correspondence with T. Van Klink re: court hearing and Delphi. Email exchange with J. Rutman re: Delphi matter.
01/20/11	R.D.	0.25	Banking administration.
01/20/11	J.R.	0.50	Email exchanges with A. Rutman re: Delphi email for September period.
01/21/11	A.R.	2.50	Email exchange with B. Diehl re: translator support for attendance at ACS China. Calls and email correspondence with K. Munn of BBK re: engagement letter re: ACS China. Review Court Order. Email correspondence to T. Van Klink re: Statement of Claim of Integrity Tool. Email correspondence to S. McVeigh re: list of requirements from ACS China.
01/21/11	R.D.	0.25	Banking administration.
01/24/11	A.R.	2.25	Review Ministry of Labour claim; various email correspondence and calls with staff re: same. Discussion with J. Rutman. Email exchange with T. Van Klink re: Integrity Tool claim.
01/24/11	R.D.	1.25	Banking administration. Review MOL claim re: employees entitled to termination payment; email exchange and discussions with J. Rutman and A. Rutman re: same.

## ZEIFMAN PARTNERS INC.

<u>Date</u>	<u>Staff</u>	<u>Time</u>	<u>Detail</u>
01/24/11	M.S.	0.50	Matters re: Ministry of Labour proof of claim. Review schedule A. Email exchange with staff re: list of employees and termination dates.
01/24/11	J.R.	0.50	Email exchanges with A. Rutman re: notice to employees. Telephone and email exchanges with R. DaSilva re: employee information and termination dates.
01/25/11	A.R.	2.25	Attendance at Chinese Consulate to obtain Visa. Discussion with P. Beynon re: worked performed by Miller Electric; email correspondence to S. Kettle re: same. Email correspondence to T. Van Klink re: lien matters.
01/26/11	A.R.	1.75	Call to T. Van Klink of Miller Thomson. Call to BBK re: ACS China matter. Email correspondence and call with Ken Levinson of Faegre & Benson LLP re: ACS China engagement. Email correspondence to T. Van Klink re: payment to ATS and employees.
01/26/11	R.D.	0.75	Banking administration. Call to Proterra re: replacement cheque. Discussion with J. Rutman re: destruction of files. Discussion with A. Rutman re: filing of 246 Notice.
01/27/11	A.R.	1.25	Conference call with K. Levinson; review email correspondence re: ACS China engagement. Email correspondence with T. Van Klink.
01/28/11	A.R.	2.25	Conference call with T. Van Klink re: various matters. Discussion with unsecured creditor re: update from court hearing. Review and execute Faegre & Benson LLP engagement letter; forward same to K. Levinson. Email exchange with T. Van Klink re: payout of ATS. Review email correspondence from S. Kettle re: Miller Electric claim. Review correspondence from Minden Gross re: unsecured claims; discussion with T. Van Klink re: same.
01/28/11	R.D.	0.75	Calls to various shredding companies to obtain quotes for shredding of boxes at premises. Call to Proterra re: replacement cheque.
01/28/11	J.R.	1.50	Draft schedule of employee RRSP contributions; email exchange with R. DaSilva. Telephone and email exchange with R. DaSilva re: boxes for destruction.

## ZEIFMAN PARTNERS INC.

<u>Date</u>	<u>Staff</u>	<u>Time</u>	<u>Detail</u>
01/31/11	A.R.	3.00	Review various correspondence re: payout of ATS and Omex closing. Review various email correspondence re: undertaking for ATS payout; email exchanges with T. Van Klink re: same. Email exchange with T. Van Klink re: Miller Electric claim. Review RRSP amounts owed to employees; discussion with staff re: same. Email correspondence to M. Olson of Delphi re: wire coordinates for return of September operating reserve.
01/31/11	R.D.	1.00	Banking administration.
01/31/11	M.S.	1.50	Payables, discuss court ordered payment of 2,000, call to Service Canada to confirm whether WEPPA claim to be filed.

And to generally all other communications, correspondence, attendances, and preparation not particularly described above.

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# ZEIFMAN PARTNERS INC.

## ONTARIO SUPERIOR COURT OF JUSTICE

### IN THE MATTER OF THE RECEIVERSHIP OF ACS PRECISION COMPONENTS PARTNERSHIP OF THE CITY OF CAMBRIDGE, IN THE REGIONAL MUNICIPALITY OF WATERLOO, IN THE PROVINCE OF ONTARIO

CLIENT #ACSRSH2  
BN 89573 8201 RT0001

#### INTERIM BILLING

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INVOICE #41086

**To: Professional services rendered in respect of Court Appointed Receivership for ACS Precision Components Partnership from February 1, 2011 to February 28, 2011.**

#### Time Charges and Expenses:

A. Rutman, Partner	A.R.	76.00 hours @	\$550.00 per hour	\$	41,800.00
J. Karkoutlian	J.K.	0.25 hours @	\$315.00 per hour	\$	78.75
M. Stojanovic	M.S.	18.75 hours @	\$155.00 per hour	\$	2,906.25
R. DaSilva	R.D.	10.75 hours @	\$150.00 per hour	\$	1,612.50
				\$	<u>46,397.50</u>
Disbursements (Travel, accommodations, telephone, meals, courier, etc.)				\$	<u>7,081.97</u>
				\$	53,479.47
H.S.T.				\$	<u>6,952.33</u>
Total Balance Due				\$	<u><u>60,431.80</u></u>

/Cont.

201 Bridgeland Avenue  
Toronto, Ontario  
M6A 1Y7  
Tel: (416) 256-4006  
Fax: (416) 256-4001  
www.zeifman.ca

## ZEIFMAN PARTNERS INC.

<u>Date</u>	<u>Staff</u>	<u>Time</u>	<u>Detail</u>
2/2/2011	A.R.	1.75	Email correspondence with staff re: WEPP issues. Engaged in email correspondence with staff re: wire payment to Delphi. Email exchange with S. Kettle re: Miller Electric claim. Email correspondence to S. McVeigh re: documentation required for attendance at AC China.
2/2/2011	J.K.	0.25	Approval of Wire to Delphi including email correspondence with A. Rutman on same.
2/2/2011	M.S.	0.50	Telephone discussion with Service Canada with respect to determining status of a court ordered payment to former employee. Discuss eligibility of said payment as a claim under WEPPA. Email exchange with A. Rutman re: same.
2/2/2011	R.D.	1.00	Various matters re: ATS wire, Omex funds received and payment to Delphi. Email exchange with Laurentian Bank and BMO re: interest rates.
2/3/2011	A.R.	2.50	Conference call with Miller Thomson re: Miller Electric; review precedent re: lien claim. Discussions and email exchanges with staff re: various employee issues. Call with unsecured creditor. Email exchange with T. Van Klink re: Delphi refund. Email correspondence with S. McVeigh re: attendance at AC China.
2/3/2011	M.S.	1.50	Discussions with A. Rutman with respect to payments to be issued to various employees with respect to RRSP contributions. Telephone discussion with Service Canada with respect to same. Various discussions with A. Rutman and Service Canada with respect to court ordered payment to former employee and details of said claim and manner in which claim is to be paid to the employee.
2/3/2011	R.D.	3.00	Banking administration. Issue cheques to employees re: RRSP contribution as per court order. Update R&D. Call to Proterra re: outstanding receivable.
2/4/2011	A.R.	2.00	Calls with unsecured creditors requesting update. Review and amend letter to employees re: RRSP contribution. Email exchange with staff re: payments.
2/4/2011	M.S.	0.50	Further discussions with A. Rutman and Service Canada with respect to employee payments re: RRSP deductions.

## ZEIFMAN PARTNERS INC.

<u>Date</u>	<u>Staff</u>	<u>Time</u>	<u>Detail</u>
2/4/2011	R.D.	2.00	Prepare letters to employees re: RRSP payment. Update R&D. Process Payments. Email exchanges with Laurentian and BMO re: wire transfer.
2/7/2011	A.R.	1.00	Email exchange with T. Van Klink re: discharge of Bank Act security. Email correspondence to David Wolgast of BBK re: AC China.
2/7/2011	M.S.	0.25	Review correspondence and respond accordingly.
2/8/2011	A.R.	0.50	Email exchange with D. Wolgast re: arrangements for attendance at AC China. Review Minden Gross invoice; email correspondence to T. Van Klink re: same. Review correspondence from Miller Thomson re: Miller Electric claim.
2/8/2011	M.S.	0.50	Engage in telephone discussions with former employees with respect to requests for an update on the status of any payments forthcoming. Further telephone discussions with employees with respect to their T4s.
2/8/2011	R.D.	0.25	Calls with employees re: claims submitted by MOL.
2/9/2011	A.R.	1.75	Discussions with D. Wolgast re: arrangements for attendance at AC China. Calls with T. Van Klink of Miller Thomson. Voicemail from P. Beynon re: Miller Electric; forward same to S. Kettle.
2/9/2011	R.D.	0.50	Banking administration. Update R&D.
2/10/2011	A.R.	1.25	Email exchange with S. Kettle re: Miller Electric. Discussion with P. Beynon re: Miller Electric. Discussion with Josh Sugar and email correspondence re: bus ducts. Review statement of receipts and disbursements. Email exchange with S. Kettle re: update on Aalber's Tool.
2/10/2011	M.S.	2.00	Engage in telephone discussions with numerous former employees with respect to T4s and update re: Ministry of Labour claim. Review amended T4s and telephone discussion with CRA to confirm details re: same. Discussion with A. Rutman re: Ministry of Labour claim. Review correspondence to Ministry. Review correspondence from WSIB re: status of pre-receivership account. Draft response to same.

## ZEIFMAN PARTNERS INC.

<u>Date</u>	<u>Staff</u>	<u>Time</u>	<u>Detail</u>
2/10/2011	R.D.	0.50	Banking administration. Calls with various employees re: T4's, RRSP payments, letter from MOL.
2/11/2011	A.R.	0.50	Email exchange with BBK re: scheduling of meetings in China.
2/11/2011	M.S.	2.50	Review amended T4s. Prepare all T4s for mailing. Telephone discussions with employees with respect to their T4s. Update mailing addresses.
2/13/2011	A.R.	5.00	Travel time to Shanghai, China.
2/14/2011	A.R.	10.00	Travel time to Shanghai, China.
2/15/2011	A.R.	7.00	Attendance at AC China plant. Meeting with Tina Chen of BBK to coordinate requirements. Meeting with plant management team. Review production and equipment. Review financial information and arrange translation of same. Review various documentation.
2/15/2011	R.D.	0.50	Update R&D.
2/16/2011	A.R.	7.00	Attendance at AC China plant. Meeting with Min She of BBK. Meeting with plant management team. Review financial information and arrange translation of same. Review various other documentation. Email correspondence to management team with various questions re: financial information; review responses re: same. Draft memorandum with summary of findings. Email correspondence with Faegre & Benson re: scheduling of meeting.
2/17/2011	A.R.	24.00	Review various documentation. Email correspondence with M. She of BBK. Meeting with Faegre & Benson re: legal and tax matters. Travel time from Shanghai, China to Toronto.
2/17/2011	R.D.	0.50	Update R&D. Banking administration.
2/18/2011	A.R.	1.00	Email exchange with J. Rutman and P. Beynon re: goods shipped by ACS to Omron. Review email correspondence from Faegre & Benson re: collection of AC China receivable.

## ZEIFMAN PARTNERS INC.

<u>Date</u>	<u>Staff</u>	<u>Time</u>	<u>Detail</u>
2/18/2011	M.S.	4.50	Update and review monthly statement of receipts and disbursements and various schedules. Update and review GST schedules. Prepare and file January HST return. Telephone discussions with former employees with respect to T4's. Telephone discussions with J. Rutman with respect to court ordered payment to former employee. Calculate source deductions on said payment. Review various correspondence.
2/22/2011	A.R.	2.50	Calls and email correspondence with various creditors. Review AC China information. Review decision of Justice Cumming re: return of operating profits to customers. Email exchange with M. Stojanovic re: amount owing to employee re: RRSP. Email exchange with David Wolgast re: equipment broker.
2/22/2011	M.S.	3.00	Engage in various telephone discussions and email exchange with numerous former employees with respect to various matters including RRSP payments, T4s and unsecured claims. Email exchange and discussion with A. Rutman with respect to B. Killop's unsecured claim. Review of various schedules and documents with respect to said matters.
2/22/2011	R.D.	1.50	Format various financial documentation in excel forwarded by Troy Curtis re: AC China; forward same to A. Rutman. Banking administration.
2/23/2011	A.R.	1.25	Email correspondence to Warren VanDrine of Omron re: NAFTA documents. Email correspondence with staff re: WEPP claim.
2/23/2011	M.S.	1.75	Discussions with respect to C. Park's claim and payment. Email exchange and telephone discussions with C. Park re: same. Attend to various telephone inquiries from former employees.
2/23/2011	R.D.	0.50	Banking administration. Update R&D.
2/24/2011	A.R.	0.75	Discussions with M. Stojanovic re: payment to Chris Park and WEPP claim.
2/24/2011	M.S.	1.50	Further discussions with A. Rutman regarding WEPP payments and status of claims filed previously. Review statement from Service Canada re: same.

## ZEIFMAN PARTNERS INC.

<u>Date</u>	<u>Staff</u>	<u>Time</u>	<u>Detail</u>
2/24/2011	R.D.	0.25	Banking administration.
2/25/2011	A.R.	1.50	Review documentation re: AC China, email correspondence to T. Van Klink re: same. Call with Ray Slattery.
2/25/2011	M.S.	0.25	Engage in discussion with C. Park with respect to completing the proof of claim form and generally to discuss filing of his WEPPA claim. Receive completed proof of claim form and efile confirmation to Service Canada re: same.
2/25/2011	R.D.	0.25	Banking administration.
2/28/2011	A.R.	0.75	Discussion with John Leilo of Anderson Cook. Review AC China documentation. Discussion with creditor. Email exchange with T. Curtis re: translation of 2008 financials. Email exchange with David C. Wolgast of BBK re: equipment estimate.

And to generally all other communications, correspondence, attendances, and preparation not particularly described above.

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# ZEIFMAN PARTNERS INC.

## ONTARIO SUPERIOR COURT OF JUSTICE

### IN THE MATTER OF THE RECEIVERSHIP OF ACS PRECISION COMPONENTS PARTNERSHIP OF THE CITY OF CAMBRIDGE, IN THE REGIONAL MUNICIPALITY OF WATERLOO, IN THE PROVINCE OF ONTARIO

CLIENT #ACSRSH2  
BN 89573 8201 RT0001

#### INTERIM BILLING

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INVOICE #41118

To: Professional services rendered in respect of Court Appointed Receivership for  
ACS Precision Components Partnership from March 1, 2011 to March 31, 2011.

#### Time Charges and Expenses:

A. Rutman, Partner	A.R.	12.75 hours @	\$550.00 per hour	\$	7,012.50
M. Stojanovic	M.S.	6.50 hours @	\$155.00 per hour	\$	1,007.50
R. DaSilva	R.D.	5.75 hours @	\$150.00 per hour	\$	862.50
				\$	<u>8,882.50</u>
Disbursements (Travel, accommodations, telephone, meals, courier, etc.)				\$	<u>2,063.14</u>
				\$	10,945.64
H.S.T.				\$	<u>1,422.93</u>
Total Balance Due				\$	<u><u>12,368.57</u></u>

/Cont.

201 Bridgeland Avenue  
Toronto, Ontario  
M6A 1Y7  
Tel: (416) 256-4005  
Fax: (416) 256-4001  
www.zeifman.ca

## ZEIFMAN PARTNERS INC.

<u>Date</u>	<u>Staff</u>	<u>Time</u>	<u>Detail</u>
03/01/11	A.R.	1.25	Review various correspondence. Review financial information. Call to T. Van Klink.
03/01/11	M.S.	0.25	Matters relating to T4's including telephone discussions with former employees.
03/01/11	R.D.	0.25	Banking administration.
03/02/11	A.R.	0.25	Email exchange with T. Van Klink re: AC China.
03/02/11	M.S.	0.25	Provide copies of T4's to various former employees.
03/03/11	A.R.	0.75	Review AC China 08 financial statements. Call with T. Van Klink.
03/04/11	M.S.	0.50	Review February payables in respect of preparation of HST return. Review various correspondence.
03/04/11	R.D.	0.50	Update letter to employee re: RRSP payment. Update R&D.
03/07/11	A.R.	2.25	Conference call with T. Van Klink and S. Kettle. Email exchange with R. DaSilva re: ProTerra outstanding receivable. Review file re: inter-company transactions; email correspondence with T. Van Klink and S. Kettle re: same. Email exchange with J. Rutman re: inter-company transactions.
03/07/11	M.S.	0.25	Matters relating to T4's.
03/07/11	R.D.	0.50	Banking administration. Update R&D.
03/08/11	A.R.	1.00	Review and amend demand letter to ProTerra; discussion with R. DaSilva re: same.
03/08/11	M.S.	0.25	Prepare January 2011 bank reconciliation.
03/08/11	M.S.	0.25	Engage in telephone discussion with CRA with respect to final ruling on the GST trust audit of the pre-receivership period from January to date of receivership filing. Confirm nil net adjustments for said period.
03/08/11	R.D.	0.75	Draft demand letter to ProTerra; forward same to A. Rutman for review. Discussion with A. Rutman re: same.
03/09/11	M.S.	0.25	Attend to various employee related matters.



## ZEIFMAN PARTNERS INC.

<u>Date</u>	<u>Staff</u>	<u>Time</u>	<u>Detail</u>
03/14/11	M.S.	2.50	Prepare and file February HST return. Review correspondence and respond accordingly. Review payables history re: determining status of current statements of account. Attend to employee requests re: T4s.
03/15/11	M.S.	1.00	Telephone discussions with CRA in respect of continued review of post-receivership GST filings. Discuss ITCs and provide additional information to CRA, as requested.
03/16/11	A.R.	0.25	Email correspondence with T. Van Klink.
03/17/11	M.S.	0.50	Attend to telephone inquiries from former employees with respect to matters relating to T4s.
03/17/11	R.D.	0.50	Update R&D. Banking administration.
03/18/11	A.R.	1.00	Review email correspondence from D. Wolgast of BBK re: China equipment list; forward same to T. Van Klink. Email exchanges with A. Kresovic of Magna.
03/18/11	R.D.	0.75	Banking administration. Update R&D.
03/22/11	A.R.	0.25	Email correspondence to Miller Thomson re: update on various matters.
03/23/11	A.R.	0.50	Call with Miller Thomson re: update status on various matters.
03/23/11	M.S.	0.25	Attend to telephone calls from former employees with respect to status and their T4s.
03/24/11	A.R.	1.00	Review email correspondence from S. Kettle re: various information required for court report. Various email exchanges with A. Kresovic of Magna re: proof of claim materials.
03/24/11	R.D.	1.25	Banking administration. Update R&D. Review email correspondence from A. Rutman re: various information for court report; review documentation and provide information to A. Rutman.
03/25/11	A.R.	1.00	Review outstanding matters; email correspondence to S. Kettle re: same. Email exchange with R. DaSilva re: ProTerra outstanding receivable.

## ZEIFMAN PARTNERS INC.

<u>Date</u>	<u>Staff</u>	<u>Time</u>	<u>Detail</u>
03/25/11	M.S.	0.25	Attend to email correspondence from creditor in respect of unsecured debt and status of certain equipment. Review past correspondence and invoices in order to provide response to creditor.
03/25/11	R.D.	0.50	Discussion with A. Rutman re; ProTerra outstanding receivable; do PPSA search. Banking administration.
03/28/11	A.R.	0.25	Email correspondence with R. DaSilva re: ProTerra.
03/29/11	A.R.	0.50	Email correspondence to T. Van Klink re: ProTerra default of Agreement. Email correspondence to S. Kettle re: draft report.
03/29/11	R.D.	0.25	Banking administration.
03/30/11	R.D.	0.25	Banking administration.
03/31/11	A.R.	2.50	Meeting with Magna re: claim. Email correspondence with S. Kettle and T. Van Klink re: claims process and draft report.
03/31/11	R.D.	0.25	Email exchange with A. Rutman re: unsecured creditor listing.

And to generally all other communications, correspondence, attendances, and preparation not particularly described above.

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BANK OF MONTREAL  
Applicant and ACS PRECISION COMPONENTS  
Respondent

Court File No: 10-8702-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

Proceeding commenced at Toronto

**AFFIDAVIT OF ALLAN RUTMAN**

MILLER THOMSON LLP  
ONE LONDON PLACE  
255 QUEENS AVENUE, SUITE 2010  
LONDON, ON CANADA N6A 5R8

Tony Van Klink LSUC#: 29008M  
Tel: 519.931-3509  
Fax: 519.858.8511

Lawyers for Zeifman Partners Inc.

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

**B E T W E E N:**

**BANK OF MONTREAL**

Applicant

- and -

**ACS PRECISION COMPONENTS PARTNERSHIP**

Respondent

**AFFIDAVIT OF SHERRY KETTLE**

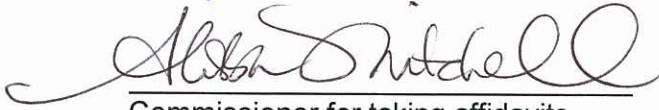
I, SHERRY KETTLE, of the City of London, County of Middlesex, in the Province of Ontario, **MAKE OATH AND SAY:**

1. I am an associate at the law firm of Miller Thomson LLP ("MT") and as such have personal knowledge of the matters to which I hereinafter depose.
2. By Order of the Honourable Mr. Justice Campbell dated May 6, 2010, Zeifman Partners Inc. (the "Receiver") was appointed as receiver without security of all of the assets, undertakings and properties of ACS Precision Components Partnership ("ACS") acquired for, or used in relation to a business carried on by ACS.
3. This Affidavit is made in support of a motion for, *inter alia*, the approval of the fees and disbursements of MT for the period from November 1, 2010 to February 28, 2011 (the "Accounts"). Attached and marked as **Exhibit "A"** to this Affidavit are true copies of the Accounts rendered to the Receiver by MT, in the amount of \$112,099.37, including disbursements and HST, such accounts being summarized below.

<u>Personnel</u>	<u>Hours</u>	<u>Rate</u>	<u>Total</u>
T. Van Klink	71.7	\$490.00	\$35,133.00
T. Van Klink	48.9	\$480.00	23,472.00
S. Kettle	59.7	\$235.00	14,029.50
S. Kettle	100.5	\$225.00	22,612.50
J. Belisle	4.3	\$125.00	537.50
J. Gottlieb	1.0	\$195.00	195.00
J. Ferber	0.3	\$470.00	141.00
K. Ungos	0.3	\$120.00	36.00
C. Martino	3.0	\$160.00	480.00
M. Courchain	0.7	\$125.00	87.50
<b>Total Professional Fees</b>	<b>290.4</b>	<b>Average (\$333.07)</b>	<b>\$96,724.00</b>
Total Disbursements			2,508.61
<b>Total Fees and Disbursements (excluding HST)</b>			<b>99,232.61</b>
HST			12,866.76
<b>Total Fees and Disbursements (including HST)</b>			<b>\$112,099.37</b>

4. The detailed time dockets and accounts attached as Exhibit "A" are a fair and accurate description of the services provided and the amounts charged by MT.
5. Given the nature of this insolvency proceeding, I believe the hours and rates of MT are reasonable and comparable to other firms in the greater Toronto area and in southwestern Ontario for insolvency work of this nature.
6. Additional professional time will be required to complete the receivership proceedings of the Applicant. MT requests that the Court approve its professional fees in the amount of \$96,724.00, disbursements of \$2,508.61 and HST of \$12,866.76, for a total of \$112,099.37, for services rendered and recorded from November 1, 2010 to February 28, 2011.

SWORN BEFORE ME at the City of  
London, in the County of Middlesex, on  
April 13, 2011.

A handwritten signature in black ink, appearing to read "A. Mitchell", written over a horizontal line.

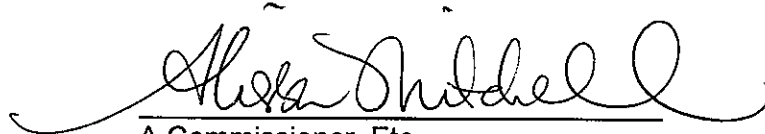
Commissioner for taking affidavits

A. Mitchell

A handwritten signature in blue ink, appearing to read "Sherry Kettle", written over a horizontal line.

SHERRY KETTLE

Attached is Exhibit "A" to the  
Affidavit of Sherry Kettle sworn the 13<sup>th</sup> day  
of April, 2011.

  
A Commissioner, Etc.  
A. Mitchell

ACCOUNT

January 26, 2011

Invoice Number 2170594

Zeifman Partners Inc.  
Zeifman Partners Inc.  
1 Toronto Street  
Suite 910  
Toronto ON M5C 2V6

Attention: Allan A. Rutman, Partner

**TO PROFESSIONAL SERVICES RENDERED** in  
connection with the following matter including:

**Re: ACS Precision Components Partnership**  
**Our File No. 131002.0001**

<b>Date</b>	<b>Initials</b>	<b>Description</b>	<b>Hours</b>
11/01/2010	AVK	Telephone call with Ziggy of Chillers Inc. regarding payment of secured claim	0.10
11/01/2010	SK	Draft affidavit of J. Westfall; E-mail from J. Rutman; E-mail to J. Rutman; Spoke to J. Suckert re draft affidavit; Revise draft affidavit of J. Suckert;	2.10
11/02/2010	SK	Draft affidavit of J. Westfall;	1.00
11/02/2010	SK	Review Miller's Electric documents; Prepare memo to T. Van Klink; Spoke to T. Van Klink re same;	3.60
11/03/2010	AVK	Review and revise draft affidavit for Omega motion	0.50
11/03/2010	SK	Review and revise draft affidavit of J. Suckert; Review and revise draft affidavit of J. Westfall; Spoke to J. Westfall; Revise affidavit;	5.50



Date	Initials	Description	Hours
11/04/2010	AVK	Discussion with Sherry Kettle regarding Suckert affidavit for Omega motion; review of further draft of Suckert affidavit for Omega motion and discussion with Sherry Kettle thereon; review draft Westfall affidavit for Aalbers motion and revisions to same	1.10
11/04/2010	SK	Revise affidavit of J. Westfall; Spoke with T. Van Klink re same;	2.80
11/04/2010	SK	Review draft affidavit of J. Suckert; E-mail to J. Rutman re same; Voice message for J. Rutman re same; Spoke to J. Rutman; Prepare e-mail to J. Suckert;	1.50
11/05/2010	SK	Review e-mail and draft affidavit from J. Suckert; Spoke to T. Van Klink re same; E-mail to B. Harrison; Prepare letter to L. Dipierdomenico; Instructions to assistant; Spoke to J. Belisle re attending in Stratford to commission an affidavit; E-mail to J. Suckert re swearing affidavit and cross-examinations;	1.20
11/05/2010	SK	Finalize and send e-mail to J. Suckert;	0.20
11/05/2010	SK	E-mail from J. Suckert re affidavit; E-mail to J. Belisle and assistant re same; E-mail to T. Van Klink re same; E-mail from J. Belisle; E-mail to J. Suckert;	0.50
11/06/2010	SK	Finalize affidavit of J. Suckert; E-mail from B. Harrison; E-mail to B. Harrison;	1.80
11/07/2010	SK	E-mail message from J. Rutman re affidavit of J. Suckert; E-mail to J. Belisle re same; Revise affidavit of J. Suckert; E-mail to J. Belisle re same;	0.40
11/08/2010	AVK	Review and further revisions to Westfall affidavit for Alabers motion	0.30
11/08/2010	JB	Attend at MVA Stratford Inc. in Stratford, Ontario to commission affidavit of Justin Suckert;	2.90
11/08/2010	SK	E-mail from J. Suckert re affidavit; Spoke to J. Belisle re same; E-mail from B. Harrison; Spoke to T. Van Klink; Finalize responding motion record;	0.60
11/09/2010	CM	Attend at Commercial List office to file responding motion record;	0.50
11/10/2010	SK	Revise affidavit of J. Westfall; E-mail to/from J. Rutman; E-mail to J. Rutman;	1.00
11/10/2010	SK	E-mail from B. Harrison; Spoke to T. Van Klink; E-mail to J. Suckert; E-mail from J. Suckert; E-mail to B. Harrison;	0.60

<b>Date</b>	<b>Initials</b>	<b>Description</b>	<b>Hours</b>
11/11/2010	SK	Spoke to T. Van Klink re Omega cross-examinations; E-mail to B. Harrison re same; E-mail from B. Harrison; E-mail to B. Harrison; E-mail to J. Suckert; E-mail from T. Van Klink; E-mail to B. Harrison;	0.60
11/11/2010	SK	Work on affidavit of J. Westfall; E-mail to J. Rutman re same;	0.50
11/12/2010	SK	E-mail from J. Rutman re Aalbers motion;	0.10
11/12/2010	SK	E-mail to J. Suckert with affidavit of D. Cumming;	0.20
11/14/2010	AVK	E-mail to Don Baty; review schedule of operating results during receivership period; review July/ August production budget; consider issues relating to operating surplus and e-mail to Jonathan Rutman thereon	1.20
11/15/2010	AVK	Telephone call with Jonathan Rutman regarding receivership operating results and Omex review; receive and reply to e-mail from Don Baty; consider letter and related documents from Omex counsel regarding contribution issue; conference call with Allan and Jonathan Rutman regarding Omex contribution issue	2.10
11/15/2010	SK	E-mail to B. Harrison re status of plans to cross-examine J. Suckert; E-mail from J. Levine re same; Spoke to T. Van Klink; E-mail to J. Levine re reply affidavit; E-mail from J. Levine re same; E-mail to J. Levine re same; E-mail from J. Suckert;	0.80
11/15/2010	SK	Spoke to T. Van Klink; Prepare draft affidavit for J. Westfall's review; E-mail to J. Westfall re draft affidavit;	0.40
11/16/2010	AVK	Further review and consideration of Omex proposal re contribution issue; discussion with Sherry Kettle regarding research on contribution issue; conference call with Allan Rutman and Jonathan Rutman regarding Omex issues	2.70
11/16/2010	SK	Research law on contribution by co-debtors and allocation; Prepare memo to T. Van Klink re same; Spoke to T. Van Klink; Conference call with T. Van Klink, J. Rutman, A. Rutman; E-mail from J. Rutman; E-mail to J. Westfall; Spoke to B. Harrison; Voice message to J. Levine; Spoke with J. Levine; Spoke to T. Van Klink; E-mail to J. Levine; Spoke to J. Suckert; Continue memo on Miller's Electric RSLA claim;	9.80
11/17/2010	AVK	Conference call with receiver and Peter Beynon re allocation of ATS debt; receive e-mail from Jonathan Rutman regarding discussions with Mr. Nowicki on debt allocation issue; further conference call with Allan and Jonathan Rutman regarding Omex contribution issue; review memorandum of law and authorities on contribution issue and discussions with Ms. Kettle thereon	1.20

Date	Initials	Description	Hours
11/17/2010	SK	Continue work on Miller's Electric issue; Conference call with T. Van Klink, A. Rutman, J. Rutman, P. Beynon; Spoke with J. Levine; Spoke with T. Van Klink re cross-examination; Voice message to J. Suckert; E-mail to J. Suckert; E-mail from J. Levine re re-scheduling cross-examination; E-mail to J. Levine re reply affidavit and scheduling; Conference call with T. Van Klink, J. Rutman and A. Rutman re Omex;	5.50
11/18/2010	AVK	Receive e-mail from Mr. Baty	0.10
11/18/2010	SK	Finalize memo on Miller's Electric RSLA claim; Draft letter to D. Baty re allocation of debt issue;	3.50
11/19/2010	AVK	Conference call with Allan Rutman, Jonathan Rutman and Sherry Kettle regarding Omex contribution issue	0.40
11/19/2010	SK	Review Chillers Inc. claim; Review relevant law; Prepare memo to T. Van Klink; Review employee claim to overtime pay; Review law re same; Reviewed document from D. Baty re Omex; Spoke to T. Van Klink re Omex allocation; Conference call with T. Van Klink, A. Rutman and J. Rutman re same;	4.90
11/22/2010	AVK	Further consideration of Omex contribution issue and prepare outline of draft letter with settlement proposal	2.00
11/22/2010	SK	E-mail to Mr. Westfall re draft affidavit; E-mail to Mr. Levine re reply affidavit on Omega motion and dates for cross-examination of Mr. Cumming;	0.40
11/22/2010	SK	Prepare memo re employee claim;	2.90
11/23/2010	AVK	Prepare draft letter with settlement proposal for Omex contribution issue; review revisions to draft Westfall affidavit for Aalbers motion and discussion with Sherry Kettle thereon; conference call with Allan Rutman and Jonathan Rutman regarding Omex contribution issue and proposal for resolution of same.	3.40
11/23/2010	SK	Continue work on memo re employee issue; E-mail from Mr. Westfall; Revise draft affidavit of Mr. Westfall; Discuss same with Mr. Van Klink; Review draft letter re Omex allocation issue; Discuss same with Mr. Van Klink; Telephone conversation with Mr. J. Rutman re status of various issues; Teleconference with Receiver, Mr. Van Klink re Omex and other issues; E-mail to Mr. Westfall re revised draft affidavit; E-mail to Mr. J. Rutman re employee issue; Draft letter to Mr. Levine re status of reply affidavit;	4.00
11/24/2010	SK	E-mail from Mr. Harrison re amended notice of motion; Spoke with Mr. Van Klink re same; E-mail to Mr. J. Rutman re same;	0.20

Date	Initials	Description	Hours
11/25/2010	SK	Review employee issue;	0.30
11/26/2010	SK	Review caselaw re employee issue; E-mail to Mr. J. Rutman re same;	0.70
11/29/2010	AVK	Drafting of Receiver's seventh report to court	3.00
11/29/2010	SK	Review e-mails from Mr. J. Rutman re employee claims; E-mail to Mr. J. Rutman re same;	1.00
11/29/2010	SK	E-mail to Mr. Westfall re draft affidavit; E-mail from Mr. Westfall re same; Spoke to Mr. Belisle re commissioning affidavit; E-mail to Mr. Van Klink;	0.40
11/30/2010	AVK	E-mails to and from Mr. Baty; further drafting and revising of Receiver's Seventh Report to court	3.80
11/30/2010	SK	Spoke with Mr. Van Klink re various matters; E-mail to Mr. Belisle re finalizing and swearing affidavit of Mr. Westfall; E-mail to Mr. Westfall re finalizing and swearing affidavit; Update memos on employee issues; E-mail to Mr. J. Rutman re employee issue; Call to Commercial List office re scheduling (2x); E-mail to Commercial List office re scheduling; Left message for Mr. Westfall; Spoke to Mr. Belisle re finalizing and swearing of Mr. Westfall's affidavit; Draft Receiver and Miller Thomson affidavits re fees; Review draft Seventh Report to the Court; E-mail to Mr. Westfall re finalizing and swearing affidavit; Spoke to Mr. Belisle re same; E-mail from Mr. J. Rutman re employee issue;	6.10
12/01/2010	AVK	Conference call with Allan and Jonathan Rutman	0.80
12/02/2010	AVK	Revisions to Receiver's Seventh Report	1.40
12/02/2010	SK	E-mail from Mr. Westfall re draft affidavit; E-mail to Mr. Belisle re commissioning affidavit of Mr. Westfall; E-mail from Mr. Belisle re same; E-mail to Mr. Westfall re commissioning affidavit;	0.20
12/02/2010	SK	Spoke with Mr. Van Klink re draft fees affidavits; Revise draft affidavit; Swear my affidavit in support of Miller Thomson's fees; E-mail to Receiver with draft affidavit of Receiver and sworn affidavit of S. Kettle; E-mail from Mr. A. Rutman with executed affidavit re Receiver's fees; E-mail from Commercial Court re scheduling; E-mail from Mr. Van Klink re same; E-mail to Commercial Court re January 2011 dates; E-mail from Mr. J. Rutman re scheduling of motion for Seventh Report of Receiver; E-mail to Mr. J. Rutman re same; E-mail from A. Rutman re same; Spoke with Mr. Van Klink re service and scheduling; E-mail to Receiver re same;	1.20

Date	Initials	Description	Hours
12/03/2010	AVK	E-mails to and from and telephone call with Mr. Rutman regarding appointment of representative counsel for unsecured creditors; review of law and discussion with Sherry Kettle regarding motion to appoint representative counsel for unsecured creditors	1.80
12/03/2010	SK	E-mail from Mr. Westfall; Spoke to J. Belisle; E-mail to Mr. Westfall;	0.30
12/03/2010	SK	Spoke with Mr. Van Klink re representative counsel; E-mails from Mr. Van Klink re same; E-mails from Mr. A. Rutman re Seventh Report; Spoke with Mr. Van Klink re same; E-mail from Commercial Court re scheduling; E-mail to Mr. J. Rutman re Mr. Westfall's affidavit; Conference call with Mr. Van Klink and Mr. A. Rutman; Prepare and e-mail hearing request form to Commercial Court; E-mail from Commercial Court; E-mail to Mr. Van Klink; Spoke to Mr. Van Klink; Draft Receiver's Report re representative counsel;	4.30
12/05/2010	JB	Commission affidavit of Jamie Westfall in Drumbo, ON;	1.40
12/06/2010	AVK	Receive and reply to e-mail from Mr. Rutman	0.10
12/06/2010	SK	Review amended notice of motion re Omega and reply affidavit; Draft affidavit re representative counsel;	0.70
12/07/2010	AVK	Telephone call with Allan Rutman	0.20
12/07/2010	SK	Email from Mr. Park; E-mail to Mr. Park;	0.10
12/08/2010	SK	Spoke with Mr. Belisle re affidavit of Mr. Westfall; Spoke with Mr. Van Klink re same; Scan affidavit; Draft memo and letter re filing, service; Continue work on employment-related issues; E-mail to Mr. J. Rutman;	3.20
12/09/2010	AVK	Receive letter from Don Baty regarding Omex contribution issue; conference call with Allan Rutman, Jonathan Rutman and Ms. Kettle; letter to Don Baty	1.00
12/09/2010	SK	E-mail from Mr. J. Rutman re unsecured creditors; Spoke with Mr. Van Klink; Conference call with Mr. Van Klink, Mr. J. Rutman and Mr. A. Rutman; Voice message to Mr. Slattery; E-mail to Mr. Slattery; Spoke with Mr. Slattery; Spoke with Mr. Van Klink; Review draft Responding Motion Record re Aalbers; Work on Receiver's Report; E-mail to Mr. Park; Work on memo re employee issue;	3.70
12/10/2010	SK	Instructions to assistant re Aalbers responding motion record; Review responding motion record; Finalize memo re employee issue; Review and revise affidavit of service and letter to Mr. Dipierdomenico; Instructions to assistant re service; Spoke with Mr. Van Klink;	1.00

Date	Initials	Description	Hours
12/13/2010	AVK	Conference call with Allan and Jonathan Rutman; conference with Ms. Kettle regarding preparation of opinion on ATS security; review file documents; drafting and issuing demand for payment and section 244 BIA notice to Omex	2.00
12/13/2010	SK	E-mail from Mr. A. Rutman re Mr. Slattery; E-mail from Mr. J. Rutman re affidavit of Mr. Westfall; E-mail to assistant re affidavit of Mr. Westfall; Spoke to assistant re same; E-mail to the Receiver; Spoke with Mr. Van Klink;	0.90
12/14/2010	CM	Attend at Commercial List office to file responding motion record;	0.50
12/14/2010	AVK	E-mails to and from Mr. Rutman re Omex demand for payment; telephone call with Mr. Rutman	0.30
12/14/2010	SK	Voice message from Mr. Slattery; E-mail to Commercial Court re scheduling; E-mail to Receiver re responding motion record on Aalbers motion; Draft security opinion; E-mail to Mr. J. Rutman; Revise draft Receiver's Report;	7.90
12/15/2010	SK	Revise Receiver's report; E-mail from Commercial Court; Spoke with Mr. Van Klink; Prepare Commercial List hearing request forms (2); E-mail to Mr. Slattery; Spoke with Mr. J. Rutman; Review memo re intercompany transactions; Review amended notice of motion and reply affidavit re Omega; Spoke with Mr. J. Rutman; Draft memo to Mr. Van Klink re Omega; E-mail to Mr. J. Rutman re Omega;	6.60
12/16/2010	AVK	Telephone call with Allan and Jonathan Rutman regarding Omex issue	0.40
12/16/2010	SK	E-mail from Mr. Slattery with signed hearing request forms; Print, sign and scan hearing request forms; E-mail signed hearing request forms to the Commercial Court; E-mail from Mr. J. Rutman re Omega motion; E-mail from Mr. J. Rutman re auction; E-mail to Mr. Van Klink;	0.80
12/17/2010	SK	E-mail from Mr. J. Rutman re Statement of Receipts and Disbursements;	0.10
12/20/2010	AVK	Telephone call with Allan and Jonathan Rutman regarding resolution of Omex issue; receive and reply to e-mail from lawyer for ATS	0.40
12/20/2010	SK	Voice message from Mr. J. Rutman; Left voice message for Mr. J. Rutman; Spoke to Mr. Van Klink; E-mail to Mr. J. Rutman, Mr. A. Rutman and Mr. Slattery; Spoke to Mr. J. Rutman; Spoke with Mr. Van Klink;	0.60
12/21/2010	AVK	Telephone call with Jonathan Rutman; revise draft e-mail regarding settlement agreement with Omex	0.20

Date	Initials	Description	Hours
12/22/2010	AVK	Review proposed revisions to Omex settlement terms, e-mail to and telephone call with Mr. Rutman thereon; telephone call with Jonathan Rutman regarding Omex settlement terms and amount owing to ATS; revisions to draft report for motion to appoint representative counsel; revisions to and redrafting of Receiver's Eighth Report (settlement of contribution claim and distribution to ATS)	6.00
12/23/2010	MC	Obtain Verbal Personal Property Security Act printout for ACS Precision Components Partnership, and provide same to Anthony Van Klink;	0.15
12/23/2010	AVK	E-mails to and from Jonathan Rutman regarding Omex settlement; revising and redrafting of Receiver's seventh and eighth reports to court; review and revise draft Notice of Motion and Order	5.20
12/23/2010	SK	Draft notice of motion for Seventh Report; Draft order for Seventh Report; Revise service list; Spoke with Mr. Van Klink; E-mail to Mr. J. Rutman;	2.30
12/24/2010	AVK	E-mails to and from Allan and Jonathan Rutman regarding Receiver's Seventh and Eighth reports to court; revisions to Receiver's Seventh and Eighth reports to court and finalizing of same; review draft Order and Notice of Motion	1.70
12/24/2010	SK	E-mail from Mr. J. Rutman; Revise notice of motion; Spoke with Mr. Van Klink; Review and revise notice of motion and draft order; Prepare exhibits for draft Eighth Report;	1.50
12/29/2010	MC	Obtain Bankruptcy certificate for ACS Precision Components Partnership, and provide same to Anthony Van Klink;	0.15
12/29/2010	AVK	Drafting security opinion on ATS and De Lage Landen security; drafting Omex settlement Agreement	3.00
12/30/2010	JG	Attend at Commercial Court, re: file motion materials;	1.00
12/30/2010	AVK	Drafting Omex Settlement Agreement and related Releases; e-mail to Allan and Jonathan Rutman regarding Omex Settlement Agreement	2.20
12/30/2010	AVK	E-mails to and from Allan Rutman regarding revisions to Omex Agreement and completion of revisions to Omex Agreement	0.30

TOTAL HOURS 156.00

OUR FEE: \$47,014.50

**TAXABLE DISBURSEMENTS**

Couriers 18.18

Mileage/Parking	57.17	
Travel	66.99	
Copywork	295.75	
Long Distance Telephone	27.49	
Postage	17.90	
Fax	3.25	
Visa Charges - PPSA Registration	8.00	
Visa Charge - Bankruptcy Search/Bank	14.00	
Long Distance Telephone -Bell Confere	20.26	
<b>TOTAL TAXABLE</b>	<u>528.99</u>	\$528.99

**NON-TAXABLE DISBURSEMENTS**

Issue Notice of Motion	127.00	
<b>TOTAL NON-TAXABLE</b>	<u>127.00</u>	\$127.00

**TOTAL FEES AND DISBURSEMENTS:** **\$47,670.49**

**Harmonized Sales Tax (R119440766)**

On Fees	\$6,111.89
On Disbursements	\$68.77

**TOTAL AMOUNT DUE:** **\$53,851.15**

E.&O.E.



ACCOUNT

March 11, 2011

Invoice Number 2184140

Zeifman Partners Inc.  
Zeifman Partners Inc.  
1 Toronto Street  
Suite 910  
Toronto ON M5C 2V6

Attention: Allan A. Rutman, Partner

**TO PROFESSIONAL SERVICES RENDERED** in  
connection with the following matter including:

**Re: ACS Precision Components Partnership**  
**Our File No. 131002.0001**

<b>Date</b>	<b>Initials</b>	<b>Description</b>	<b>Hours</b>
01/04/2011	AVK	E-mails to and from Mr. Baty and Mr. Rutman regarding Omex Settlement Agreement; review memorandum from Ms. Kettle and documents relating to Chillers' claim; revise security opinion; review memorandum from Ms. Kettle and documents relating to Miller's Electric repairer's lien claim and consideration of issues relating to same; review memorandum from Ms. Kettle and caselaw relating to status of unremitted RRSP contributions under section 81.4 of the BIA and consideration of issues relating to same; review memorandum from Ms. Kettle and documents relating to employee overtime claim; Telephone call with lawyer for ATS regarding payment of legal fees as secured claim; review accounts of ATS legal counsel	4.80
01/04/2011	SK	Review e-mails from Receiver; Review e-mails re status of January 20, 2011 motion; E-mail to Mr. Van Klink;	0.30

Date	Initials	Description	Hours
01/05/2011	AVK	Telephone call with Mr. Rutman; review e-mail from mr. Ullman regarding representative counsel order; discussion with Sherry Kettle regarding representative counsel order; discussion with Sherry Kettle regarding Miller's electric repairer's lien; discussion with Sherry Kettle regarding employee claims opinion; consideration of ATS legal costs issue and e-mail thereon to Mr. Rutman	1.80
01/05/2011	SK	Spoke with Mr. Van Klink re various receivership issues; Revise draft order for January 6, 2011 motion; Various E-mails to Mr. Ullman; E-mail to Ms. Moore re January 20, 2011 motion; E-mail to/from Ms. Katsma re January 20, 2011 motion; E-mails to/from Mr. Rutman; E-mails to Mr. Van Klink; Additional revisions to draft order for January 6, 2011 motion; Prepare for motion; Draft opinion for Receiver;	3.90
01/06/2011	AVK	E-mail communications with counsel regarding motions for January 6 and 20; e-mails to and from Mr. Rutman; telephone call with Mr. Rutman; e-mails to and from lawyer for Omex regarding Settlement Agreement and revisions thereto; discussion with Ms. Kettle regarding representative counsel motion and draft order	2.60
01/06/2011	SK	Prepare for motion; Travel to/from Toronto for motion; Attend motion at Commercial Court re appointment of representative counsel; E-mail to Mr. Van Klink; E-mail issued and entered order to Mr. Ullman; Instructions to assistant re service of Order; Meeting with Mr. Van Klink re motion and next steps; Draft letter to Mr. Grossman; E-mail from Mr. Rutman re website; E-mail to Mr. Rutman re same;	9.30
01/07/2011	AVK	Further redrafting and revising of Receiver's Eighth Report to Court; review Omex side letter and e-mails to and from Mr. Baty and Mr. Rutman thereon; obtain executed Settlement Agreement and e-mail to Mr. Baty thereon	8.70
01/07/2011	SK	Prepare and revise opinion; Finalize letter to Mr. Grossman; Spoke with Mr. Van Klink; Prepare letters to Chillers Inc., Mr. Killop and Mr. Park; E-mail to Mr. Rutman; Review draft Eighth Report of the Receiver; E-mail to Mr. Van Klink;	5.00
01/09/2011	AVK	Review draft opinion and caselaw regarding employee claims under section 81.4 of the BIA for unremitted RRSP contributions and overtime; redrafting of opinion	2.60

Date	Initials	Description	Hours
01/10/2011	AVK	E-mails to and from Mr. Baty regarding Omex Settlement Agreement; calculate accrued interest and per diem for Omex debt; revise Omex Settlement Agreement; e-mails to and from Mr. Rutman; revisions to and finalize Receiver's Eighth Report to Court; receive message from lawyer for ATS; e-mail to lawyer for ATS; revise correspondence to Chiller's, Mr. Killop and Mr. Park regarding validity of their claims; draft Notice of Motion	5.90
01/11/2011	SK	Research law for factum; Review e-mail from Mr. Grossman; Spoke with Mr. Van Klink; E-mail to Mr. Rutman; E-mail from Mr. Rutman;	0.90
01/12/2011	CM	Attend at Commercial List office to file notice of motion, eighth report and affidavits;	0.50
01/12/2011	SK	E-mail from Mr. Rutman re Miller's Electric; E-mail from Mr. Ullmann re motion; E-mail to Mr. Van Klink; Draft factum;	4.80
01/12/2011	SK	Spoke with Mr. Grossman;	0.20
01/13/2011	AVK	Telephone call with lawyer for Visteon (David Preger); review e-mails of negotiations with Ms. Katsma regarding terms of Accommodation Agreement and forward same to Mr. Preger; e-mails to and from Mr. Rutman; e-mail to counsel for customers regarding motion returnable on January 20	0.60
01/13/2011	SK	Prepare factum; Spoke with Mr. Van Klink; E-mail to Mr. Ullman;	3.00
01/14/2011	AVK	E-mails to and from Mr. Rutman regarding motion returnable on January 20; e-mail to lawyer for Delphi	1.30
01/14/2011	SK	Research and draft factum;	2.90
01/16/2011	AVK	Revising and redrafting of factum for motion to approve Omex settlement agreement and directions regarding entitlement to receivership operating income and review law with respect thereto	4.50
01/17/2011	AVK	E-mail to counsel for Magna; instructions regarding updating of Service List; receipt and review of Magna Responding Motion record; e-mails to and from Mr. Rutman; revise draft Order; further work on factum and brief of authorities for motion to approve Omex settlement and directions regarding entitlement to surplus operating income; telephone call with Ziggy from Chiller's Inc.; receipt and review of Responding Motion record of Continental Automotive Systems;	4.80
01/17/2011	SK	Draft order for Eighth Report; Research for factum;	2.10
01/18/2011	CM	Attend at Commercial List office to file factum;	0.50

Date	Initials	Description	Hours
01/18/2011	AVK	Receipt and review of Delphi Responding Motion Record; e-mails to and from counsel for ATS; finalize factum and brief of authorities for motion to approve Omex settlement and directions regarding entitlement to receivership operating profit and instructions regarding service and filing of same; revise draft order and letter to service list thereon; review factum on behalf of unsecured creditors; receipt of Magna factum and consideration of issues raised thereby; discussion with Ms. Kettle regarding further research on implied terms and payments made under mistake; receive and review Brose Responding Motion Record	4.00
01/18/2011	SK	Review responding affidavits; Work on brief of authorities; Spoke with Mr. Van Klink; Review factum of Magna; Review law on mistake and implied terms; Prepare cases;	5.00
01/19/2011	CM	Attend at Commercial List office to file brief of authorities;	0.50
01/19/2011	AVK	Telephone call with Mr. Rutman; review factums and caselaw of counsel for Magna and representative counsel for the unsecureds; preparation for motion; travel to Toronto	7.80
01/20/2011	AVK	Review notes for motion; attend on motion for, inter alia approval of Omex settlement and directions regarding entitlement to operating profit from receivership; return travel	9.50
01/20/2011	SK	Travel to/from Toronto for motion; Attend motion; Discuss motion with Mr. Van Klink and Mr. Rutman;	11.50
01/21/2011	AVK	Letter to service list; review Omega materials and consideration of issues relating to same, including effect of PPSA registration subsequent to Receiver's appointment; discussion with Sherry Kettle regarding Omega issue	2.40
01/21/2011	SK	Spoke with Mr. Van Klink re motion; Spoke with Mr. Van Klink re Omega;	0.60
01/24/2011	AVK	Telephone call with counsel for Omega; review Motion record and factum for Integrity Tool & Mold action, telephone call with Mr. Ferreira and e-mails to and from Mr. Rutman thereon; conference with Sherry Kettle regarding Omega priority issue; review caselaw regarding Omega priority issue	2.00
01/24/2011	SK	Research re Omega and unperfected security interests; Discuss same with Mr. Van Klink;	4.60
01/25/2011	AVK	Telephone call with Mr. Killop regarding BIA employee claim	0.20
01/25/2011	SK	E-mail from Mr. Rutman re Miller's Electric; E-mail to Mr. Van Klink re same; E-mail to Mr. diPierdomenico re cross-examination; E-mail from Mr. diPierdomenico; Spoke with Mr. Van Klink; E-mail to Mr. diPierdomenico;	0.60

<b>Date</b>	<b>Initials</b>	<b>Description</b>	<b>Hours</b>
01/27/2011	AVK	Review e-mails from Mr. Rutman, lawyer for Omex and lawyer for ATS	0.30
01/28/2011	AVK	Review materials for telephone call with Mr. Rutman; telephone call with Mr. Rutman regarding completion of Omex settlement, China issue, Omega claim, Miller Electric claim and distribution to unsecured creditors; review draft Release and Reconveyance and draft Receipt for payout of ATS indebtedness; telephone call with lawyer for ATS re completion of payout; telephone call with lawyer for Omega	2.30
01/28/2011	SK	E-mail from Mr. Grossman re Miller's Electric; E-mail to Mr. Grossman;	0.30
01/30/2011	AVK	Review files re required discharges of Omex security and e-mails to clerks for preparation of same; review revised Joint Release of ATS security and e-mail to counsel for Omex thereon and logistics of closing; draft Payoff letter; e-mail to Mr. Rutman re requirements for closing	1.50
01/31/2011	MC	Draft Personal Property Security Act registration discharge against Ref. File No. 650663955 (Omex Manufacturing), and provide same to Anthony Van Klink;	0.15
01/31/2011	AVK	E-mails to and from Mr. Rutman re return of funds to Delphi for September operating period; telephone call with lawyer for Comerica; e-mail to lawyer for ATS; e-mails to and from Mr. Rutman and lawyers for ATS and Comerica regarding payout of ATS and closing of Omex settlement; review documents for completion of payout of ATS; revise Payoff Statement for Omex settlement	1.30
01/31/2011	JPF	Preliminary discharge instructions and email to Tony Van Klink to advise on applicable BC mechanics;	0.10
02/01/2011	MC	File Personal Property Security Act registration discharge against Ref. File No. 650663955 (Omex Manufacturing);	0.25
02/01/2011	AVK	E-mails to and from Mr. Rutman regarding completion of ATS distribution; receipt of ATS documents and review of same; e-mails to and from and telephone call with lawyer for Comerica re completion of Omex settlement; telephone call with lawyer for Omega re settlement of motion; instructions regarding discharge of Omex security	1.30
02/01/2011	JPF	Receive instructions to discharge and instruct legal assistant; confirm discharge; email to report and seek further instructions;	0.20

Date	Initials	Description	Hours
02/01/2011	KU	Received instructions; attend to file discharge of PPR base reg no. 755780E; obtain verification statement; conduct a post-registration personal property registry search against Omex Manufacturing Ltd.; provide results to J. Ferber.	0.30
02/02/2011	SK	E-mail from Mr. Grossman; E-mail to Mr. Grossman; E-mail from Mr. Grossman; E-mail to Mr. Rutman;	0.30
02/03/2011	AVK	Review documents relating to Miller Electric repairer's lien claim and conference call with Mr. Rutman and Ms. Kettle thereon	1.00
02/03/2011	SK	Telephone conference with Mr. Van Klink and Mr. Rutman re Miller's Electric;	0.50
02/04/2011	CM	Attend at agency of the Bank of Canada to file certificate of release;	0.50
02/06/2011	AVK	Receipt of discharge of British Columbia PPSA registration for Omex and e-mail thereon to counsel for Comerica and Omex	0.10
02/07/2011	AVK	E-mail to and from Mr. Baty; receipt of Bank Act discharge and e-mail to counsel for Comerica and Omex thereon	0.20
02/07/2011	SK	Review and organize documents; Draft letter to Mr. Grossman re Miller's Electric;	0.30
02/08/2011	SK	Finalize and fax letter to Mr. Grossman;	0.10
02/09/2011	SK	Review e-mail from Mr. Rutman re Miller's Electric; E-mail to Mr. Van Klink re same; Review e-mail and documents from Mr. Grossman re Miller's Electric; E-mail to Mr. Grossman re same;	0.40
02/10/2011	SK	Email from/to Mr. Allan Rutman re Aalbers; Prepare letter to Mr. Pierdomenico;	0.20
02/11/2011	SK	E-mail from Mr. Grossman;	0.10
02/22/2011	AVK	Review decision of Justice Cumming re entitlement to operating profits; e-mail to Mr. Rutman	0.20
02/22/2011	SK	Review endorsement of Justice Cummings; Spoke with Mr. Van Klink; Prepare letter to Mr. DiPierdomenico re cross-examinations; E-mail to Mr. Westfall;	0.60
02/23/2011	SK	Review letter from Mr. DiPierdomenico; Spoke with Mr. Van Klink; Prepare letter to Mr. DiPierdomenico; Review e-mail from Mr. Park; E-mail to Mr. Rutman re same; E-mail from Mr. Westfall; e-mail to Mr. Westfall re cross-examination;	0.60
02/26/2011	SK	Draft opinion re Omega;	1.60
TOTAL HOURS			134.40

**OUR FEE:** **\$49,709.50**

**TAXABLE DISBURSEMENTS**

Couriers	70.79	
Mileage/Parking	179.65	
Travel	628.22	
Copywork	720.35	
Long Distance Telephone	43.59	
Postage	1.25	
Fax	4.50	
Binding and Tabbing	2.90	
Secretarial Services	45.33	
BC Online/ PPR Reg Services	0.00	
BC Online/ PPR Srch Services	14.00	
PPSA Registration - OnCorp Fee	12.00	
Long Distance Telephone -Bell Confere	3.04	
<b>TOTAL TAXABLE</b>	1725.62	<b>\$1,725.62</b>

**NON-TAXABLE DISBURSEMENTS**

Issue Notice of Motion	127.00	
<b>TOTAL NON-TAXABLE</b>	127.00	<b>\$127.00</b>

**TOTAL FEES AND DISBURSEMENTS:** **\$51,562.12**

**Harmonized Sales Tax (R119440766)**

On Fees		\$6,461.77
On Disbursements		\$224.33

**TOTAL AMOUNT DUE:** **\$58,248.22**

E.&O.E.

BANK OF MONTREAL  
Applicant and ACS PRECISION COMPONENTS  
Respondent

Court File No: 10-8702-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

Proceeding commenced at Toronto

**AFFIDAVIT OF SHERRY KETTLE**

MILLER THOMSON LLP  
ONE LONDON PLACE  
255 QUEENS AVENUE, SUITE 2010  
LONDON, ON CANADA N6A 5R8

Tony Van Klink LSUC#: 29008M  
Tel: 519.931-3509  
Fax: 519.858.8511

Lawyers for Zeifman Partners Inc.



**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

B E T W E E N:

**BANK OF MONTREAL**

Applicant

- and -

**ACS PRECISION COMPONENTS PARTNERSHIP**

Respondent

**AFFIDAVIT OF DAVID ULLMANN**

I, DAVID ULLMANN, of the City of Toronto, in the Province of Ontario, **MAKE OATH AND SAY:**

1. I am a partner at the law firm of Minden Gross LLP ("MG") and as such have personal knowledge of the matters to which I hereinafter depose.
2. By Order of the Honourable Mr. Justice Campbell dated May 6, 2010, Zeifman Partners Inc. (the "Receiver") was appointed as receiver without security of all of the assets, undertakings and properties of ACS Precision Components Partnership ("ACS") acquired for, or used in relation to a business carried on by ACS.
3. Pursuant to the Order of the Honourable Mr. Justice Cumming dated January 6, 2011, Raymond Slattery of MG was appointed as representative counsel (the "Representative Counsel") for the unsecured creditors in respect of the issue of the distribution of operating income generated during the Receivership which Motion was heard by the Court on January 20, 2011.
4. This Affidavit is made in support of a motion for, *inter alia*, the approval of the fees and disbursements of MG as Representative Counsel for the period from September 7, 2010 to January 21, 2011 (the "Accounts"). Attached and marked as **Exhibit "A"** to this Affidavit are true copies of the Accounts rendered to the Receiver by MG, in the amount of \$60,862.15, including disbursements and HST, such accounts being summarized below.

<u>Personnel</u>	<u>Hours</u>	<u>Rate</u>	<u>Total</u>
R. Slattery	37.6	\$625.00	\$23,500.00
R. Slattery	3.7	\$600.00	2,220.00
D. Ullmann	34.9	\$460.00	16,054.00
D. Ullmann	2.0	\$440.00	880.00
G. Lewis	0.8	\$340.00	272.00
M. McCready	21.2	\$260.00	5,512.00
T. McHarg	0.2	\$75.00	15.00
<b>Total Professional Fees</b>	<b>100.4</b>	<b>Average (\$482.60)</b>	<b>\$48,453.00</b>
Total Disbursements			5,419.04
<b>Total Fees and Disbursements (excluding HST)</b>			<b>53,872.04</b>
HST			6,990.11
<b>Total Fees and Disbursements (Including HST)</b>			<b>\$60,862.15</b>

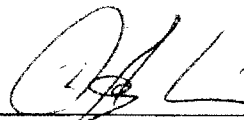
5. The detailed time docket and accounts attached as Exhibit "A" are a fair and accurate description of the services provided and the amounts charged by MG.
6. Given the nature of this insolvency proceeding, I believe the hours and rates of MG are reasonable and comparable to other firms in the greater Toronto area and in southwestern Ontario for insolvency work of this nature.
7. MG requests that the Court approve its professional fees in the amount of \$48,453.00, disbursements of \$5,419.04 and HST of \$6,990.11, for a total of \$60,862.15, for services rendered and recorded from September 7, 2010 to January 21, 2011.

SWORN BEFORE ME at the City of Toronto, in the Province of Ontario, on April 14, 2011.



Commissioner for taking affidavits

MATT MALICK



DAVID ULLMANN

Attached is Exhibit "A" to the  
Affidavit of David Ullmann sworn the 14 day  
of April, 2011.

A handwritten signature in black ink, appearing to be 'M' or similar, written above a horizontal line.

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A Commissioner, Etc.



MINDEN GROSS LLP  
BARRISTERS & SOLICITORS  
145 KING STREET WEST, SUITE 2200  
TORONTO, ON, CANADA M5H 4G2  
TEL 416.362.3711 FAX 416.864.9223  
www.mindengross.com

IN ACCOUNT WITH  
DATE 27-Jan-11  
FILE NUMBER 4073393  
GST/HST Reg. # 11943 7556 RT  
  
INVOICE # 311035

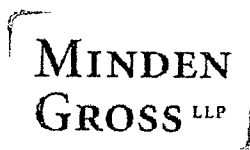
**PERSONAL AND CONFIDENTIAL**

Zeifman Partners Inc.  
201 Bridgeland Avenue  
North York, ON M6A 1Y9  
Attn: Allan Rutman

Re: ACS Precision Components Partnership  
To Professional Services Rendered  
from September 7, 2010 to January 21, 2011

To Professional Services:		
Our Fees:	\$48,453.00	
Disbursements:	5,419.04	
Total Fees and Disbursements:	<u>\$53,872.04</u>	\$53,872.04
GST/HST Tax:		
On Professional Fees:	\$6,298.89	
On Taxable Disbursements:	691.22	
Total GST/HST Tax:	<u>\$6,990.11</u>	6,990.11
<b>TOTAL DUE ON THIS ACCOUNT:</b>		<b>\$60,862.15</b>

ACCOUNTS DUE WHEN RENDERED. ALL AMOUNTS OVERDUE 30 DAYS OR MORE WILL BEAR INTEREST AT THE RATE OF 0.8% PER ANNUM AS PROVIDED FOR IN SECTION 127 OF THE COURTS OF JUSTICE ACT, R.S.O. 1990, PURSUANT TO THE SHERBROOK ACT.



FILE NUMBER 4073393

## TO PROFESSIONAL SERVICES RENDERED in connection with the above-noted matter:

7-Sep-10	Ullmann, D.	Review Order;
7-Dec-10	Slattery, R.	Telephone call with A. Rutman; Receive and review draft report;
8-Dec-10	Slattery, R.	Review report; Telephone call with A. Rutman; Telephone call T. Dunn;
9-Dec-10	Slattery, R.	Emails and telephone calls with receiver's counsel; Review report; Telephone call with A. Rutman;
10-Dec-10	Slattery, R.	Receive and review further package re unsecureds and accommodation agreements;
13-Dec-10	Slattery, R.	Telephone call with A. Rutman; Review package for motion;
13-Dec-10	Ullmann, D.	Met with Ray Slattery;
14-Dec-10	Slattery, R.	Telephone call with A. Rutman; Telephone call with C. Peddle; Telephone call with D. Ullmann;
16-Dec-10	Ullmann, D.	Draft e-mail and review e-mail re rep counsel Court dates;
17-Dec-10	Ullmann, D.	Met with Ray Slattery;
19-Dec-10	Ullmann, D.	Review file;
21-Dec-10	Ullmann, D.	Court re Motion; review file;
22-Dec-10	Ullmann, D.	Review Court materials;
23-Dec-10	Ullmann, D.	Review file; draft e-mail to Ray Slattery;
31-Dec-10	Ullmann, D.	Review e-mail and draft e-mail to Ray Slattery re January 6, 2011 Motion;
3-Jan-11	Slattery, R.	Review receiver's reports and prepare for motion;
4-Jan-11	Slattery, R.	Review motion materials and authorities re unsecureds;
4-Jan-11	Slattery, R.	Memo from D. Ullmann; Review precedent orders;
4-Jan-11	Ullmann, D.	Draft e-mail and review e-mail from Sherry Kettle; draft Order; met with Ray Slattery; prepare for Court;
5-Jan-11	Slattery, R.	Emails re REP order; Prepare for motion;
5-Jan-11	Slattery, R.	Review creditors list and revised order; Review Zeifman's website re proceedings to date;
5-Jan-11	Ullmann, D.	Review materials; met with Melissa McCready; review revised Order;
5-Jan-11	McCready, Melissa	Receive instructions re: research; Review motion material
6-Jan-11	Slattery, R.	Prepare for and attend motion before Cumming, J.; Various emails from stakeholders;
6-Jan-11	Slattery, R.	Review accommodation agreement, financial information; Various emails from counsel; Review and revise reporting letter;
6-Jan-11	Ullmann, D.	Prepare for Court; attend Court re Rep Order; draft e-mail to Sherry Kettle; review unsecured list; draft letter;
7-Jan-11	Slattery, R.	Telephone call with A. Rutman; Review package for clients;



FILE NUMBER 4073393

7-Jan-11	Lewis, G	Communications with D.T. Ullmann re accommodation agreement precedents; review precedents and deliver 2 copies;
7-Jan-11	Mccready, Melissa	Research re: January 20th motion, unsecured creditors and surplus funds
9-Jan-11	Slattery, R.	Dictate memo; Prepare for motion;
9-Jan-11	Mccready, Melissa	Research re: premium for insolvency professionals; rectification of mistake; surplus of funds in receivership
10-Jan-11	Slattery, R.	Review appointment order record and factum; Prepare memo; Review correspondence;
10-Jan-11	Slattery, R.	Receive and review receiver motion materials;
10-Jan-11	Ullmann, D.	Telephone call to and telephone call from Brett Harrison; telephone call with and draft e-mail to counsel of unsecured creditors;
11-Jan-11	Slattery, R.	Various emails with creditors; Review reports and background documents;
11-Jan-11	Slattery, R.	Review reports, records etc; Dictate memo; Various emails;
11-Jan-11	Mccready, Melissa	Research re: case law for upcoming motion
11-Jan-11	Mcharg, Terry	Conducted Corporation Profile Report searches x 2 re: 1455135 Ontario Inc. and 1162883 Ontario Limited;
12-Jan-11	Slattery, R.	Various emails with counsel and creditors; Review further reports;
12-Jan-11	Slattery, R.	Review creditors list; Dictate memo; Various emails from creditors; Review further documents re motion;
12-Jan-11	Ullmann, D.	Research; telephone call from Brett Harrison;
13-Jan-11	Slattery, R.	Numerous emails and telephone calls from various unsecured creditors and counsel; Review and revise memo re motion;
13-Jan-11	Slattery, R.	Prepare proposed responding record; Various emails re motion; Prepare for motion;
13-Jan-11	Ullmann, D.	Attend to Factum; review previous Receiver Reports; met with Ray Slattery; research;
13-Jan-11	Mccready, Melissa	Research re: case-law for upcoming motion; Memo re: research and accommodation agreements
14-Jan-11	Slattery, R.	Review case law for motion; Numerous emails and telephone calls from various creditors;
17-Jan-11	Slattery, R.	Numerous emails re motion with creditors and counsel; Prepare compendium; Review and revise factum;
17-Jan-11	Slattery, R.	Telephone calls with counsel; Receive and review records (x3); Review case law; Review and revise factum;
17-Jan-11	Ullmann, D.	Multiple e-mails; review multiple e-mails from clients; research; review Opco materials; draft Factum and Compendium;
17-Jan-11	Mccready, Melissa	Review/revise factum re: case-law and citations; Research re: future misrepresentation
18-Jan-11	Slattery, R.	Various emails and telephone calls from counsel and creditors; Revise and finalize factum, compendium and brief; Receive and review motion records;



FILE NUMBER 4073393

18-Jan-11	Slattery, R.	Prepare for motion; Receive and review factums (x3), briefs of authorities;
18-Jan-11	Ullmann, D.	Review Factum; research; telephone call with Total Plastics; draft e-mail to Alger; review e-mail from Alger;
19-Jan-11	Slattery, R.	Numerous emails; Receive and review further record; Review factums (x2); Review case briefs;
19-Jan-11	Slattery, R.	Prepare for motion;
19-Jan-11	Ullmann, D.	Multiple e-mail with Alger; read cases from Opeco;
19-Jan-11	Mccready, Melissa	Review and summarize case law re: factum of customers
20-Jan-11	Slattery, R.	Prepare for and attend court before Cumming, J.;
20-Jan-11	Ullmann, D.	Prepare for Court; attend Court;
21-Jan-11	Ullmann, D.	Draft form letter to clients advising as to outcome of Motion; draft e-mail to Receiver;

Our Fee:	48,453.00
GST/HST:	6,298.89

Total Fees and GST/HST:	<u>54,751.89</u>
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## Disbursements:

Agent Service/Filing/Registration Fees	89.00
Black Binders/Binding	115.95
Deliveries	2,499.69
Fax Charges	34.59
File Notice of Appearance - Non Taxable	102.00
Litigation Transaction Levy	50.00
Photocopy/Document Impression	2,479.75
Postage Charges/Registered Mail	2.15
Search Corporate - Profile Report	38.00
Telephone Long Distance Charges	7.91

Total Disbursements:	<u>5,419.04</u>
GST/HST on taxable disbursements:	691.22

<u>5,419.04</u>	<u>6,110.26</u>
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TOTAL DUE ON THIS ACCOUNT:

56,862.15



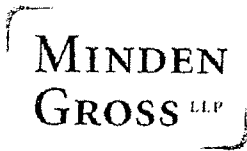
FILE NUMBER 4073393

PRE-BILL SUMMARY INFORMATION

Name	Professional Category	Area of Legal Expertise	Rate Per Hour	Region	Total Hours	Total Value
Slattery, R.	Senior Partner	LITIGATION	625.00	Tor.	37.60	\$23,500.00
Slattery, R.	Senior Partner	LITIGATION	600.00	Tor.	3.70	\$2,220.00
Ullmann, D.	Senior Partner	BANKRUPTCY	460.00	Tor.	34.90	\$16,054.00
Ullmann, D.	Senior Partner	BANKRUPTCY	440.00	Tor.	2.00	\$880.00
Lewis, G	Senior Assoc	BANKRUPTCY	340.00	Tor.	0.80	\$272.00
McCready, Melissa	Junior Assoc	LITIGATION	260.00	Tor.	21.20	\$5,512.00
McHarg, Terry	Clerk-CorpServ	CORP.SERVICES	75.00	Tor.	0.20	\$15.00
				<b>Totals:</b>	<b>100.4</b>	<b>\$48,453.00</b>

ACCOUNTS DUE WHEN RENDERED. ALL AMOUNTS OVERDUE 30 DAYS OR MORE WILL BEAR INTEREST AT THE RATE OF 0.5% PER ANNUM AS PROVIDED FOR IN SECTION 128 OF THE COURTS OF JUSTICE ACT, R.S.O. 1990, PURSUANT TO THE SOLICITORS ACT.





MINDEN GROSS LLP  
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**REMITTANCE PAGE**

IN ACCOUNT WITH  
DATE 27-Jan-11  
FILE NUMBER 4073393  
GST/HST Reg. # 11943 7556 RT  
INVOICE # 311035

**PERSONAL AND CONFIDENTIAL**


Zeifman Partners Inc.  
201 Bridgeland Avenue  
North York, ON M6A 1Y9  
Attn: Allan Rutman

*For professional services rendered in connection with the above-noted matter.*

Our Fees	48,453.00
GST/HST	6,298.89
Disbursements	5,419.04
GST/HST on taxable disbursements	691.22
<b>TOTAL AMOUNT DUE ON THIS ACCOUNT</b>	<b>\$60,862.15</b>

For payment by wire transfer requiring our banking information please contact Accounts Receivable at (416) 369-4328.

ACCOUNTS DUE WHEN RENDERED, ALL AMOUNTS OVERDUE 30 DAYS OR MORE WILL BEAR INTEREST AT THE RATE OF 6% PER ANNUM AS PROVIDED FOR IN SECTION 125 OF THE COURTS OF JUSTICE ACT, R.S.O. 1990, PURSUANT TO THE SOLICITORS ACT.

 MERITAS LAW FIRMS WORLDWIDE

BANK OF MONTREAL  
Applicant

and ACS PRECISION COMPONENTS  
Respondent

Court File No: 10-8702-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

Proceeding commenced at Toronto

**AFFIDAVIT OF DAVID ULLMANN**

MILLER THOMSON LLP  
ONE LONDON PLACE  
255 QUEENS AVENUE, SUITE 2010  
LONDON, ON CANADA N6A 5R8

Tony Van Klink LSUC#: 29008M  
Tel: 519.931-3509  
Fax: 519.858.8511

Lawyers for Zeifman Partners Inc.