

JULY 2107

The sale approved with Keystone Industries LLC did not proceed. It has been served with this motion record but did not appear.

I am satisfied that the relief requested should be granted in the circumstances outlined. The market was canvassed before the approval of the Keystone agreement + the Receiver has made sufficient effort to obtain the best price for the assets. It has not acted imprudently. There has been no unfairness in the process which was conducted with efficacy + integrity + in consideration of the interests of shareholders. The Respondent has ceased operations. Originally the Receiver had received 2 offers + final proposals from 3 liquidators. After the Keystone transaction did not proceed, the Receiver contacted the Auction Services Agreement with Premier Asset Recovery Group Inc. This was the best

GENERAL MOTORS CORPORATION

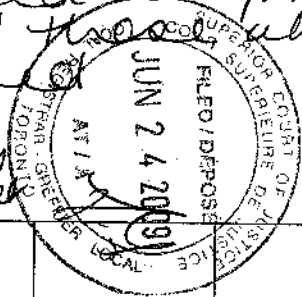
Applicant

and

NIAGARA MACHINE PRODUCTS CORPORATION

Respondent

Court File No.: CV-08-7915-00CL



ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced at Toronto

MOTION RECORD
(RETURNABLE JULY 2, 2009)

ThorntonGrouitFinnigan LLP
Barristers and Solicitors
Suite 3200, P.O. Box 329
Canadian Pacific Tower
Toronto-Dominion Centre
Toronto, Ontario M5K 1K7

James H. Grouit (LSUC# 227411H)
Tel: 416-304-0557
Seema Aggarwal (LSUC# 50674J)
Tel: 416-304-0603
Fax: 416-304-1313

Lawyers for Zeifman Partners Inc., in its capacity as the Court-appointed Receiver and Manager, without security, of all of the property, assets and undertaking of Niagara Machine Products Corporation

proposal that the receiver received.
No one has attended today to
oppose the relief requested + I
am granting the requested order
as amended. The checked
copy of the Auction Sales Agreement
etc to be sealed pending closing of
the transaction or further order
of this court. It dangerously
contains commercially sensitive
material the release of which
would be detrimental to the
integrity of the process. See
SCC decision in Sierra Club

hasty, the receiver may
destroy the listed records of
the respondent on the expiry
of 30 days. In the interim,
the receiver is to forthwith
serve a copy of the order
on the shareholders of the
respondent.

Griffith, J.