



Court File No. CV-14-10573-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE MR.)

JUSTICE PENNY)

TUESDAY, THE 16th DAY

OF SEPTEMBER, 2014

IN THE MATTER OF THE *COMPANIES' CREDITORS*
ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF KK PRECISION INC.

ORDER

THIS MOTION made by the applicant, KK Precision Inc. ("**KKP**" or the "**Company**"), pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"), for an order, *inter alia*, (i) declaring that the time for service of the Notice of Motion and the Motion Record be abridged so that this motion is properly returnable, (ii) approving an interim distribution by the Company to the Bank of Montreal and BMO Capital Partners, in their capacity as secured creditors of KKP (the "**Secured Lenders**"), subject to maintaining a Holdback (as defined below); (iii) authorizing KKP to make such subsequent distributions to the Secured Lenders that the Company, in consultation with Richter Advisory Group Inc. in its capacity as Court-appointed monitor of the Company (the "**Monitor**"), determines are appropriate, subject to the Company maintaining a portion of the Holdback to finalize the wind-down of its operations; and (iv) extending the Stay Period, as defined in the Order of The Honourable Mr. Justice Wilton-Siegel made in these proceedings on May 30, 2014 (the "**Initial Order**"), until November 28, 2014, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit Garth Wheldon sworn September 10, 2014 and the Third Report of the Monitor dated September 10, 2014 and on hearing the submissions of counsel for the Company, the Monitor, and the Secured Lenders, no one appearing for any other person on the service list, although properly served as appears from the affidavit of Christopher Blake Moran sworn September 11, 2014, filed:

SERVICE

1. **THIS COURT ORDERS AND DECLARES** that the time for service of the Notice of Motion and Motion Record herein be and is hereby abridged such that this motion is properly returnable today and that all parties entitled to notice of the Motion have been duly served, and that any requirement for service of the Notice of Motion and Motion Record upon any party other than the parties served is unnecessary and hereby dispensed with and that the service of the Notice of Motion and Motion Record is hereby validated in all respects.

INTERIM DISTRIBUTIONS

2. **THIS COURT ORDERS** that, subject to the Company maintaining a holdback of approximately \$1,764,000 (the “**Holdback**”), the Company is hereby authorized to make an interim distribution to the Secured Lenders in the amount of \$6,000,000.

3. **THIS COURT ORDERS** that the Company is hereby authorized to make such subsequent distributions to the Secured Lenders that the Company, in consultation with the Monitor, determines are appropriate, provided that a relative portion of the Holdback is retained to account for the wind-down expenses of the Company.

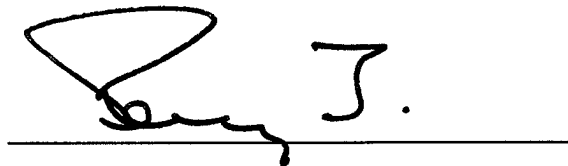
EXTENSION OF STAY

4. **THIS COURT ORDERS** that the Stay Period as defined in the Initial Order be and is hereby extended until November 28, 2014.

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

SEP 16 2014

NB



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Applicant

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at TORONTO

**ORDER
(September 16, 2014)**

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Sept 16-14

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MOTION RECORD
(returnable September 16, 2014)

Sept 16, 2014
to Kraft
S. Rogers
I Assess

Order to mine in Re form
agreed by me. I am satisfied
with the provisions for retention
of the shop and the other
related together. Landlord down
not oppose at this point.

[Handwritten signature]

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