

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF KK PRECISION INC. (the "**Applicant**")

FOURTH REPORT OF
RICHTER ADVISORY GROUP INC.
IN ITS CAPACITY AS MONITOR OF
KK PRECISION INC.

November 6, 2014

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TAB 1

RICHTER

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KK PRECISION INC.

**FOURTH REPORT OF RICHTER ADVISORY GROUP INC.,
IN ITS CAPACITY AS MONITOR OF
KK PRECISION INC.**

NOVEMBER 6, 2014

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**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

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

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

**FOURTH REPORT OF RICHTER ADVISORY GROUP INC.
In its capacity as Monitor of KK Precision Inc.**

November 6, 2014

Introduction

1. On May 30, 2014, the Ontario Superior Court of Justice (Commercial List) (the "**Court**") issued an order (the "**Initial Order**") granting KK Precision Inc. (the "**Company**") protection pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"). Pursuant to the Initial Order, Richter Advisory Group Inc. ("**Richter**") was appointed the Company's monitor (the "**Monitor**"). The Initial Order provided the Company with, *inter alia*, a stay of proceedings until June 29, 2014 (the "**Stay Period**"). The proceedings commenced by the Company under the CCAA are herein referred to as the "**CCAA Proceedings**". A copy of the Initial Order is attached as Exhibit "A" to the affidavit of G. Wheldon sworn November 5, 2014 in support of the Company's motion returnable November 13, 2014 (the "**Wheldon Affidavit**").
2. The principal purpose of the CCAA Proceedings was to allow the Company to implement an orderly wind-down of its operations. The orderly wind-down included production activities for a period of time to, among other things, permit key customers the opportunity to source alternative supply, and a process to solicit offers from interested parties to purchase the Company's business and/or assets with a view to maximizing value for all stakeholders.

3. On June 25, 2014, the Court issued an order (the "**June 25 Order**"), among other things, extending the Stay Period to September 19, 2014, and approving the process proposed by the Company to solicit offers for the Company's business and/or assets. A copy of the June 25 Order is attached as Exhibit "B" to the Wheldon Affidavit.
4. On August 5, 2014, the Court issued an order (the "**August 5 Order**"), among other things, approving a Liquidation Services Agreement ("**LSA**") entered into between the Company and Infinity Asset Solutions Inc. ("**Infinity**") to complete an auction of the Company's machinery and equipment (the "**Auction**"). A copy of the August 5 Order is attached as Exhibit "C" to the Wheldon Affidavit.
5. On September 16, 2014, the Court issued an order (the "**September 16 Order**"), among other things, extending the Stay Period to November 28, 2014, and approving an interim distribution (the "**Interim Distribution**") to the Bank of Montreal ("**BMO**") and BMO Capital Partners (collectively with BMO, the "**Secured Lenders**"). A copy of the September 16 Order is attached as Exhibit "D" to the Wheldon Affidavit.

Purpose of this Report

6. The purpose of this report (the "**Fourth Report**"), is to provide information to the Court in respect of the following:
 - (i) The activities of the Company and the Monitor since September 10, 2014 (the date of the Third Report of the Monitor) to the date of this Fourth Report;
 - (ii) The Company's actual cash flows for the period from May 10, 2014 to October 31, 2014, including a comparison of actual to forecast results;
 - (iii) The status of discussions/negotiations between the Company and 2215225 Ontario Inc. ("**2215225**" or the "**Landlord**") regarding the Company's leased premises located at 104 Oakdale Road, Toronto, Ontario (the "**Premises**"), including the key terms of a Settlement Agreement and Mutual Release dated September 17, 2014, between the Company and 2215225 (the "**Landlord Settlement and Release**");
 - (iv) The results of the Auction;

- (v) The sale of certain Company tooling (the "**Rolls Royce Tooling**") used for the manufacture of component parts ("**Component Parts**") for Rolls-Royce Canada Ltd. ("**Rolls Royce**") to Rolls Royce, as provided for in the accommodation agreement between Rolls Royce (and others) and the Company (the "**Rolls Royce Accommodation Agreement**") approved in the Initial Order;
- (vi) The Company's request to terminate the CCAA Proceedings; and
- (vii) The Monitor's support for the Company's request that this Honourable Court grant an Order(s):
 - a) Approving the Landlord Settlement and Release;
 - b) Vesting, in Rolls Royce, all of the Company's right, title and interest in and to the Rolls Royce Tooling and the intellectual property related to the manufacture of the Component Parts, free and clear of any encumbrances or third-party rights (the "**Vesting Order**");
 - c) Authorizing and directing the Company and the Monitor to distribute, without further order of this Court, all funds held by the Company or the Monitor in trust for the Company including, without limitation, all of the proceeds received pursuant to the LSA as follows:
 - I. First, to satisfy any claims secured by the Administration Charge granted by the Initial Order, up to the maximum amount of \$250,000;
 - II. Second, to satisfy claims secured by the Directors' Charge, if any, granted by the Initial Order, up to the maximum amount of \$100,000;
 - III. Third, a payment of \$250,000 to the Monitor to be held in trust to satisfy any expenses; and
 - IV. Lastly, the remaining funds to the Secured Lenders.

- d) Terminating the Administration Charge and the Directors' Charge upon the filing, by the Monitor, with this Court of a certificate certifying that all matters to be attended to in connection with the CCAA Proceedings have been completed to the satisfaction of the Monitor (the "**Discharge Certificate**");
- e) Terminating the CCAA Proceedings upon the filing of the Discharge Certificate;
- f) Discharging the Monitor, subject to the Monitor completing certain remaining duties;
- g) Approving the report of Richter, in its capacity as proposed monitor dated May 29, 2014 (the "**Pre Filing Report**"), the Monitor's First Report dated June 24, 2014 (the "**First Report**"), the Monitor's Second Report dated July 25, 2014 (the "**Second Report**"), the Supplement to the Monitor's Second Report dated July 31, 2014 (the "**Supplemental Report**"), the Monitor's Third Report dated September 10, 2014 (the "**Third Report**"), and this the Fourth Report (collectively, the "**Reports**"), and the activities, actions and conduct of Richter and the Monitor set out therein. A copy of the Pre Filing Report, the First Report, the Second Report, the Supplemental Report and the Third Report are attached as Exhibits "E", "F", "G", "H" and "I" respectively to the Wheldon Affidavit; and
- h) Approving the Monitor's fees and disbursements for the period from May 9, 2014 to October 31, 2014 and those of the Monitor's counsel, Chaitons LLP ("**Chaitons**"), for the period from May 14, 2014 to October 31, 2014, plus estimated amounts required to complete the administration of these CCAA Proceedings up to and including the effective date of the Monitor's discharge (the "**Completion Fee Estimate**").

Terms of Reference

- 7. In preparing this Fourth Report, the Monitor has relied on, among other things, unaudited financial information prepared by the Company's representatives, the Company's books and records, discussions with management and discussions with the Company's advisors. The Monitor has not conducted an audit or other verification of such information.
- 8. Unless otherwise stated, all monetary amounts noted herein are expressed in Canadian dollars.

The Company's Activities

9. The activities of the Company since the commencement of the CCAA Proceedings to September 10, 2014 are detailed in the First Report, the Second Report, the Supplemental Report and the Third Report. Subsequent to the filing of the Third Report, the Company's activities have included:
- (i) Preparing a final reconciliation of weekly production reports for Rolls Royce;
 - (ii) Working cooperatively with Infinity to prepare for and conduct the Auction, which took place on September 10, 2014, as well as assisting with the subsequent disassembly and removal of the Company's machinery and equipment;
 - (iii) Undertaking and contracting for certain repairs at the Premises in anticipation of the Company vacating the Premises on September 30, 2014;
 - (iv) Continuing to communicate with the Landlord and its counsel regarding the Company's lease for the Premises, which expired on September 30, 2014, including the negotiation of the Landlord Settlement and Release which, among other things, released the Company of its obligations to perform certain remediation work at the Premises (the "**Restoration Obligations**");
 - (v) Completing the wind-down of the Company's operations, including the termination of all of the Company's remaining employees effective September 30, 2014. The Company has, however, retained both Mr. G. Wheldon and Z. Badiguian, on a contract basis, commencing October 1, 2014 to provide services to KKP on an "as needed" basis to assist with and/or complete any outstanding matters in connection with both the wind-down of the Company and the conclusion the CCAA Proceedings.
 - (vi) Responding to calls and enquiries from creditors and other stakeholders regarding the CCAA Proceedings;
 - (vii) Reporting receipts and disbursements;
 - (viii) Making payments to suppliers for goods and services received following the issuance of the Initial Order; and
 - (ix) Consulting with the Monitor on various matters in connection with the CCAA Proceedings.

The Monitor's Activities

10. The activities of the Monitor from the commencement of the CCAA Proceedings up to September 10, 2014 are detailed in the First Report, the Second Report, the Supplemental Report, and the Third Report. Subsequent to the filing of its Third Report, the Monitor's activities have included:
 - (i) Collecting and dispersing monies received, in trust, from Rolls Royce to the Company in accordance with the terms of the Rolls Royce Accommodation Agreement;
 - (ii) Assisting the Company in preparing its final reconciliation of weekly production reports for Rolls Royce, including an analysis of the funds remaining in the Monitor's trust account for the benefit of both the Company and Rolls Royce;
 - (iii) Assisting the Company with the collection of accounts receivable due from Siemens Energy Inc. ("**Siemens**") and Pratt & Whitney Canada Corp. ("**Pratt**"), pursuant to the Company's respective accommodation agreements with each of Siemens and Pratt;
 - (iv) Attending frequently at the Premises and meeting with the Company's management team to discuss the Company's operations and the CCAA Proceedings;
 - (v) Corresponding and communicating extensively with the Company and its legal counsel;
 - (vi) Corresponding and communicating with the Secured Lenders and their legal counsel;
 - (vii) Facilitating and participating in discussions and negotiations between the Company and the Landlord regarding the Premises, including the terms of the Landlord Settlement and Release;
 - (viii) Responding to calls and enquiries from creditors and other stakeholders regarding the CCAA Proceedings;
 - (ix) Assisting the Company in the wind-down of its operations; and
 - (x) Preparing this Fourth Report.

Cash Flow for the Period from May 10, 2014 to October 31, 2014

11. The Monitor reported on the Company's cash flows for the period from May 10, 2014 to September 5, 2014 in its Third Report.
12. A comparison of the Company's actual cash flows vs. projected cash flows for the period May 10, 2014 to October 31, 2014 is summarized as follows:

KK Precision Inc.			
Cash Flow Variance Analysis			
25 Weeks Ended October 31st			
(\$000's)	Forecast	Actual	Variance
	31-Oct	31-Oct	\$
Cash Receipts	\$ 13,109	\$ 10,653	\$ (2,456)
<u>Cash Disbursements</u>			
Operating Expenses	(985)	(798)	187
Payroll & Benefits	(1,289)	(1,191)	98
Retention Payments	(441)	(475)	(35)
Rent & Property Taxes	(223)	(223)	-
Utilities & Insurance	(142)	(84)	58
Sales Tax Remittances	(688)	(227)	461
Site Remediation Costs	(260)	(240)	20
Professional Fees	(725)	(685)	40
Other	(390)	-	390
Total Disbursements	\$ (5,142)	\$ (3,923)	\$ 1,219
Net Cash Flow	\$ 7,967	\$ 6,730	\$ (1,237)
Distributions to Secured Lenders	n/a	(6,700)	(6,700)
Cash - Opening Balance	\$ 432	\$ 510	\$ 78
Cash - Closing Balance	\$ 8,399	\$ 540	\$ (7,859)

13. As reflected in the above summary table, the Company generated net cash flow of approximately \$6.7 million and had approximately \$0.5 million on hand, net of outstanding cheques, as of October 31, 2014.
14. The principal reasons for the \$1.2 million unfavourable net cash flow variance are:
 - (i) The negative variance of approximately \$2.5 million in receipts includes approximately \$1.5 million held, in trust, by the Monitor pending approval from Rolls Royce to release the funds to the Company. The remaining approximately \$1.0 million difference represents a permanent negative variance due to the manufacture/sale of fewer Component Parts than originally forecast; and

- (ii) The positive variance of approximately \$1.2 million in disbursements represents primarily permanent favorable variances in operating expenses, payroll costs and sales tax remittances.
15. To date, \$6.7 million has been distributed by the Company to the Secured Lenders in accordance with the September 16 Order.

The Landlord Settlement and Release

16. As noted in the Reports, the lease for the Premises expired on April 30, 2014 (the "**Lease**"). Prior to the commencement of the CCAA Proceedings, the Company negotiated a lease extension with the former owner of the Premises, which extended until September 30, 2014 (the "**Lease Extension**"). Subsequent to entering into the Lease Extension and following the commencement of the CCAA Proceedings, the Premises were sold to 2215225.
17. As also noted in the Reports, during the CCAA Proceedings a dispute developed between the Company and the Landlord regarding various matters in connection with the Lease/Lease Extension, including the Restoration Obligations (the "**Restoration Dispute**").
18. Following extensive discussions/negotiations, on September 17, 2014, the Company and the Landlord agreed to the terms of the Landlord Settlement and Release that, among other things, settled the Restoration Dispute.
19. The principal terms of the Landlord Settlement and Release, a copy of which is attached as Exhibit "J" to the Wheldon Affidavit, include:
- (i) The payment, by the Company, of \$100,000 to the Landlord (the "**Settlement Payment**");
 - (ii) The forfeiture, by the Company, of the \$100,000 security deposit the Landlord acquired as part of its purchase of the Premises;
 - (iii) The Landlord's agreement to release the Company from all obligations, liabilities, damages or claims, including the Restoration Obligations;
 - (iv) The Company, however, was not released from its obligations to ensure the safe removal of any equipment and machinery from the Premises or the obligation to repair any damage to the Premises from the removal of such items following the Auction;

- (v) The Company's obligation, if any, to safely remove any equipment and machinery from the Premises or the obligation to repair any damage to the Premises due to the removal of such items terminated upon the expiry of the Lease Extension (September 30, 2014).
- 20. Given that the estimated cost to complete the outstanding Restoration Obligations that the Company, in its view, considered its responsibility pursuant to the Lease and Lease Extension exceeded \$100,000 as well as the considerable delay and expense associated with the potential litigation of the Restoration Dispute, the Monitor considered the terms of the Landlord Settlement and Release to be fair and commercially reasonable in the circumstances.
- 21. The Secured Lenders agreed to the terms of the Landlord Settlement and Release and consented to the Company making the Settlement Payment to the Landlord.
- 22. The Company has complied with the terms of the Landlord Settlement and Release and vacated the Premises on September 30, 2014. Accordingly, the Company has no remaining obligations with respect to the Premises.
- 23. Based on the foregoing, the Monitor supports the approval of the Landlord Settlement and Release.

The Auction

- 24. On September 10, 2014, the Auction was conducted by Infinity at the Premises.
- 25. Immediately following the completion of the Auction, Infinity and the Company began coordinating the dismantling and removal of the equipment and machinery that was sold. Concurrent with the execution of the Landlord Settlement and Release, Infinity informed the Monitor that it had entered into an agreement with the Landlord that, among other things, provided Infinity additional time (subsequent to the expiry of the Lease Extension on September 30, 2014) to remove the Company's machinery and equipment and other assets from the Premises. As noted above, on September 30, 2014, the Company vacated the Premises and provided possession of the Premises to the Landlord.
- 26. The LSA provided for a net minimum guarantee ("**NMG**"), with the Company receiving 100% of the net sale proceeds in excess of the NMG and the expense amount provided for in the LSA.

27. Infinity has provided the Monitor with its final accounting of the Auction, which indicated that the total net proceeds of sale did not exceed the NMG. Accordingly, the net proceeds realized from the Auction were insufficient to provide any recovery in excess of the NMG in respect of the Company's machinery and equipment.

The Vesting Order

28. As noted in the Pre-Filing Report, the Company's major customer was Rolls Royce. As also detailed in the Pre-Filing Report, the Rolls Royce Accommodation Agreement provided (i) an effective mechanism to stabilize the Company's operations, (ii) the funding necessary to ensure continued production during the period of the Rolls Royce Accommodation Agreement, and (iii) Rolls Royce the time necessary to transition the supply of Component Parts sourced from the Company to alternate suppliers. A copy of the Rolls Royce Accommodation Agreement is sealed with the Court.
29. As contemplated by the Rolls Royce Accommodation Agreement, which was supported by the Monitor and approved by this Court in the Initial Order, the Company and Rolls Royce agreed to the terms for Rolls Royce's purchase of the Rolls Royce Tooling and intellectual property related to the manufacture of the Component Parts (the "**Intellectual Property**").
30. In accordance with sub-section 4(c) of the Rolls Royce Accommodation Agreement, the Company is required to seek the Vesting Order, which will vest all of the Company's right, title and interest, if any, in and to the Rolls Royce Tooling and the Intellectual Property in Rolls Royce, subject to Rolls Royce having made the KKP Tooling Payment (as such term is defined in the Rolls Royce Accommodation Agreement) free and clear of any encumbrances or third-party rights.
31. The Monitor confirms that it has received the KKP Tooling Payment and such payment is being held by the Monitor, in trust, pending the Company obtaining the Vesting Order.
32. This Court has previously approved the transaction contemplated by the Rolls Royce Accommodation Agreement on the terms set out therein. Accordingly, in order for the Company to comply with the terms of the Rolls Royce Accommodation Agreement, the Company is required to seek the Vesting Order.
33. Based on the foregoing, the Monitor supports the granting of the Vesting Order.

Termination of the CCAA Proceedings and the Discharge of the Monitor

34. The CCAA Proceedings to date have facilitated an orderly wind-down of the Company's operations and the sale of the Company's machinery and equipment. At this time, the Company has completely wound down all of its operations with the exception of a few remaining activities, including:
- (i) Preparing and filing the Company's Income Tax Return for 2014;
 - (ii) Filing the Company's monthly HST return for the month of October 2014 as well as any subsequent months, if necessary, and remitting the HST payable thereto in an amount currently estimated at approximately \$60,000;
 - (iii) Issuing T4's to the Company's terminated employees;
 - (iv) Paying all remaining outstanding accounts payable incurred by the Company subsequent to the granting of the Initial Order (the "**Outstanding Post Filing Obligations**"). As at the date of this Fourth Report, the Company estimates that, barring unforeseen circumstances, the amount required to satisfy the Outstanding Post Filing Obligations (exclusive of any outstanding professional fees) is estimated to not exceed \$50,000; and
 - (v) Distributing all remaining funds in the possession of the Company and/or the Monitor (after payment of the above and other amounts owing in connection with the CCAA Proceedings) to the Secured Lenders.
35. Once the funds in the Company's possession and the funds in the Monitor's trust account have been distributed, the Company will have no material assets. In addition, the Monitor understands that the Company has no interest in continuing the CCAA Proceedings following the completion of the above distributions.
36. As such, the Monitor is of the view that upon the distribution of the remaining funds in the possession of both the Company and the Monitor, the Company's and the Monitor's duties and responsibilities under the Orders granted in these CCAA Proceedings will have been completed, but for any matters that may be incidental to the termination of the CCAA Proceedings and payment of the outstanding remaining fees of the Monitor, its counsel and the Company's counsel. Accordingly, the Monitor believes it is appropriate for the CCAA Proceedings to be terminated.

37. Upon completion of all matters to be attended to in connection with the CCAA Proceedings to the satisfaction of the Monitor, the Monitor will file the Discharge Certificate with the Court certifying that all matters to be attended to in connection with the CCAA Proceedings have been completed to the satisfaction of the Monitor.
38. In addition to approval of the Monitor's activities and fees and disbursements (discussed further below), the Company's proposed Order includes a release of the Monitor from any liability that it has or may hereafter have by reason of, or in any way arising out of, the acts or omissions of the Monitor while acting in its capacity as Monitor upon the filing of the Discharge Certificate with this Court.

The Final Distribution

39. As noted above, as at October 31, 2014, the Company had approximately \$540,000 in its possession and the Monitor was holding approximately \$1.5 million, in trust (the "**Trust Money**"), for the Company.
40. Details of the Company's obligations to the Secured Creditors are set out in the Third Report, which was filed by the Monitor in connection with the Company's motion seeking the September 16 Order, which approved and authorized the Company to make the Interim Distribution.
41. As noted in the Third Report, as at August 31, 2014, the Company was indebted to the Secured Lenders in the amount of approximately \$13.15 million. The amount owing by the Company to the Secured Lenders has, however, been reduced by the \$6.7 million distributed by the Company to the Secured Lenders in accordance with the September 16 Order (see paragraph 15).
42. Based on a review of registrations made under the *Personal Property Security Act* (Ontario) (the "**PPSA**"), the following parties have registered their respective security interests against the personal property of the Company: Xerox Canada Ltd. ("**Xerox**") in respect of certain leased equipment, Orbian Financial Services II, Inc. ("**Orbian**") and River VI, L.P ("**River**" and together with Xerox and Orbian, the "**Other PPSA Registrants**"). The Secured Lenders have the earliest-in-time PPSA registrations against the Company, followed chronologically by Xerox, Orbian and River. The Monitor understands that each of the Other PPSA Registrants are on the service list in the CCAA Proceedings and will be provided with notice of the Company's motion returnable November 13, 2014.

43. As noted in the Third Report, the Monitor has obtained an independent, written legal opinion (the “**Security Opinion**”) from Chaitons, with respect to the validity and enforceability of the security granted by the Company to the Secured Lenders (the “**Security**”). Subject to the customary qualifications and limitations contained therein, it is Chaitons’ opinion that the Security is valid and enforceable against all of the Company’s personal property, which would include the proceeds from the Company’s assets subject to the LSA as well as any surplus cash flow from the Company’s operations.
44. The Security, however, is subject to certain prior charges and security interests or claims in respect of the Company’s property (the “**Priority Charges**”), which include:
- (i) The Administration Charge in the maximum amount of \$250,000 to secure the fees and disbursements incurred in connection with the Company’s CCAA Proceedings by the Monitor, Chaitons and legal counsel to the Company;
 - (ii) The Directors’ Charge in the maximum amount of \$100,000 for liabilities incurred by the Company that may result in post-filing claims against the directors and officers in their personal capacities; and
 - (iii) Statutory claims pursuant to the CCAA.
45. With the exception of the Priority Charges, neither the Company nor the Monitor is aware of any priority claims ahead of the security granted by the Company to the Secured Lenders.
46. Accordingly, the Monitor recommends that this Court grant an Order authorizing distributions of the funds in the possession of the Company and the Trust Money as follows:
- (i) First, to satisfy any claims secured by the Administration Charge granted by the Initial Order up to a maximum amount of \$250,000;
 - (ii) Second, to satisfy claims secured by the Directors’ Charge, if any, granted by the Initial Order up to a maximum amount of \$100,000;
 - (iii) Third, a payment of \$250,000 to the Monitor to be held in trust to satisfy any expenses; and
 - (iv) Lastly, the remaining funds to the Secured Lenders.

Approval of Monitor's Activities and Fees

47. The Monitor has reported on the status of the CCAA Proceedings and its actions and activities thereto, from time to time, in multiple Reports to this Honourable Court during the CCAA Proceedings. As detailed in the Reports, to the best of the Monitor's knowledge, the Monitor has completed its duties, as set out in the Initial Order and in subsequent Orders.
48. The Monitor and Chaitons have maintained detailed records of their professional time and costs. The Monitor is seeking approval of its fees and disbursements from the period May 9, 2014 to October 31, 2014 and those of Chaitons for the period from May 14, 2014 to October 31, 2014 (the "Periods") in connection with the performance of their duties in these CCAA Proceedings.
49. Pursuant to paragraph 30 of the Initial Order, any expenditure or liability properly made or incurred by the Monitor, including the fees and disbursements of the Monitor and the fees and disbursements of its legal counsel, were authorized to be paid on a periodic basis subject to any final assessment or taxation as may be ordered by the Court. In addition, an Administration Charge, in the amount of \$250,000, was granted as security for the professional fees and disbursements of the Monitor, the Monitor's counsel and the Company's counsel in respect of these CCAA Proceedings.
50. The total fees of the Monitor during the Periods amount to \$437,360.75, together with expenses and disbursements in the amount of \$14,981.04 (both excluding GST / HST) (collectively, the "**Monitor's Fees and Disbursements**"). The time spent by the Monitor's personnel during the Periods is more particularly described in the Affidavit of A. Adessky, sworn on November 6, 2014 in support hereof and attached as **Appendix "A"** to this report (the "**Adessky Affidavit**"). The Adessky Affidavit includes a summary of the personnel, hours, and hourly rates charged by the Monitor in respect of the within proceedings for the Periods.
51. The total fees for services provided by Chaitons during the Periods amount to \$21,676.00, together with expenses and disbursements in the amount of \$1,253.84 (both excluding GST / HST) (collectively, the "**Chaitons' Fees and Disbursements**"). The time spent by Chaitons personnel during the Periods is more particularly described in the Affidavit of H. Chaiton, sworn November 6, 2014 in support hereof and attached as **Appendix "B"** to this report (the "**Chaiton Affidavit**"). Included in the Chaiton Affidavit is a summary of the personnel, hours, and hourly rates charged by Chaitons in respect of the within proceedings for the Periods.

52. As at the date of this Fourth Report, the Monitor estimates that, barring unforeseen circumstances, the Completion Fee Estimate for the Monitor and Chaitons will not exceed \$90,000.00. Any monies remaining after payment of the fees and disbursements of the Monitor and its counsel to complete the administration of the CCAA Proceedings will be distributed to the Secured Lenders.
53. The Monitor respectfully submits that the Monitor's Fees and Disbursements and the Chaitons' Fees and Disbursements are reasonable in the circumstances and have been validly incurred in accordance with the provisions of the Initial Order. Accordingly, the Monitor now seeks the approval of the Monitor's Fees and Disbursements, the Chaitons' Fees and Disbursements as well as the Completion Fee Estimate.

Monitor's Conclusions and Recommendations

54. Based on the foregoing, the Monitor respectfully recommends that this Honourable Court make the Order(s) granting the relief detailed in paragraph 6(vii).

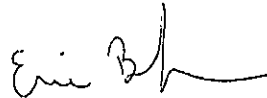
All of which is respectfully submitted this 6th day of November, 2014.

Richter Advisory Group Inc.
in its capacity as Monitor of
KK Precision Inc.

Per:



Adam Sherman, MBA, CIRP



Eric Barbieri, CPA, CA

APPENDIX “A”

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

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

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

AFFIDAVIT OF ANDREW ADESSKY

I, Andrew Adessky, of the City of Montreal, in the Province of Quebec, **MAKE OATH AND SAY** that:


1. I am a Partner of Richter Advisory Group Inc. ("**Richter**") and, as such, I have knowledge of the matters hereinafter deposed to except where stated to be on information and belief, and where so stated, I verily believe it to be true.
2. On May 30, 2014 (the "**Filing Date**"), the Ontario Superior Court of Justice (Commercial List) issued an order (the "**Initial Order**") granting KK Precision Inc. ("**KKP**", or the "**Company**") protection pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c C-36, as amended. Pursuant to the Initial Order, Richter was appointed as the Company's Monitor (the "**Monitor**").
3. During the CCAA proceedings, the Monitor has provided services and incurred disbursements, in the amount of \$437,360.75 and \$14,981.04 respectively (excluding harmonized sales tax ("**HST**") in the period from May 9, 2014 to October 31, 2014 (the "**Period**") with respect to services provided. Attached hereto and marked as **Exhibit "A"** to this my Affidavit is a summary of all invoices rendered by the Monitor on a periodic basis during the Period (the "**Accounts**").
4. True copies of the Accounts, which include a fair and accurate description of the services provided along with the hours and applicable rates claimed by the Monitor, are attached as **Exhibit "B"** to my Affidavit.

5. The Monitor has previously filed four reports with the Court with respect to the CCAA proceedings, including a supplement to the monitor's second report dated July 31, 2014 (the "**Previous Reports**"), in addition to a pre-petition report which was filed by Richter in its capacity as Proposed Monitor. Contemporaneous with the filing of this Affidavit, the Monitor is filing its fourth report to the Court with respect to the CCAA proceedings (the "**Fourth Report**"). Details of the activities undertaken and services provided by the Monitor in connection with the administration of the CCAA proceedings are described in the Previous Reports and the Fourth Report.
6. In the course of performing its duties pursuant to the provisions of the Initial Order, the Monitor's staff has expended a total of 970.65 hours during the Period. Attached as **Exhibit "C"** to this my Affidavit is a schedule setting out a summary of the individual staff involved in the administration of the CCAA and the hours and applicable rates claimed by the Monitor for the Period. The average hourly rate billed by the Monitor during the Period is \$450.59.
7. The total amount of professional fees and disbursements being claimed for work performed by the Monitor during the Period is \$452,341.79 (excluding HST).
8. The Monitor requests that this Honourable Court approve its Accounts for the Period, in the total amount of \$452,342 (excluding HST) for services rendered and recorded during the Period.
9. Chaitons LLP ("**Chaitons**"), as independent counsel to the Monitor, has provided legal services to the Monitor throughout the CCAA proceedings in a manner consistent with the instructions of the Monitor and have prepared an affidavit with respect to the services rendered during the period from May 14, 2014 to October 31, 2014. The Monitor has reviewed the invoices rendered by Chaitons during the period from May 14, 2014 to October 31, 2014.
10. The Monitor's fees and disbursements for the period from November 1, 2014 to completion of all work relating to the CCAA proceedings will be calculated and billed at the standard rates currently in effect. Barring unforeseen circumstances, I estimate that those fees and disbursements will not exceed \$70,000.00, excluding the fees and disbursements of legal counsel.
11. To the best of my knowledge, the rates charged by the Monitor and Chaitons are comparable to the rates charged for the provision of similar services by other accounting and law firms.
12. I verily believe that the fees and disbursements incurred by the Monitor and Chaitons are fair and reasonable in the circumstances.

13. This Affidavit is sworn in connection with a motion for an Order of this Honourable Court to, among other things, approve the fees and disbursements of the Monitor and those of its legal counsel and for no improper purpose.

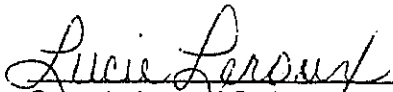
Dated at Montréal, Province of Québec, this 6th day of November 2014

**Richter Advisory Group Inc.
In its capacity as Monitor of
KK Precision Inc.**



Andrew Adessky, CPA, CA, CIRP

SWORN BEFORE ME at the City of
Montréal, in the Province of Quebec,
this 6th day of November, 2014.



Commissioner of Oaths



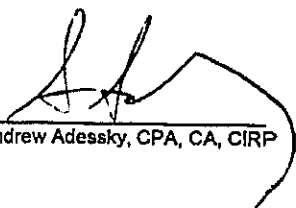
Exhibit “A”

Richter Advisory Group Inc.
IN THE MATTER OF THE COMPANIES CREDITORS ARRANGEMENT ACT ("CCAA")

Re: KK Precision Inc.
Statement of Fees Summary
For the Period from May 9, 2014 to October 31, 2014

<u>Invoice</u>	<u>Date of invoice</u>	<u>Period of Invoice</u>	<u>Fees</u>	<u>Disbursements</u>	<u>Sub-Total</u>	<u>HST</u>	<u>Total</u>
RP07530	June 10, 2014	May 9 to May 29, 2014	70,130.75	748.73	70,879.48	9,214.33	80,093.81
RP07622	July 4, 2014	May 30 to June 20, 2014	104,768.25	3,374.87	108,143.12	14,058.61	122,201.73
RP07697	July 24, 2014	June 21 to July 19, 2014	65,436.50	4,195.12	69,631.62	9,052.11	78,683.73
RP07777	September 8, 2014	July 19 to August 29, 2014	94,589.25	3,098.65	97,687.90	12,699.43	110,387.33
RP07863	October 8, 2014	September 2 to September 29, 2014	81,651.50	3,525.32	85,176.82	11,072.99	96,249.81
RP07921	November 3, 2014	October 2 to October 31, 2014	20,784.50	38.35	20,822.85	2,706.97	23,529.82
			437,360.75	14,981.04	452,341.79	58,804.43	511,146.22

Richter Advisory Group Inc.
Court-Appointed Monitor


 Andrew Adessky, CPA, CA, CIRP

This is Exhibit "A" referred to in the
 Affidavit of Andrew Adessky sworn before
 me this 6th day of November 2014


 Commissioner of Oaths



Exhibit “B”

**RICHTER
BARBIERI**

KK Precision Inc.
104 Oakdale Road
Toronto, ON M3N 1V9

Attention: Mr. George Koulakian

Date: 06/10/2014
Invoice #: RP07530
File #: 036377-001
Due Date: Upon Receipt

Professional services rendered as Consultant for the period of May 9, 2014 to May 29, 2014	\$70,130.75
Disbursements	748.73
Fees	70,879.48
HST # 885435842 RT0001	9,214.33
Sub-Total	80,093.81
Less: Retainer received in December 2013	(25,000.00)
Balance to pay:	\$55,093.81

Payment Option

Bank: TD Canada Trust
Bank ID: 0004
Bank Address: 500 St-Jacques, Montreal, QC, H2Y 1S1
Account: 0322396
Transit: 41601
SWIFT: TDOMCATT

T. 514.934.8693
ebarbleri@richter.ca

Richter Groupe Consell Inc.
Richter Advisory Group Inc.
1981 McGill College
MN (Qc) H3A 0G6
www.richter.ca

Montréal, Toronto



Date: 06/10/2014
Invoice #: RP07530
File #: 036377-001

Disbursements (Taxable)

Date	Description	Amount
04/03/2014	Conference call	\$ 2.04
04/09/2014	Conference call	19.20
04/11/2014	Conference call	26.16
04/17/2014	Conference call	6.72
04/21/2014	Conference call	7.80
04/22/2014	Conference call	8.04
04/23/2014	Conference call	18.48
04/24/2014	Parking	42.83
04/25/2014	Conference call	5.64
04/28/2014	Car rental	167.52
04/28/2014	Taxi	9.03
04/28/2014	Conference call	20.64
04/29/2014	Parking	42.83
04/30/2014	Car rental	163.48
04/30/2014	Conference call	37.32
05/29/2014	660 copies @ 0.25; 2 binders @ 3.00; Copy & binders	171.00
Total:		\$748.73

Date: 06/10/2014
 Invoice #: RP07530
 File #: 036377-001

Professional Fees

Date	Timekeeper	Description	Hours	Rate	Amount
05/09/2014	NF	NDA forwarded	0.50	105.00	52.50
05/12/2014	EB	Review of GK affidavit and drafting proposed changes. Follow-up with counsel thereon	1.00	595.00	595.00
05/12/2014	EB	Call with counsel re: employee retention and termination letters	0.50	595.00	297.50
05/12/2014	EB	Review and several e-mails and calls re: RR agreement	1.50	595.00	892.50
05/12/2014	EB	Review of updated draft of cash flow	0.50	595.00	297.50
05/12/2014	EB	Correspondance with GK re: retention agreement	0.50	595.00	297.50
05/12/2014	EB	Correspondance with counsel and gathering of financial info for filing	1.50	595.00	892.50
05/12/2014	EB	Review of lease extension agreement and comments from counsel	1.50	595.00	892.50
05/12/2014	EB	Call with Enzo re: LOI	0.20	595.00	119.00
05/12/2014	ASH	Conference call with Dentons re employees. Email from Dentons re Oakdale facility lease extension. Telephone call with Corporate Assets.	0.80	525.00	420.00
05/12/2014	AD	Updated cash flow forecast and schedules.	4.20	375.00	1,575.00
05/12/2014	NF	confidentiality agreement	0.30	105.00	31.50
05/13/2014	EB	Review and preparation of filing documents, accomodation agreement with RR, lease agreement, management and employee retention agreements, cash flow projections, etc. Numerous discussions with management, counsel, RR, BMO.	6.00	595.00	3,570.00
05/13/2014	ASH	Email from Dentons attaching latest version of G. Koulakian's affidavit. Email from R. Brattle re comments on Accommodation Agreement. Telephone call with Platinum Assets. Conference call with the Company and its counsel re employee matters. Emails and telephone call with S. Rappos. Emails with E. Barbieri. Conference call with the Company and its counsel and counsel to BMO re update on status of filing documents and next steps. Email	6.00	525.00	3,150.00

Date: 06/10/2014
 Invoice #: RP07530
 File #: 036377-001

Professional Fees

Date	Timekeeper	Description	Hours	Rate	Amount
05/13/2014	AD	from A. Daiffo attaching revised schedules for Accommodation Agreement. Email from Dentons attaching further revised version of G. Koulakian's affidavit. Email from E. Barbieri attaching latest vesion of Accommodation Agreement. Review documents and draft Proposed Monitor's pre-filing report. Updated cash flow forecast and schedules.	7.50	375.00	2,812.50
05/14/2014	AA	Review documents re CCAA filing	2.00	595.00	1,190.00
05/14/2014	EB	Review and preparation of filing documents, accommodation agreement with RR, lease agreement, management and employee retention agreements, cash flow projections, etc. Numerous discussions with management, counsel, RR, BMO.	2.00	595.00	1,190.00
05/14/2014	EB	Review and preparation of filing documents, accomodation agreement with RR, lease agreement, management and employee retention agreements, cash flow projections, etc. Numerous discussions with management, counsel, RR, BMO.	4.50	595.00	2,677.50
05/14/2014	ASH	Email from Dentons attaching further revised version of G. Koulakian's affidavit. Email from A. Daiffo attaching schedule re employee retention summary. Emails and telephone call with Dentons re commets on G. Koulakian's affidavit, timing for scheduling the Court hearing for the Company's application, etc. Email from S. Rappos attaching retainer agreement, including telephone call with S. Rappos re update and next steps. Email from Dentons re scheduling of Court date re Company application. Review G. Koulakian affidavit and Accommodation Agreement, including revisions and updates to Proposed Monitor's draft pre-filing report, including discussion with E.	4.50	525.00	2,362.50

Date: 08/10/2014
 Invoice #: RP07530
 File #: 036377-001

Professional Fees

Date	Timekeeper	Description	Hours	Rate	Amount
05/14/2014	AD	Barbieri re same. Updated cash flow forecast and schedules.	6.50	375.00	2,437.50
05/15/2014	EB	Review and preparation of filing documents, accomodation agreement with RR, lease agreement, management and employee retention agreements, cash flow projections, etc. Numerous discussions with management, counsel, RR, BMO.	4.00	595.00	2,380.00
05/15/2014	ASH	Email from Dentons attaching updated G. Koulakian affidavit. Email from E. Barbieri attaching draft Initial order. Email from R. Barbieri attaching latest version of Accommodatoin Agreements. Emails from and discussoins with A. Dalfo re cash flow summary for inserton in proposed monitor's pre-filing report. Emails and telephone calls with S. Rappos re update on status of filing. Review, revise and update proposed monitor's pre-filing report. Email from Corporate Assets attaching auction proposal, including subsequent telephone call with J. Ljzewski re same.	2.50	525.00	1,312.50
05/15/2014	AD	Updated cash flow forecast and schedules.	7.10	375.00	2,662.50
05/16/2014	EB	Review and preparation of filing documents, accomodation agreement with RR, lease agreement, management and employee retention agreements, cash flow projections, etc. Numerous discussions with management, counsel, RR, BMO.	4.50	595.00	2,677.50
05/16/2014	ASH	Conference call with the Company re payment of a/p, funding requirements and other matters. Email from S. Rappos re Initial order. Emails with E. Barbieri re comments on draft Initial order. Emails with E. Barbieri and A. Dalfo re revised cash flow. Email from S. Graff re comments on draft proposed monitor's pre-filing report. Email from K. Kraft re draft proposed	1.50	525.00	787.50

Date: 06/10/2014
 Invoice #: RP07530
 File #: 036377-001

Professional Fees

Date	Timekeeper	Description	Hours	Rate	Amount
05/16/2014	AD	monitor's pre-filing report. Email from Infinity Assets attaching auction proposal. Email from Platinum Assets attaching auction proposal. Review, revise and update draft proposed monitor's pre-filing report. Updated cash flow forecast and schedules.	2.00	375.00	750.00
05/20/2014	EB	Review and preparation of filing documents, accomodation agreement with RR, review of liquidator proposals, management and employee retention agreements, etc. Correspondance with management, counsel, RR, BMO.	3.50	595.00	2,082.50
05/20/2014	ASH	Emails between E. Barbieri and G. Wheldon re liquidator proposals. Emails from G. Wheldon re Accommodation Agreement and schedules. Emails from/to S. Rappos re update.	0.50	525.00	262.50
05/21/2014	EB	Call with counsel to review proposed changed to Initial Order re: Richter liability	0.30	595.00	178.50
05/21/2014	EB	Call with management re: cash management for RR agreement	0.50	595.00	297.50
05/21/2014	EB	Conference call with counsel, BMO, management, RR re: accomodation agreement	0.50	595.00	297.50
05/21/2014	EB	Call with Richard Brattle to discuss timing of weekly funding	0.50	595.00	297.50
05/21/2014	EB	Communication with management re: operational issues	0.30	595.00	178.50
05/21/2014	EB	Review of updated drafts of accomodation agreement and related schedules	1.00	595.00	595.00
05/21/2014	EB	Correspondance with landlord re: extension letter	0.30	595.00	178.50
05/21/2014	EB	Work with counsel re: Koulakian retention letter	0.50	595.00	297.50
05/21/2014	EB	Initial communications with New Era Group	0.50	595.00	297.50
05/21/2014	ASH	Email from J. Khajadourian attaching updated vacation pay schedule. Emails from E. Barbieri re cash management, including subsequent telephone call with E. Barbieri re same. Emails from E. Barbieri attaching most recent form of Accommodation Agreement and	0.50	525.00	262.50

Date: 06/10/2014
 Invoice #: RP07530
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Professional Fees

Date	Timekeeper	Description	Hours	Rate	Amount
		schedules. Emails with S. Rappos re update.			
05/22/2014	AA	Comments to E. Barbieri re Rolls Agreement.	0.40	595.00	238.00
05/22/2014	EB	Review with AA of filing docs and accomodation agreement re: liability of monitor	1.00	595.00	595.00
05/22/2014	EB	Review of final RR agreement and schedules	1.00	595.00	595.00
05/22/2014	EB	Review of letter to RR re: setting up Richter as a supplier	0.30	595.00	178.50
05/22/2014	EB	Preparation of NDA for New Era Group	0.30	595.00	178.50
05/22/2014	EB	Communication with Jacob Vanhalteren re: interest in KKP acquisition	0.40	595.00	238.00
05/22/2014	CO	Communications with Bank of Montreal to open bank account for Rolls Royce Canada, prepare letter to Rolls Royce.	0.90	250.00	225.00
05/22/2014	NF	NDA	0.50	105.00	52.50
05/23/2014	EB	Calls with George and Garth re: lease payments, RR agreement and other issues to address	0.50	595.00	297.50
05/23/2014	EB	Correspondance and calls with Chaitons and A Adessky re: changes to initial order	0.50	595.00	297.50
05/23/2014	EB	Call with Jesse G. and management re: pre-payment of insurance	0.50	595.00	297.50
05/23/2014	EB	Conference call with counsel to review and finalize documents	1.00	595.00	595.00
05/23/2014	EB	Final review and execution of RR agreement	0.50	595.00	297.50
05/23/2014	ASH	Email from S. Rappos re comments on and mark-up of draft initial order. Emails from and telephone call with E. Barbieri re various matters, including updated pre-filing report. Email from Corporate Assets re updated liquidation proposal. Email from E. Barbieri attaching revised cash flow projection. Review, revise and updated pre-filing report, including subsequent email to the Company, Dentons, Aird & Berlis and Chaitons attaching same.	1.50	525.00	787.50
05/23/2014	CO	Email with BMO, disucssion with E Barbieri.	0.10	250.00	25.00
05/25/2014	AA	Review documents re CCAA filing	1.00	595.00	595.00

Date: 06/10/2014
 Invoice #: RP07530
 File #: 036377-001

Professional Fees

Date	Timekeeper	Description	Hours	Rate	Amount
05/26/2014	EB	Various discussions with management, counsel, Richter staff re: management agreements, filing documents, Siemens agreement, etc.	3.00	595.00	1,785.00
05/26/2014	ASH	Email from E. Barbieri attaching fully executed copy of Accommodation Agreement. Discussion with A. Dalfio. Emails with S. Rappos re update. Conference call with A. Dalfio and E. Barbieri re varolus matters. Review, revise and update proposed monitor's pre-filing report.	1.00	525.00	525.00
05/26/2014	AD	Developed accommodation agreement and weekly reporting.	0.40	375.00	150.00
05/26/2014	CO	Telephone call to Royal Bank to confirm wire transfer.	0.20	250.00	50.00
05/26/2014	CO	Scan accomodation agreement with Rolfs Royce and email to bank.	0.10	250.00	25.00
05/27/2014	AA	Review documents re CCAA filing and discussions with E.Barbieri	1.00	595.00	595.00
05/27/2014	EB	Discussions and e-mails with GK re: management agreement and execution of documents	1.00	595.00	595.00
05/27/2014	ASH	Email from E. Barbieri attaching latest versions of the initial order and affidavit of G. Koulakian. Email from E. Barbieri attaching latest version of G. Koulakian retention agreement. Email from B. Moran attaching most recent employee termination/retention letters. Review, revise and update proposed monitor's pre-filing report, including email to E. Barbieri and A. Adessky attaching same.	1.00	525.00	525.00
05/27/2014	AD	Develop documents relative to filing preparation and implementing operational plan.	5.50	375.00	2,062.50
05/27/2014	CO	Enter deposit of sale of assets in Ascend. Open bank account and file in Ascend.	0.40	250.00	100.00
05/27/2014	SB	New client code request, transfer of documents in Sharepoint, email to all for new client code	0.50	185.00	92.50
05/28/2014	AA	Discussion with Eric and Adam re: filing; conference call with Eric and J. Salmas re: filing, timing, sealing of documents; review of accomodation agreement.	1.20	595.00	714.00

Date: 06/10/2014
 Invoice #: RP07530
 File #: 036377-001

Professional Fees

Date	Timekeeper	Description	Hours	Rate	Amount
05/28/2014	EB	Final review of cash flows and filing documents	2.00	595.00	1,190.00
05/28/2014	EB	Correspondance re: finalizing management agreements	0.75	595.00	446.25
05/28/2014	ASH	Email from A. Dalfio attaching draft Accommodation Agreement for Siemens. Conference call with E. Barbieri and A. Adessky. Email from A. Dalfio attaching updated cash flow forecast, including subsequent discussion with A. Dalfio re comments on same. Email to J. Salmas re Advisory Services Agreement and other matters. Email from E. Barbieri attaching executed Advisory Services Agreement and G. Koulakian retention letter. Email from landlord re side agreement to confirm funding of insurance payments. Email from Dentons re Advisory Services Agreement and execution of G. Koulakian affidavit. Voicemail from and telephone call with J. Moran of AccuVal re interest in machinery/equipment. Telephone call with E. Barbieri re various matters. Email to S. Rappos re confirmation of Court date set for the Company's CCAA application. Email from A. Dalfio attaching further updated cash flow forecast, including subsequent email from E. Barbieri re same. Email from Dentons attaching Application Record, including review of same. Email to Dentons re required amendments to the Initial Order prior to filing materials with the Court. Review, revise and update proposed monitor's pre-filing report.	4.00	525.00	2,100.00
05/28/2014	AD	General File Activities / Activités de dossier générales	8.10	375.00	3,037.50
05/28/2014	NF	Retention and termination letters	1.00	105.00	105.00
05/29/2014	AA	issuance of report, travel to Toronto, meeting at the company, planning for filing.	5.50	595.00	3,272.50
05/29/2014	EB	Meeting at company with management re: filing prep and employee issues	2.50	595.00	1,487.50
05/29/2014	ASH	Updated and finalize proposed	4.50	525.00	2,362.50

Date: 06/10/2014
Invoice #: RP07530
File #: 036377-001

Professional Fees

<u>Date</u>	<u>Timekeeper</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
		monitor's pre-filing report, including email to A. Adessky re same. Email from Dentons confirming changes to Initial Order, including subsequent email in response to same. Email from A. Adessky re signed pre-filing report. Email to S. Rappos attaching fully executed pre-filing report. Email from S. Rappos re Monitor's responsibilities pursuant to the Accommodation Agreement. Email from Dentons confirming filing of Application Record and Court file number. Email from S. Rappos re service of proposed monitor's pre-filing report. Attendance at the Company, including meeting with E. Barbieri, A. Adessky, G. Wheldon and G. Koulakian re various matters in connection with the Company's CCAA application. Review and revise employee termination/retention letters.			
05/29/2014	AD	Reviewed and updated documents and analyses in preparation for filing.	4.20	375.00	1,575.00
05/29/2014	NF	Printing and binding applications	0.30	105.00	31.50
05/29/2014	NF	Retention and termination letters	2.50	105.00	262.50
		Total:	143.55		\$70,130.75

Date: 06/10/2014
Invoice #: RP07530
File #: 038377-001

Disbursements (Taxable)

Date	Description	Amount
04/03/2014	Conference call	2.04
04/09/2014	Conference call	19.20
04/11/2014	Conference call	26.16
04/17/2014	Conference call	6.72
04/21/2014	Conference call	7.80
04/22/2014	Conference call	8.04
04/23/2014	Conference call	18.48
04/24/2014	Parking	42.83
04/25/2014	Conference call	5.64
04/28/2014	Taxi	9.03
04/28/2014	Car rental	167.52
04/28/2014	Conference call	20.64
04/29/2014	Parking	42.83
04/30/2014	Car rental	163.48
04/30/2014	Conference call	37.32
05/29/2014	660 coples @ 0.25; 2 binders @ 3.00; Copy & binders	171.00
Total:		\$748.73

Date: 06/10/2014
Invoice #: RP07530
File #: 036377-001

Fees and Disbursements Summary

<u>Name</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
AA Andrew Adessky	11.10	595.00	6,604.50
EB Eric Barbier	51.35	595.00	30,553.25
ASH Adam Sherman	28.30	525.00	14,857.50
AD Anthony Dalfio	45.50	375.00	17,062.50
CO Carol O'Donnell	1.70	250.00	425.00
SB Soazig Bourgine	0.50	185.00	92.50
NF Nicole Fournier	5.10	105.00	535.50
Professional Fees	<u>143.55</u>		<u>70,130.75</u>
Disbursements			<u>748.73</u>
		Total :	<u>\$70,879.48</u>

**RICHTER
BARBIERI**

KK Precision Inc.
104 Oakdale Road
Toronto, ON M3N 1V9

Attention: Mr. George Koulakian

Date: 07/04/2014
Invoice #: RP07622
File #: 036377-002
Due Date: Upon Receipt

Professional services rendered from May 30 to June 20, 2014

Fees	\$104,768.25
Disbursements (Taxable)	3,374.87
	<hr/>
Sub-Total	108,143.12
HST # 885435842 RT0001	14,058.61
	<hr/>
Balance to pay:	\$122,201.73

T. 514.934.8693
ebarbieri@richter.ca

Richter Groupe Conseil Inc.
Richter Advisory Group Inc.
1981 McGill College
Mtl (Qc) H3A 0G6
www.richter.ca

Montréal, Toronto





Date: 07/04/2014
Invoice #: RP07622
File #: 036377-002

Professional Fees

<u>Date</u>	<u>Timekeeper</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
05/30/2014	EB	Court hearing - CCAA filing	3.50	595.00	2,082.50
05/30/2014	EB	Discussions with landlord and management re: sale of building	0.50	595.00	297.50
06/02/2014	EB	Various e-mails and calls with management counsel, Adam Sherman	1.00	595.00	595.00
06/03/2014	EB	Review of current cash flow position	0.40	595.00	238.00
06/03/2014	EB	Preliminary review of Siemens Accommodation Agreement draft	0.50	595.00	297.50
06/03/2014	EB	Review of Siemens release letter	0.30	595.00	178.50
06/03/2014	EB	Discussion with landlord re: interest in purchasing equipment and lease extension	0.30	595.00	178.50
06/03/2014	EB	Correspondence with counsel re: liquidator bids	0.30	595.00	178.50
06/03/2014	EB	Discussions with GW and GK re: employees' retention and management incentive plan funding	0.50	595.00	297.50
06/03/2014	EB	Discussions with GW and AS re: liquidator bid process	0.70	595.00	416.50
06/03/2014	EB	Meeting with GW to discuss status of operations and wind down issues	1.00	595.00	595.00
06/03/2014	EB	E-mail response to RR re: weekly funding	0.50	595.00	297.50
06/04/2014	EB	Meeting with Rolls Royce and review of weekly reporting and other issues	0.50	595.00	297.50
06/04/2014	EB	Call with John Salmas re: lease extension, liquidator process and other issues	0.50	595.00	297.50
06/04/2014	EB	Discussions with management and RR re: employee retention/ bonuses	1.00	595.00	595.00
06/04/2014	EB	Initial draft of Siemens agreement	1.00	595.00	595.00
06/04/2014	EB	Review with management and call with Rob K. re: cash management	1.00	595.00	595.00
06/04/2014	EB	Discussions with GW re: several operational and financial matters	0.75	595.00	446.25
06/05/2014	EB	Correspondence re: lease	0.50	595.00	297.50



Date: 07/04/2014
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Professional Fees

<u>Date</u>	<u>Timekeeper</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
06/05/2014	EB	extension with landlord and management Telephone call with TJ Tersigni re: asset bid	0.30	595.00	178.50
06/05/2014	EB	Correspondence and call re: DMI precision letter	0.50	595.00	297.50
06/05/2014	EB	Review of cash flow reporting	0.30	595.00	178.50
06/05/2014	EB	Communications with Peter M. re: delivery of checks	0.30	595.00	178.50
06/05/2014	EB	Call with GW and AD re: landlord visit, Siemens agreement, operational issues	0.80	595.00	476.00
06/05/2014	EB	Review of schedules to Siemens agreement and follow-up discussion with AD	1.00	595.00	595.00
06/06/2014	EB	Review of Siemens agreement and providing comments thereon	0.60	595.00	357.00
06/06/2014	EB	Telephone call with management, counsel, Richter staff re: equipment sales process and other issues	0.70	595.00	416.50
06/06/2014	EB	Receipt of funds from RR and discussions with bookkeeping re: trust funds management	0.50	595.00	297.50
06/06/2014	EB	Review and adjustments to weekly Rolls Royce funding schedule and letter	1.00	595.00	595.00
06/10/2014	EB	Review of updated Siemens agreement	0.30	595.00	178.50
06/10/2014	EB	Update telephone call with GW and AD	0.50	595.00	297.50
06/10/2014	EB	Review of P&W agreement	0.40	595.00	238.00
06/11/2014	EB	E-mail exchange re: insurance claim	0.20	595.00	119.00
06/11/2014	EB	Initiate transfer of funds to KKP re: Rolls Royce Agreement	0.50	595.00	297.50
06/11/2014	EB	Review and editing of sales process target list	0.70	595.00	416.50
06/11/2014	EB	Review of Siemens indemnity agreement	0.30	595.00	178.50
06/11/2014	EB	Review of weekly Rolls Royce funding schedules and preparation of letter	0.70	595.00	416.50



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Professional Fees

<u>Date</u>	<u>Timekeeper</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
06/11/2014	EB	Update telephone call with GW and AD	0.50	595.00	297.50
06/11/2014	EB	E-mail correspondence and telephone call with TJ Tersigni re: lease extension	0.70	595.00	416.50
06/11/2014	EB	Review of variance reporting and follow-up telephone call with AD	1.00	595.00	595.00
06/12/2014	EB	Telephone call with T.J. Tersigni re: lease extension	0.40	595.00	238.00
06/12/2014	EB	Review and update of Richter service list	0.30	595.00	178.50
06/12/2014	EB	Discussion with A.D. re: variance report and RR monitoring schedules	0.40	595.00	238.00
06/12/2014	EB	Search for RR Supply Agreement	0.50	595.00	297.50
06/12/2014	EB	Update telephone call with AD and GW	0.50	595.00	297.50
06/12/2014	EB	Review of final weekly RR reporting schedules	0.50	595.00	297.50
06/12/2014	EB	Review of final weekly cash flow and variance report	0.30	595.00	178.50
06/13/2014	EB	Telephone call with GW to discuss Pratt agreement	0.20	595.00	119.00
06/13/2014	EB	Telephone calls with AS, AD and GW re: landlord offer and sales process	1.50	595.00	892.50
06/13/2014	EB	Review of solicitation process documents	0.70	595.00	416.50
06/13/2014	EB	Telephone call with Pascal Perron of P&W	0.50	595.00	297.50
06/13/2014	EB	Telephone call with P&W and GW to discuss accommodation agreement	0.70	595.00	416.50
06/13/2014	EB	Drafting changes to solicitation letter for offers on assets	0.70	595.00	416.50
06/14/2014	EB	Review of P&W agreement and forwarding list of issues to address to GW and counsel	1.00	595.00	595.00
06/16/2014	EB	Telephone call with BMO to update sales process, landlord, customer agreements, etc.	0.50	595.00	297.50
06/16/2014	EB	Telephone call with AD, AS management and counsel re:	0.50	595.00	297.50



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Professional Fees

<u>Date</u>	<u>Timekeeper</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
		update on open issues			
06/17/2014	EB	Correspondence with GW re: potential bidders	0.50	595.00	297.50
06/17/2014	EB	Review of customer changes and telephone calls with GW and counsel re: Pratt agreement	1.00	595.00	595.00
06/17/2014	EB	Telephone call with AD re: payroll funding	0.30	595.00	178.50
06/17/2014	EB	Review of Pratt agreement and providing comments to counsel and management thereon	1.30	595.00	773.50
06/17/2014	EB	Update call with Garth Wheldon	0.30	595.00	178.50
06/17/2014	EB	Telephone call with JS and JW re: Pratt agreement	0.50	595.00	297.50
06/17/2014	EB	Drafting updated confidentiality agreement for Company led process	0.40	595.00	238.00
06/18/2014	EB	Review of weekly cash flow variance reporting.	0.50	595.00	297.50
06/18/2014	EB	Call with AS and Frank Lamie to discuss Siemens accommodation agreement	0.50	595.00	297.50
06/18/2014	EB	Review of draft Siemens agreement received from Gowlings	1.20	595.00	714.00
06/18/2014	EB	Review of final Pratt agreement and schedules	0.50	595.00	297.50
06/18/2014	EB	Draft follow-up e-mail re: funding of additional stay bonus amounts	0.20	595.00	119.00
06/18/2014	EB	Telephone call with GW and JS re: Siemens agreement	0.60	595.00	357.00
06/19/2014	EB	Telephone call with GW re: sub- contractors and potential purchasers	0.40	595.00	238.00
06/19/2014	EB	Review of Rolls Royce reporting schedules	0.50	595.00	297.50
06/19/2014	EB	Review of Dentons' mark-up of Siemens agreement	0.70	595.00	416.50
06/19/2014	EB	Various e-mail correspondence and calls with GW throughout the day	1.00	595.00	595.00
06/19/2014	EB	Review of correspondence from landlord's counsel	0.30	595.00	178.50
06/20/2014	EB	Telephone call with AS and GW re:	0.50	595.00	297.50



Date: 07/04/2014
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Professional Fees

Date	Timekeeper	Description	Hours	Rate	Amount
06/20/2014	EB	communications with liquidators Review of BMO mark-up, and revised Dentons' mark-up to Siemens agreement	0.50	595.00	297.50
06/20/2014	EB	Telephone call with Garth W.	0.40	595.00	238.00
05/30/2014	AA	Court re hearing for initial order; review revised retention letters	4.50	595.00	2,677.50
06/01/2014	AA	Review reporting letter and provide comments to E. Barbieri	0.50	595.00	297.50
06/02/2014	AA	Review of newspaper ad, filing Form 1, other matters, e-mails to A. Sherman; review of revised ad; review of revised retention letter	1.40	595.00	833.00
06/03/2014	AA	Review various e-mails including agreement with Siemens; Form 2 completion.	0.20	595.00	119.00
06/04/2014	AA	Newspaper ad, review issues with E Barbieri.	0.40	595.00	238.00
06/05/2014	AA	Meetings with Carol O'Donnell re employee notices, finalize ad, mailing to creditors; various notices.	1.10	595.00	654.50
06/06/2014	AA	Review and sign various filing forms	0.50	595.00	297.50
06/13/2014	AA	E-mails re service list.	0.20	595.00	119.00
05/30/2014	ASH	Attendance in Court re Company's CCAA application, including discussion with various counsels in attendance. Emails with A. Dalfio. Emails with Dentons re employees' retention/termination letters. Email from Dentons, Initial Order and endorsement Justice Wilton Siegel. Email from G. Wheldon. Email from the Company confirming receipt of funds from RR. Email from landlord re side letter, estoppel letter and lease extension. Emails from Gordon Brothers re interest in machinery/equipment.	4.00	525.00	2,100.00



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Professional Fees

<u>Date</u>	<u>Timekeeper</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
05/31/2014	ASH	Email from A. Dalfio re draft of analysis in support of RR funding pursuant to Accommodation Agreement. Email from A. Dalfio with employees' termination/retention letters. Email from E. Barbieri re draft reporting letter to RR. Emails from S. Rappos and A. Adesky re comments on draft RR reporting letter.	0.80	525.00	420.00
06/01/2014	ASH	Email from E. Barbieri re revised RR reporting letter. Emails from E. Barbieri and J. Salmas re lease extension. Emails and telephone call with E. Barbieri re update and next steps.	0.50	525.00	262.50
06/02/2014	ASH	Attendance at the Company, meetings with Company and its counsel re various matters. Meeting with Company's employees re CCAA proceedings, employees' retention program and other matters. Email from R. Kennedy re employees' termination letters, including subsequent email to R. Kennedy in response to same. Conference call with Company and its counsel re landlord discussions, sales process and other matters. Meeting with Company re amendments to employees retention program. Telephone call with E. Barbieri re revised employees' retention program. Review and revise employees' retention template document, including email to Denton's attaching same. Email from G. Wheldon attaching machinery/equipment lists. Email from A. Dalfio attaching RR reporting letter and schedules. Telephone call with M. McIntosh of	7.00	525.00	3,675.00



Date: 07/04/2014
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Professional Fees

Date	Timekeeper	Description	Hours	Rate	Amount
06/03/2014	ASH	Maynards. Email from C. O'Donnell re Form 1 for filing with the OSB, including subsequent email to C. O'Donnell re same. Email from/to A. Adessky re ad. Email from J. Salmas confirming agreement with revised employee retention template. Email from A. Dalfio attaching draft Accommodation Agreement re Siemens. Email from E. Barbieri confirming sale of 104 Oakdale Road. Email from J. Salmas re: leased equipment from Xerox. Discussion with G. Wheldon re Siemens' request to repossess certain Siemens-owned materials in Company's possession, including drafting of a release and subsequent email to Denton's attaching same. Emails from/to G. Wheldon re Siemens release. Email from E. Barbieri re discussions with landlord, sale of machinery/equipment, etc., including subsequent telephone call with E. Barbieri re same. Emails between E. Barbieri and J. Salmas re sale of machinery/equipment. Telephone call with J. Salmas re Siemens release and other matters. Emails with A. Dalfio re Monitor's report. Email from S. Rappos attaching invoice for period ending May 31, 2014. Email from A. Dalfio re updated Siemens release. Email from C. O'Donnell attaching Form 2 to be completed for filing with the OSB.	1.00	525.00	525.00
06/05/2014	ASH	Email from E. Barbieri re landlord/lease extension. Email from C. McLelland of Noranco re interest in Company assets.	2.00	525.00	1,050.00



Date: 07/04/2014
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Professional Fees

Date	Timekeeper	Description	Hours	Rate	Amount
06/06/2014	ASH	<p>Telephone call with D. Wittlin re interest in Company's assets. Telephone call with D. Russell re interest in Company's assets, including subsequent email from D. Russell re same. Email from A. Adessky re notice to creditors. Review, revise and update notice to creditors, including email to A. Adessky/E. Barbieri re same. Complete Form 2 for filing with the OSB.</p> <p>Telephone call with E. Barbieri re various matters. Email from/to A. Adessky re notice to creditors. Email to C. O'Donnell attaching completed Form 2 for filing with OSB. Conference call with Richter, Company and its counsel re landlord discussions, sale of assets, return of property claimed by Siemens, etc. Telephone calls with L. Amoils of Infinity Assets. Emails from Company and Dentons re Company's assets in storage/sub lease with DMI Precision. Telephone call with J. Lizewski of Corporate Assets. Emails from/to C. O'Donnell re creditors list for mailing notice to creditors. Telephone call with C. McLelland of Noranco. Telephone calls with F. Lamie of Gowlings, solicitor for Siemens. Emails to J. Salmas re Accommodation Agreement with Siemens and other matters in connection with same.</p>	2.00	525.00	1,050.00



Date: 07/04/2014
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Professional Fees

<u>Date</u>	<u>Timekeeper</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
06/09/2014	ASH	Emails between Company and its counsel re Siemens' Accommodation Agreement. Emails from/to A. Dalfio re list of potential bidders for sales process. Telephone call with a representative of Storstac, a creditor, re CCAA proceedings, amounts owed by the Company and other matters. Emails and telephone call with A. Dalfio re Storstac. Telephone calls with several creditors in connection with Company's CCAA proceedings.	1.80	525.00	945.00
06/10/2014	ASH	Telephone call with J. Moran of Accuval. Telephone call with A. Dalfio re Storstac. Telephone call with Magneto Electric. Emails with E. Barbieri. Prepare list of liquidators/strategic parties to include in follow-up of sales process, including subsequent email to the Company and E. Barbieri/A. Dalfio re same. Telephone call with and email from A. Dalfio re Magneto Electric. Telephone call with VDB Mechanical. Email from M. McIntosh of Maynards re status of sales process, including subsequent email to M. McIntosh re same. Email from Dentons attaching draft Accommodation Agreement for Pratt & Whitney Canada. Emails from/to D. Russell re interest in Company's assets and status of sales process. Email from A. Dalfio attaching draft schedules to form part of Siemens' agreement. Email from and telephone call with F. Lamie.	2.00	525.00	1,050.00
06/11/2014	ASH	Emails from/to M. McIntosh re request to inspect Company's	0.50	525.00	262.50



Date: 07/04/2014
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Professional Fees

Date	Timekeeper	Description	Hours	Rate	Amount
06/12/2014	ASH	assets. Emails between F. Lamie and J. Salmas re Siemens' agreement. Email from E. Barbieri re sales process. Email from A. Dalfio attaching draft variance report for the period ending June 6, 2014. Emails from/to J. Moran/M. Swrisky of AccuVal re update on status of sales process. Email from European Tubes Ltd., creditor. Email from F. Lamie to Company's counsel re Siemens' agreement. Emails and telephone call with A. Dalfio re sales process, etc. Email from A. Adessky re service list, including comments on same. Email from A. Dalfio re Rolls Royce reporting letter. Voicemail from and telephone call with Magneto Electric. Voicemail from/to Endries International. Voicemail from and emails with D. Ullmann, solicitor for the landlord. Email from A. Dalfio attaching updated list of potential interested parties re sales process. Draft offer solicitation letter re sales process, including email to the Company and E. Barbieri/A. Dalfio attaching same. Email from E. Barbieri re draft offer solicitation letter.	3.00	525.00	1,575.00
06/13/2014	ASH	Telephone call with D. Ullmann re Company's request for a lease extension, landlord's interest in Company's assets, etc. Telephone call with E. Barbieri re update on discussion with landlord's counsel and other matters. Email to Company and E. Barbieri re discussion with D. Ullmann. Emails with Company and E. Barbieri/A. Dalfio re insurance claims. Email	4.00	525.00	2,100.00



Date: 07/04/2014
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Professional Fees

Date	Timekeeper	Description	Hours	Rate	Amount
06/16/2014	ASH	<p>to A. Adessky re addition of D. Ullmann to service list. Telephone call with S. Rappos re update. Email from/to Noranco re update on status of sales process. Emails from E. Barbieri and G. Wheldon re suggested changes to offer solicitation letter, including subsequent emails in response to same. Telephone call with and email from D. Ullmann re landlord terms for a one-month lease extension and offer for the Company's machinery/equipment, including subsequent email to the Company and its counsel re same. Conference call with E. Barbieri/A. Dalfio and G. Wheldon re landlord terms for lease extension and offer. Review, revise and update offer solicitation letter, including email to the Company and its counsel with revised letter. Voicemails from/to M. Swirsky. Email from G. Wheldon attaching updated machinery/equipment list. Begin drafting Monitor's report re Company's extension, etc.</p> <p>Telephone call with E. Barbieri. Emails between the Monitor, the Company and its counsel re scheduling of conference call. Voicemail from and telephone call with J. Lizewski. Telephone call with L. Amoils. Email from J. Salmas re update. Telephone calls with S. Graff. Telephone call with M. Swirsky. Conference call with the Company and Bank of Montreal and its counsel re update. Emails from/to B. Lyle. Emails from/to M. McIntosh. Emails from/to A. Dalfio re Ministry of Labour information</p>	3.00	525.00	1,575.00



Date: 07/04/2014
Invoice #: RP07622
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Professional Fees

Date	Timekeeper	Description	Hours	Rate	Amount
06/17/2014	ASH	request. Email from J. Salmas providing comments on offer solicitation letter. Email from S. Rappos with marked-up offer solicitation letter, including subsequent email to S. Rappos in response to same. Telephone call with D. Ullmann. Revise offer solicitation letter, including subsequent email to the Company and its counsel attaching same for finalization. Email from G. Wheldon re commencement of sales process. Emails with A. Dalfio re sales process. Emails from Alphacasting and Naranco re interest in Company's assets. Telephone calls with F. Lamie re Siemens' accommodation agreement. Email from F. Lamie attaching Release and Indemnity Agreement signed by Siemens re: release of certain Siemens' owned materials. Telephone calls with E. Barbieri and A. Dalfio. Emails from/to M. Swirsky. Email from Triumph Group re interest in Company's assets. Email from A. Dalfio attaching variance report for the week ending June 13, 2014. Drafting Monitor's First Report.	3.00	525.00	1,575.00
06/18/2014	ASH	Emails from E. Barbieri, G. Wheldon and J. Salmas re Pratt & Whitney accommodation agreement. Email from Desjardins credit card services re account status, including subsequent discussion with a representative of Desjardins re same. Telephone call with R. Kennedy re the Company's extension motion, including subsequent emails with R. Kennedy re rescheduling the	5.00	525.00	2,625.00



Date: 07/04/2014
Invoice #: RP07622
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Professional Fees

Date	Timekeeper	Description	Hours	Rate	Amount
		Court date for same. Email from Torque Capital re interest in Company's assets. Email from C. Carr of SOS Emergency Response Technologies re oxygen units on Company's premises, including subsequent email to C. Carr in response to same. Email from F. Lamie attaching revised Siemens accommodation agreement, including subsequent discussion with F. Lamie re same. Telephone call with E. Barbieri re Siemens accommodation agreement. Emails and telephone call with A. Dalfio re variance report for the period ending June 13, 2014. Conference call with F. Lamie and E. Barbieri re Siemens' accommodation agreement. Email from A. Dalfio attaching reformatted cash flow variance report for the period ending June 13, 2014. Continue drafting Monitor's First Report.			
06/19/2014	ASH	Email from R. Kennedy confirming rescheduling of Company's motion seeking, among other things, an extension to the stay of proceedings, to June 25, 2014. Email from A. Dalfio re Russell Industries. Email from G. Wheldon re Russell Industries. Email from Dentons forwarding correspondence from Minden Gross, solicitor for the new landlord. Telephone call with F. Lamie re accommodation agreement. Telephone call with E. Barbieri. Continue draft Monitor's First Report.	2.50	525.00	1,312.50
06/20/2014	ASH	Email from G. Wheldon re Russell Industries. Email from R. Kennedy.	3.50	525.00	1,837.50



Date: 07/04/2014
Invoice #: RP07622
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Professional Fees

Date	Timekeeper	Description	Hours	Rate	Amount
		Email from G. DaCosta of Abell Pest Control re CCAA proceedings, including subsequent email to G. DaCosta in response to same.			
		Email from G. Wheldon re computer virus at KKP. Telephone call with E. Barbieri. Conference call with E. Barbieri and G. Wheldon re various matters in connection with the offer solicitation process. Email from J. Salmas re further revised version of Siemens' accommodation agreement.			
		Telephone call with F. Lamie re Siemens' accommodation agreement. Emails with R. Schwill, solicitor for Canerector, re offer solicitation process. Telephone call with G. Wheldon. Continue drafting Monitor's First Report.			
05/30/2014	AD	Reviewed cash activity and updated cash reporting analysis.	1.40	375.00	525.00
05/30/2014	AD	Reviewed operational updates with management and updated reporting analysis.	2.40	375.00	900.00
05/30/2014	AD	Developed analysis to support company's weekly reporting.	2.90	375.00	1,087.50
05/30/2014	AD	Reviewed company's records and updated A/R analysis.	1.50	375.00	562.50
06/02/2014	AD	Reviewed weekly reporting, cash activity and cash disbursements - continued to update analysis.	2.40	375.00	900.00
06/02/2014	AD	Participated in company's meeting with employees, internal meetings regarding employees' letters.	0.90	375.00	337.50
06/02/2014	AD	Reviewed and revised employees' letters following employees' meeting.	1.40	375.00	525.00
06/02/2014	AD	Reviewed cash activity and updated variance reporting.	1.90	375.00	712.50
06/02/2014	AD	Reviewed and finalized accommodation agreement weekly reporting.	1.20	375.00	450.00



Date: 07/04/2014
Invoice #: RP07622
File #: 036377-002

Professional Fees

Date	Timekeeper	Description	Hours	Rate	Amount
06/03/2014	AD	Reviewed company documents and updated creditors' mailing list.	1.40	375.00	525.00
06/03/2014	AD	Revised cash management analysis and prepared variance reporting documents.	2.20	375.00	825.00
06/03/2014	AD	Reviewed planned cash disbursements and discussed with management.	1.20	375.00	450.00
06/03/2014	AD	Reviewed and updated employees' documents, discussed employees' retention issues.	1.10	375.00	412.50
06/03/2014	AD	Reviewed draft agreement and prepared backline version, discussed internally.	0.70	375.00	262.50
06/03/2014	AD	Reviewed court filings and discussed with company.	0.60	375.00	225.00
06/04/2014	AD	Finalized cash management variance reporting and discussed internally.	2.10	375.00	787.50
06/04/2014	AD	Reviewed shipping documents related to parts shipped as part of weekly reporting process.	1.50	375.00	562.50
06/04/2014	AD	Various internal calls/meetings, followed-up on creditors' list mailing.	1.30	375.00	487.50
06/04/2014	AD	Various internal calls/meetings, reviewed production progress and developed updates to weekly reporting.	2.20	375.00	825.00
06/04/2014	AD	Coordinated internally on finalizing creditors' mailing.	0.50	375.00	187.50
06/04/2014	AD	Discussed employees' issues, cash management issues internally.	1.60	375.00	600.00
06/05/2014	AD	Reviewed production data and revised schedules.	1.10	375.00	412.50
06/05/2014	AD	Reviewed production analysis and developed accommodation agreement schedules.	1.30	375.00	487.50
06/05/2014	AD	Discussed payables and cash disbursements internally.	0.90	375.00	337.50
06/05/2014	AD	Finalized cash variance reporting and reviewed internally.	1.10	375.00	412.50
06/05/2014	AD	Reviewed updated production data	1.60	375.00	600.00



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Professional Fees

Date	Timekeeper	Description	Hours	Rate	Amount
06/05/2014	AD	and revised weekly reporting. Revised cash reporting materials and discussed operational updates internally.	1.80	375.00	675.00
06/05/2014	AD	Reviewed employees' agreements and developed revised schedule, discussed internally.	0.90	375.00	337.50
06/05/2014	AD	Discussed operational updates internally and reviewed court filings.	0.60	375.00	225.00
06/06/2014	AD	Reviewed weekly reporting internally, updated analysis and developed schedules for customer agreements.	1.90	375.00	712.50
06/06/2014	AD	Reviewed cash receipts and disbursements internally.	1.10	375.00	412.50
06/06/2014	AD	Participated in update call with company and counsel, followed up on various creditors' issues.	1.20	375.00	450.00
06/06/2014	AD	Reviewed weekly accommodation agreement reporting and supporting documents, updated analysis.	2.80	375.00	1,050.00
06/09/2014	AD	Developed updates to weekly accommodation agreement funding analysis.	2.60	375.00	975.00
06/09/2014	AD	Followed up on requests related to accommodation agreement funding.	1.10	375.00	412.50
06/09/2014	AD	Worked with company on addressing various supplier issues.	1.20	375.00	450.00
06/09/2014	AD	Reviewed and updated sales process materials.	1.30	375.00	487.50
06/10/2014	AD	Discussed updates internally and with management, updated sales process materials.	1.60	375.00	600.00
06/10/2014	AD	Reviewed cash management and various supplier issues, updated cash flow actuals analysis.	3.40	375.00	1,275.00
06/10/2014	AD	Reviewed updates to accommodation agreement letter, updated schedules.	3.20	375.00	1,200.00
06/10/2014	AD	Internal calls and with company to discuss updates.	0.40	375.00	150.00



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Professional Fees

Date	Timekeeper	Description	Hours	Rate	Amount
06/11/2014	AD	Updated weekly accommodation agreement funding/reporting analysis.	2.00	375.00	750.00
06/11/2014	AD	Updated variance reporting and cash flow actuals.	2.50	375.00	937.50
06/12/2014	AD	Discussed and researched customers issues/questions and revised schedules.	1.10	375.00	412.50
06/12/2014	AD	Reviewed weekly cash management with company.	2.10	375.00	787.50
06/12/2014	AD	Reviewed inventory and other materials from company, revised accommodation agreement draft schedules.	1.90	375.00	712.50
06/12/2014	AD	Reviewed various weekly reporting with company, reconciled to trust accounts and finalized.	1.70	375.00	637.50
06/12/2014	AD	Reviewed employees and claims issues with company.	0.80	375.00	300.00
06/12/2014	AD	Reviewed and updated sales process materials.	1.50	375.00	562.50
06/13/2014	AD	Reviewed updates on negotiations with suppliers and customers, updated schedules and analysis; followed-up on insurance issues.	1.50	375.00	562.50
06/13/2014	AD	Participated in calls regarding sales process, updated materials and revised weekly reporting.	2.10	375.00	787.50
06/16/2014	AD	Reviewed and updated sales process materials, coordinated sending out.	2.30	375.00	862.50
06/16/2014	AD	Reviewed weekly cash flow results and updated analysis.	2.40	375.00	900.00
06/16/2014	AD	Discussed company's updates internally.	0.10	375.00	37.50
06/16/2014	AD	Reviewed and discussed suppliers' issues.	0.30	375.00	112.50
06/16/2014	AD	Prepared for and participated in various update calls.	1.20	375.00	450.00
06/16/2014	AD	Reviewed and discussed interested party responses.	0.50	375.00	187.50
06/17/2014	AD	Discussed customers' updates, reviewed accommodation	1.40	375.00	525.00



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Professional Fees

<u>Date</u>	<u>Timekeeper</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
06/17/2014	AD	agreement schedules. Discussed suppliers and cash management issues with management.	0.90	375.00	337.50
06/17/2014	AD	Discussed accounting and reporting for accommodation agreement activity with company.	0.70	375.00	262.50
06/17/2014	AD	Reviewed and followed-up on weekly reporting responses, reconciled cash activity.	2.00	375.00	750.00
06/17/2014	AD	Updated and finalized variance reporting, discussed monitor's report internally.	1.10	375.00	412.50
06/17/2014	AD	Updated and finalized drafts of accommodation agreement schedules, discussed with company.	2.20	375.00	825.00
06/18/2014	AD	Reviewed accommodation agreement schedules and updated.	2.30	375.00	862.50
06/18/2014	AD	Reconciled and reviewed cash activity.	2.80	375.00	1,050.00
06/18/2014	AD	Reviewed production activity and updated weekly accommodation agreement reporting.	3.40	375.00	1,275.00
06/19/2014	AD	Reviewed production progress and updated weekly reporting.	2.10	375.00	787.50
06/19/2014	AD	Developed analysis for payroll disbursements and monitoring, reviewed biweekly activity.	3.40	375.00	1,275.00
06/19/2014	AD	Reviewed and updated cash reporting, reviewed suppliers updates and sales process.	2.10	375.00	787.50
05/30/2014	CO	Review of Motion and Order. Telephone Bank several times to verify if wire was received	0.40	250.00	100.00
06/02/2014	CO	Review of email, supervision of filing of documents.	1.30	250.00	325.00
06/03/2014	CO	Review creditors list, prepare creditors' list. Supervision regarding filing of documents.	1.50	250.00	375.00
06/04/2014	CO	Miscellaneous administration. Supervision of preparation of mailing, Form 2. Miscellaneous	1.40	250.00	350.00



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Date	Timekeeper	Description	Hours	Rate	Amount
		administration.			
06/04/2014	CO	Miscellaneous administration.	0.90	250.00	225.00
06/05/2014	CO	Posting of documents to website. Miscellaneous administration.	0.70	250.00	175.00
06/06/2014	CO	Preparation of documents for mailing. Supervision of posting of documents and mailing. Prepare deposit.	1.60	250.00	400.00
06/16/2014	CO	Prepare deposit, Prepare and send GL to Anthony Dalfio.	0.20	250.00	50.00
06/17/2014	CO	Prepare check	0.10	250.00	25.00
06/20/2014	CO	Prepare deposit.	0.20	250.00	50.00
06/02/2014	SB	Enter contacts names into Ascend, various communications with Lucie Leroux and Carol O'Donnell, website posting, communications with Translation Department, Ascend update, Form 1 posted on website	2.70	185.00	499.50
06/03/2014	SB	OSB E-filing of Form 1, Motion, Order and Endorsement, file set up, Ascend update	1.00	185.00	185.00
06/04/2014	SB	Website: posting of the Motion volume 2 (without Schedule K), email to Niwri Communications for newspaper ad, emails exchange with Niwri, transfer costs and ad to Andrew Adessky,	1.20	185.00	222.00
06/05/2014	SB	Emails exchange to Niwri re. newspaper ad, set up of the Service List	1.20	185.00	222.00
06/06/2014	SB	Email to Adam Sherman and Anthony Dalfio to request Andrew Lee's address, finalization of Notice to creditors, Form 2 e-filed with OSB, preparation of labels, service list updated, email to Andrew Adessky, supplementary list, affidavit, postage form, website posting (creditors' mailing list and notice to creditors), email to CCAA (creditors' list and notice to	3.00	185.00	555.00



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Professional Fees

Date	Timekeeper	Description	Hours	Rate	Amount
06/09/2014	SB	creditors) Emails exchange with Lucie Leroux, creditors' claims register update, website posting, update of affidavit	1.00	185.00	185.00
06/10/2014	SB	Follow-up on the file	0.50	185.00	92.50
06/12/2014	SB	Email to Andrew Adessky re. service list comments, update on service list, service list posted on website	0.50	185.00	92.50
06/13/2014	SB	Update of service list, service list posted on website, email to Adam Sherman, finalization of affidavit, affidavit emailed to CCAA, communication with Eric Barbieri re. landlord, Ascend update	1.20	185.00	222.00
06/04/2014	PL	Working on creditors' list, transfer	2.10	185.00	388.50
06/16/2014	VC	2nd mailing of sale process materials	0.50	105.00	52.50
06/11/2014	NF	2nd sale process	1.00	105.00	105.00
06/16/2014	NF	Mailing re 2nd sale process	0.50	105.00	52.50
06/03/2014	LL	Form 2 sent to Andrew Adessky for completion; follow-up with Andrew Adessky re ad to be published; follow-up with Carol O'Donnell re list of creditors and Notice to creditors of Initial Order	0.25	105.00	26.25
06/03/2014	LL	Creating new file on OSB's E-filing Website, E-filing Form 1, Motion and Initial Order.	0.50	105.00	52.50
06/05/2014	LL	Administration of file: service list, creditors' list, ad, mailing to creditors of Initial Order	0.50	105.00	52.50
06/05/2014	LL	Service list reviewed and corrected	0.25	105.00	26.25
06/09/2014	LL	Website posting of documents and mail affidavit.	0.50	105.00	52.50
Total:			240.85		\$104,768.25



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Disbursements (Taxable)

<u>Description</u>	<u>Amount</u>
Flights	\$1,550.40
Hotels	675.71
Meals	199.56
Transportation	424.80
Copies and postage	524.40
Total:	<u>\$3,374.87</u>



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Fees and Disbursements Summary

<u>Name</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
AA Andrew Adessky, Partner	8.80	595.00	\$ 5,236.00
EB Eric Barbieri, Partner	47.85	595.00	28,470.75
ASH Adam Sherman, Vice-President	45.60	525.00	23,940.00
AD Anthony Dalfio, Senior Associate	111.90	375.00	41,962.50
CO Carol O'Donnell, File Administrator	8.30	250.00	2,075.00
PL Pascale Lareau, File Administrator	2.10	185.00	388.50
SB Soazig Bourgine, File Administrator	12.30	185.00	2,275.50
VC Vicky Coupal, Administrative Assistant	0.50	105.00	52.50
NF Nicole Fournier, Administrative Assistant	1.50	105.00	157.50
LL Lucie Leroux, File Administrator	2.00	105.00	210.00
Professional Fees	<u>240.85</u>		<u>104,768.25</u>
Disbursements (Taxable)			<u>3,374.87</u>
		Total :	<u>\$108,143.12</u>

RICHTER BARBIERI

KK Precision Inc.
104 Oakdale Road
Toronto, ON M3N 1V9

Attention: Mr. George Koulakian

Date: 07/24/2014
Invoice #: RP07697
File #: 036377-002
Due Date: Upon Receipt

Professional services rendered for the 4-week period from
June 21 to July 19, 2014

Fees	\$65,436.50
Disbursements (Taxable)	4,195.12
Sub-Total	69,631.62
HST # 885435842 RT000 1	9,052.11
Balance to pay:	\$78,683.73

T. 514.934.8693
ebarbieri@richter.ca

Richter Groupe Conseil Inc.
Richter Advisory Group Inc.
1981 McGill College
Mtl (Qc) H3A 0G6
www.richter.ca

Montréal, Toronto





Date: 07/24/2014
Invoice #: RP07697
File #: 036377-002

Professional Fees

<u>Date</u>	<u>Timekeeper</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
06/23/2014	EB	Review of motion materials, Siemens agreement, Monitor's report and calls with counsel thereon	3.00	595.00	\$ 1,785.00
06/24/2014	EB	Review of final Siemens agreement and providing feedback thereon	0.60	595.00	357.00
06/24/2014	EB	Review of final Monitor's report	0.70	595.00	416.50
06/24/2014	EB	Telephone call with Jeffrey Austin of BDC and follow-up e-mail correspondence	0.70	595.00	416.50
06/25/2014	EB	Preparation for and attendance to Court for extension motion	1.50	595.00	892.50
06/25/2014	EB	Telephone call with Garth Wheldon re: signature of Siemens agreement	0.20	595.00	119.00
06/25/2014	EB	Processing of weekly funds transfer to KKP	0.30	595.00	178.50
06/26/2014	EB	Telephone call with Garth Wheldon re: Russell Industries	0.40	595.00	238.00
06/26/2014	EB	Review of tax returns and discussion with Andrew Adessky re: possibility of realizing on SR&ED credits	0.50	595.00	297.50
06/26/2014	EB	Discussion with Anthony Dalfio re: filing of current year tax returns	0.50	595.00	297.50
06/26/2014	EB	Telephone call with Garth Wheldon	0.30	595.00	178.50
06/27/2014	EB	Review of weekly RR reporting and coordination of payment receipt with Richard Brattle	0.50	595.00	297.50
06/27/2014	EB	Review of F2013 tax returns and forwarding to tax partner	0.50	595.00	297.50
06/30/2014	EB	Correspondence and call with Garth Wheldon and ZB re: filing of tax returns.	0.40	595.00	238.00
06/30/2014	EB	Follow-up with ZB re: collections of RR A/R	0.50	595.00	297.50
06/30/2014	EB	E-mail exchanges with tax partners re: use of ITCs	0.30	595.00	178.50
07/02/2014	EB	E-mail exchanges with Garth Wheldon and Anthony Dalfio re: outstanding issues to address	0.30	595.00	178.50



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Professional Fees

Date	Timekeeper	Description	Hours	Rate	Amount
07/02/2014	EB	Update call with Garth Wheldon, Anthony Dalfio, Adam Sherman re: sale process and other issues	0.70	595.00	416.50
07/03/2014	EB	Update call with Anthony Dalfio	0.40	595.00	238.00
07/03/2014	EB	E-mail correspondence with Gordon Brothers and Russell Industries	0.50	595.00	297.50
07/03/2014	EB	Review of weekly cash flow monitoring	0.50	595.00	297.50
07/03/2014	EB	E-mail correspondence with J. Salmas re: potential share sale in CCAA	0.70	595.00	416.50
07/04/2014	EB	Finalizing and forwarding Weekly RR reporting	0.30	595.00	178.50
07/04/2014	EB	Review of weekly RR reporting and production progress to date	0.70	595.00	416.50
07/04/2014	EB	E-mail correspondence re: Russell Industries	0.30	595.00	178.50
07/04/2014	EB	Telephone call with Garth Wheldon and Anthony Dalfio re: production scheduling and other issues	0.50	595.00	297.50
07/07/2014	EB	Follow-up with PWC re: materials posted on our website	0.40	595.00	238.00
07/07/2014	EB	Review of sale process bids received, discussions with Garth Wheldon and Adam Sherman, preparation of summary	1.50	595.00	892.50
07/07/2014	EB	Receipt of funding from RR and discussion with R. Brattle re: outstanding issues	0.40	595.00	238.00
07/07/2014	EB	Update call with Garth Wheldon	0.40	595.00	238.00
07/08/2014	EB	Further review of bids, preparation of summary, e-mail correspondence with management, lender, counsel	1.50	595.00	892.50
07/08/2014	EB	Telephone call with Daniel Russel and Garth Wheldon	0.50	595.00	297.50
07/09/2014	EB	Correspondence with ZB and Anthony Dalfio re: filing of tax returns	0.20	595.00	119.00
07/09/2014	EB	Correspondence with Adam Sherman re: court hearing and discussions with Sam Rappos	0.20	595.00	119.00
07/09/2014	EB	Correspondence with potential bidders	0.30	595.00	178.50



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Professional Fees

Date	Timekeeper	Description	Hours	Rate	Amount
07/09/2014	EB	Telephone call with counsel and management to discuss upcoming court appearance	0.40	595.00	238.00
07/09/2014	EB	Discussions with tax professional and Anthony Dalfio re: filing of corporate tax return	0.50	595.00	297.50
07/11/2014	EB	Update call with BMO and management	0.50	595.00	297.50
07/11/2014	EB	Correspondence with management re: floor restoration	0.30	595.00	178.50
07/11/2014	EB	Review of weekly RR reporting schedules, finalization of letter and forwarding to RR	0.50	595.00	297.50
07/11/2014	EB	Correspondence with Anthony Dalfio, Adam Sherman and Garth Wheldon re: excluded assets from Infinity bid	0.40	595.00	238.00
07/11/2014	EB	Telephone call with Richter personnel and management re: next steps in sale process and other issues	0.50	595.00	297.50
07/11/2014	EB	Correspondence with GK re: Infinity offer	0.30	595.00	178.50
07/14/2014	EB	Telephone call with Adam Sherman, Anthony Dalfio and management re: landlord claims	0.50	595.00	297.50
07/14/2014	EB	Telephone calls with Adam Sherman re: court appearance and landlord requests	0.70	595.00	416.50
07/15/2014	EB	Processing of weekly check requisition re: Rolls Royce agreement	0.50	595.00	297.50
07/15/2014	EB	Correspondence with counsel and management, telephone call with Adam Sherman re: landlord visit	0.50	595.00	297.50
07/16/2014	EB	Telephone call with counsel and Adam Sherman to review liquidation services agreement	1.00	595.00	595.00
07/16/2014	EB	Discussion with Adam Sherman re: landlord meeting	0.40	595.00	238.00
07/16/2014	EB	Review of liquidation services agreement	0.70	595.00	416.50



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Invoice #: RP07697
File #: 036377-002

Professional Fees

<u>Date</u>	<u>Timekeeper</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
07/17/2014	EB	Review of weekly RR monitoring and reporting	0.30	595.00	178.50
07/17/2014	EB	Discussion with Adam Sherman re: communication plan with liquidator and landlord	0.30	595.00	178.50
07/18/2014	EB	Telephone call with Adam Sherman re: discussion with landlord and liquidator	0.30	595.00	178.50
07/18/2014	EB	Review of blackline changes to liquidation services agreement made by company counsel	0.50	595.00	297.50
07/18/2014	EB	Review of amendment to RR agreement and follow-up with counsel	0.70	595.00	416.50
07/18/2014	EB	Finalization and submission of weekly RR reporting	0.30	595.00	178.50
06/23/2014	AA	Review and comment upon draft report re extension hearing.	0.50	595.00	297.50
06/23/2014	ASH	Continue drafting Monitor's First Report, including email to A. Adessky, E. Barbieri and S. Rappos attaching same. Email from A. Dalfio attaching executed copy of Pratt & Whitney accommodation agreement. Emails from A. Adessky, E. Barbieri and S. Rappos providing comments on draft Monitor's Report. Telephone call with R. Kennedy re Company materials in support of its motion for a stay extension and other relief returnable June 25, 2014. Email from F. Lamie attaching further revised Siemens accommodation agreement, including subsequent telephone calls with F. Lamie re same. Email from R. Kennedy attaching the Company's draft Notice of Motion/Order and affidavit in support of the Company's motion returnable June 25, 2014. Email from F. Lamie re confidentiality of Siemens accommodation	5.00	525.00	2,625.00



Date: 07/24/2014
Invoice #: RP07697
File #: 036377-002

Professional Fees

Date	Timekeeper	Description	Hours	Rate	Amount
06/24/2014	ASH	agreement. Conference call with E. Barbieri and J. Salmas re various matters in connection with the Company's motion returnable June 25, 2014 and the revised draft of the Siemens accommodation agreement. Email from J. Salmas providing comments on revised Siemens accommodation agreement, including emails from and telephone call with F. Lamie re same. Review, revise and update Monitor's Report. Email to the Company and its counsel and counsel for BMO attaching revised/updated Monitor's First Report. Emails from/to and telephone call with L. Stillman of AG Adjustents, representative of Alcoa (a creditor), re update on status of CCAA, process going forward and other matters. Email from F. Lamie attaching updated and final version of Siemens accommodation agreement. Email from I. Aversa providing comments on draft Monitor's Report. Email from A. Dalfio attaching variance report for the period ending June 20, 2014. Email from D. Ullmann re request for a site visit, including subsequent discussion with and email to D. Ullmann in response to same. Email from A. Dalfio re D&O insurance renewal, including email to A. Dalfio in response to same. Email from J. Salmas providing comments on draft Monitor's Report. Email from F. Lamie attaching schedules to accompany Siemens accommodation agreement, including email from A. Dalfio	4.00	525.00	2,100.00



Date: 07/24/2014
Invoice #: RP07697
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Professional Fees

Date	Timekeeper	Description	Hours	Rate	Amount
06/25/2014	ASH	confirming agreement with same. Email from Dentons attaching motion record returnable June 25, 2014. Emails with S. Rappos re service of Monitor's Report. Review, revise and update Monitor's Report, including email to A. Adessky and E. Barbieri attaching same. Emails from A. Adessky and E. Barbieri re updated Monitor's Report. Finalize Monitor's Report and email to A. Adessky for signature. Email from A. Adessky attaching signed Monitor's Report. Email executed Monitor's Report to S. Rappos for service. Email from S. Rappos re services on Monitor's Report. Email from F. Lamie confirming receipt of BMO's executed signature pages re Siemens accommodation agreement. Telephone call with F. Lamie re execution of Siemens' accommodation agreement. Email from S. Rappos forwarding an email from D. Ullmann re issues with the Company's motion returnable June 25, 2014. Emails from S. Rappos and J. Salmas in response to email from D. Ullmann. Email from F. Lamie re exchange of signature pages re Siemens' accommodation agreement. Attendance in Court re Company motion for extension of stay of proceedings and other matters, including discussions with various counsels in attendance. Email from J. Salmas re River requirement for tax information. from the Company. Email from J. Salmas re D&O insurance. Email from A. Dalfio attaching revised variance report for the period ending June 20, 2014.	1.50	525.00	787.50



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Professional Fees

<u>Date</u>	<u>Timekeeper</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
07/02/2014	ASH	Email from B. Moran attaching issued and entered order and endorsement of Justice Wilton Siegel dated June 25, 2014. Emails with C. O'Donnell re website update. Email from E. Barbieri providing comments on variance report. Emails with E. Barbieri and G. Wheldon. Conference call with E. Barbieri, G. Wheldon and A. Dalfio re status of sales process. Emails from/to M. McIntosh re sales process.	0.50	525.00	262.50
07/03/2014	ASH	Draft Company email re reminder of sales process deadline, including emails with E. Barbieri and G. Wheldon re same. Voicemails from/to G. Shoniker of Asset Services. Telephone call with L. Amcoils of Infinity Assets. Email from G. Wheldon to potential interested parties advising of bid deadline and other matters in connection with the sales process. Email from D. Ullmann re sales process/bid deadline, including subsequent email to D. Ullmann re same. Email from Gordon Brothers re sales process. Email from D. Russell re sales process. Emails from/to S. Kerr of European Tubes Ltd., creditor.	1.30	525.00	682.50
07/04/2014	ASH	Email from A. Dalfio attaching updated Rolls Royce reporting summary and production report. Telephone call with G. Shoniker of Asset Services re sales process/bid deadline. Telephone call with J. Lizewski re sales process/bid deadline.	0.50	525.00	262.50



Date: 07/24/2014
Invoice #: RP07697
File #: 036377-002

Professional Fees

<u>Date</u>	<u>Timekeeper</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
07/07/2014	ASH	Emails from/to M. McIntosh re bid deadline and submission of offer. Email from J. Salmas forwarding an email from Xerox re: leased equipment. Email from S. Rappos attaching invoice for the period ending June 30, 2014. Email from J. Salmas and R. Kennedy re bid deadline. Email from Maynards attaching its auction proposal. Email from D. Ullmann attaching his client's offer for the Company's assets. Email from Corporate Assets attaching its auction proposal. Email from Asset Services attaching its auction proposal. Email from Infinity Assets attaching its auction proposal. Email from Hilco attaching its auction proposal. Emails and telephone calls with G. Wheldon and E. Barbieri re bids submitted.	1.30	525.00	682.50
07/08/2014	ASH	Telephone call with E. Barbieri re review of offers for Company's assets and next steps re sales process. Telephone call with A. Dalfio re revised cash flow projection, status of production activities, etc. Telephone call with G. Shoniker re update on status of sales process. Telephone calls with L. Amoils re update on status of sales process and clarification of offer. Telephone calls with J. Lizewski re update on status of sales process and clarification of offer.	1.20	525.00	630.00
07/09/2014	ASH	Emails and conference call with E. Barbieri, the Company and its counsel re 9:30 Chambers appointment scheduled for July 14, 2014. Emails from/to S. Bourguine re approval of invoice for newspaper ad. Telephone calls with L. Amoils	1.20	525.00	630.00



Date: 07/24/2014
Invoice #: RP07697
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Professional Fees

Date	Timekeeper	Description	Hours	Rate	Amount
07/10/2014	ASH	and J. Lizewski to confirm certain machinery/equipment excluded from their respective bids. Email to G. Wheldon and E. Barbieri re discussions with L. Amoils and J. Lizewski. Email to and telephone call with S. Rappos re upcoming 9:30 Chambers appointment. Email to E. Barbieri re discussion with S. Rappos. Emails from G. Wheldon to L. Amoils attaching photos of the Pratt & Whitney test bench. Emails from/to S. Rappos. Telephone call with D. Ullmann re update on offer solicitation process and upcoming 9:30 Chambers appointment. Several telephone calls with L. Amoils and J. Lizewski.	1.00	525.00	525.00
07/11/2014	ASH	Email from and telephone call with E. Barbieri. Conference call with E. Barbieri, G. Wheldon, R. Keifer and S. Graff re update on production activities, offer solicitation process, etc. Email from A. Dalfio re employee retention payments. Conference call with E. Barbieri, G. Wheldon and A. Dalfio re retention payments, selection of successful bidder for the Company's assets, etc. Several telephone calls with L. Amoils re notice of successful bid, next steps, etc. Telephone call with J. Lizewski. Email from A. Dalfio attaching list of KKP owned tooling that Rolls Royce has an option to purchase. Email to L. Amoils attaching list of KKP owned tooling that Rolls Royce has an option to purchase. Email from G. Wheldon attaching quote for concrete repairs. Email from Corporate Assets. Telephone call with R. Epstein, counsel for Infinity	2.50	525.00	1,312.50



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Professional Fees

Date	Timekeeper	Description	Hours	Rate	Amount
07/14/2014	ASH	Assets, re preparation of Auction Services Agreement. Preparation and attendance in Court re 9:30 Chambers appointment, including discussions with various counsels in attendance. Emails with R. Epstein of Aird & Berlis (counsel for Infinity) re terms of auction agreement. Email from G. Koulakian re sales process. Voicemails from/to M. MacIntosh. Email from and several telephone calls with L. Amoils re various matters in connection with the sale of the Company's assets. Emails from/to G. Wheldon re landlord and other matters. Email from D. Ullmann re: leased premises. Email from and telephone call with J. Lizewski. Voicemail from and telephone call with B. Lyle. Conference call with the Company re landlord issues, including requirement to make certain repairs prior to vacating the premises. Email from Dentons attaching the endorsement of Justice Wilton-Siegel dated July 14, 2014.	2.50	525.00	1,312.50
07/15/2014	ASH	Emails with G. Wheldon and J. Salmas re landlord site visit. Emails with D. Ullmann re landlord site visit. Email from B. Moran re landlord site visit. Email from R. Epstein attaching draft, including subsequent emails with R. Epstein re same. Telephone calls with E. Barbieri. Telephone calls and emails with L. Amoils.	1.40	525.00	735.00
07/16/2014	ASH	Attendance at KKP's premises, including meeting with the Company and its counsel, and the landlord and its counsel to review the condition of the facility and discuss the repairs to be completed by KKP prior to	3.50	525.00	1,837.50



Date: 07/24/2014
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Professional Fees

Date	Timekeeper	Description	Hours	Rate	Amount
07/17/2014	ASH	vacating the premises. Emails and telephone calls with L. Amoils. Telephone call with E. Barbieri re landlord site visit. Emails with E. Barbieri and J. Salmas re draft auction agreement. Conference call with E. Barbieri and J. Salmas re comments on draft auction agreement. Telephone call with R. Epstein re draft auction agreement. Email from S. Barnett of Indy Honeycomb, a creditor, requesting an update on KKP's CCAA proceedings, including subsequent email to S. Barnett in response to same.	0.80	525.00	420.00
07/18/2014	ASH	Telephone call with Storstac Inc., creditor, re update. Email from G. Wheldon attaching Phase 1/Phase 2 environmental assessments for the leased premises. Emails and telephone calls with E. Barbieri. Email from J. Salmas attaching blacklined auction agreement. Telephone call with L. Amoils. Telephone calls with D. Ullmann re: leased premises. Telephone call with R. Epstein re auction agreement. Conference call with R. Epstein and J. Sugar re auction agreement. Telephone call with L. Amoils re auction agreement. Email from D. Ullmann outlining the landlord's position re required repairs prior to KKP vacating the leased premises, including subsequent emails with E. Barbieri and G. Wheldon re same. Email from G. Wheldon re timeline of activities at KKP's leased premises. Telephone call with S. Rappos. Telephone call with E. Barbieri.	1.50	525.00	787.50



Date: 07/24/2014
Invoice #: RP07697
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Professional Fees

Date	Timekeeper	Description	Hours	Rate	Amount
06/23/2014	AD	Reviewed insurance and other issues, discussed internally; discussed weekly funding reporting with company accounting.	1.10	375.00	412.50
06/23/2014	AD	Discussed updates with company, reviewed responses on customer accommodation agreement and developed responses.	0.70	375.00	262.50
06/23/2014	AD	Reviewed cash flow activity with KKP accounting group, followed up on collection of receivables.	1.00	375.00	375.00
06/23/2014	AD	Developed reconciliation of book cash and outstanding cheques, discussed with company accounting and incorporated into cash flow model.	1.40	375.00	525.00
06/23/2014	AD	Reviewed updated production details and updated draft accommodation agreement schedules.	1.30	375.00	487.50
06/23/2014	AD	Reviewed company analysis and discussed with company.	0.60	375.00	225.00
06/24/2014	AD	Developed responses to insurer's questions to company, discussed with company and counsel.	1.20	375.00	450.00
06/24/2014	AD	Reviewed final schedules to accommodation agreement, reviewed payroll and labor hours and revised analysis.	1.50	375.00	562.50
06/24/2014	AD	Reviewed accommodation agreement schedules and discussed comments with company.	0.90	375.00	337.50
06/24/2014	AD	Reviewed cash flow activity and finalized variance reporting.	1.50	375.00	562.50
06/24/2014	AD	Reviewed production data and developed weekly reporting.	1.20	375.00	450.00
06/25/2014	AD	Reviewed sales tax and other cash flow activity, finalized weekly actuals and variance report.	1.50	375.00	562.50
06/25/2014	AD	Reviewed insurance issues and communicated with company and counsel.	0.50	375.00	187.50



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Professional Fees

Date	Timekeeper	Description	Hours	Rate	Amount
06/26/2014	AD	Reviewed customer invoices, expedite charges, and suggested updates for consistency with accommodation agreements.	1.70	375.00	637.50
06/26/2014	AD	Updated weekly accommodation agreement funding report and finalized for sending internally.	1.10	375.00	412.50
06/26/2014	AD	Reviewed and discussed with KKP various suppliers and insurance issues.	0.80	375.00	300.00
06/26/2014	AD	Reviewed cash activity and reconciliation of outstanding cheques and book cash.	0.90	375.00	337.50
06/26/2014	AD	Reviewed recent shipments to customers and revised analysis.	1.20	375.00	450.00
06/27/2014	AD	Reviewed shipping documents and revised weekly funding reporting.	1.50	375.00	562.50
06/27/2014	AD	Reviewed tax return and insurance status, communicated with company.	0.30	375.00	112.50
06/30/2014	AD	Reviewed cash flow activity, updates on collection of A/R.	0.60	375.00	225.00
07/02/2014	AD	Reviewed receivables collected for cash flow reconciliation.	0.60	375.00	225.00
07/02/2014	AD	Reviewed production materials and developed weekly funding materials.	1.50	375.00	562.50
07/02/2014	AD	Telephone call internally and with company to discuss sales process, revised materials subsequent to call and circulated.	1.00	375.00	375.00
07/02/2014	AD	Reviewed lease agreement and discussed with company.	0.40	375.00	150.00
07/02/2014	AD	Prepared for and participated in telephone call with Rolls Royce to discuss receivables' reconciliation.	0.40	375.00	150.00
07/02/2014	AD	Reviewed weekly cash activity, discussed with company and developed cash actuals reporting.	1.80	375.00	675.00
07/02/2014	AD	Reviewed production schedules, discussed cash flow forecast with company and beginning of development of forecast.	1.10	375.00	412.50



Date: 07/24/2014
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Professional Fees

<u>Date</u>	<u>Timekeeper</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
07/03/2014	AD	Reviewed KKP cash flow activity and trust accounting activity, reviewed and revised cash flow forecast.	1.00	375.00	375.00
07/03/2014	AD	Reviewed insurance policy updated documents and revised cash flow analyses.	0.70	375.00	262.50
07/03/2014	AD	Discussed various updates with the company, reviewed production schedule and finalized weekly reporting.	1.50	375.00	562.50
07/03/2014	AD	Discussed various supplier issues with the company, reviewed relevant documents.	0.90	375.00	337.50
07/03/2014	AD	Reviewed weekly variance reporting with company, continued to develop production forecast.	2.00	375.00	750.00
07/03/2014	AD	Prepared for and participated in telephone call with Rolls Royce to resolve remaining receivable issues, followed up by discussing open questions with company.	0.90	375.00	337.50
07/04/2014	AD	Reviewed shipping documents and finalized analysis.	0.60	375.00	225.00
07/04/2014	AD	Researched receivables reconciliation issue and communication with Rolls Royce.	0.90	375.00	337.50
07/04/2014	AD	Discussed various suppliers and production issues with company, revised analysis.	0.90	375.00	337.50
07/04/2014	AD	Monitored receivables collection on various customers, discussed cash flow activity with company.	0.50	375.00	187.50
07/04/2014	AD	Developed updated production forecast and integrated into cash flow forecast.	2.50	375.00	937.50
07/04/2014	AD	Followed up on additional documents requested by Rolls Royce on receivables outstanding.	0.60	375.00	225.00
07/07/2014	AD	Updated cash flow forecasted for latest production schedules/estimates.	2.00	375.00	750.00
07/07/2014	AD	Followed-up on receivables collection issues.	0.40	375.00	150.00



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Professional Fees

Date	Timekeeper	Description	Hours	Rate	Amount
07/07/2014	AD	Reviewed prior week's cash flow activity, updated analysis.	1.50	375.00	562.50
07/07/2014	AD	Reviewed updates re: PWC POs/pricing and reconciled amounts outstanding, revised analysis.	1.20	375.00	450.00
07/07/2014	AD	Reviewed operational updates, reviewed sales process updates.	0.20	375.00	75.00
07/08/2014	AD	Followed up on receivables collection issues.	0.50	375.00	187.50
07/08/2014	AD	Reviewed production and shipping updates, revised funding analysis.	0.60	375.00	225.00
07/08/2014	AD	Reviewed various suppliers issues.	0.70	375.00	262.50
07/08/2014	AD	Prepared for and participated in calls/discussions regarding sales process and other updates.	0.90	375.00	337.50
07/08/2014	AD	Continued to develop cash flow forecast, analyzed payables and cash flow activity.	1.70	375.00	637.50
07/08/2014	AD	Reviewed various operational issues including tax returns, insurance, cash flow activity, professional fee estimates; updated cash flow forecast.	2.10	375.00	787.50
07/09/2014	AD	Analyzed labor cost and asset analyses, discussed with company management.	1.70	375.00	637.50
07/09/2014	AD	Reviewed updated production schedules/progress, revised analysis and followed up on issues.	1.60	375.00	600.00
07/10/2014	AD	Prepared for and participated in telephone call regarding tax return.	0.40	375.00	150.00
07/10/2014	AD	Prepared production update to communicate internally.	0.30	375.00	112.50
07/10/2014	AD	Reviewed insurance claim detail/analyses, discussed comments with company; followed up on various receivable collection and supplier issues.	1.80	375.00	675.00
07/11/2014	AD	Meeting with company to discuss flood and business interruption, developed updated insurance claim analysis.	1.50	375.00	562.50



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Professional Fees

Date	Timekeeper	Description	Hours	Rate	Amount
07/11/2014	AD	Followed up on various cash flow issues; developed a revised reconciliation for PWC.	1.30	375.00	487.50
07/11/2014	AD	Prepared for and participated in update call, followed up with providing requested documents re: tooling.	0.70	375.00	262.50
07/11/2014	AD	Reviewed production updates and shipping documents, finalized and circulated funding analysis.	1.60	375.00	600.00
07/11/2014	AD	Reviewed production schedule revisions from Rolls Royce, analyzed against latest production schedule and discussed differences with company.	1.80	375.00	675.00
07/11/2014	AD	Discussed production schedule and accommodation agreement updates with company.	0.30	375.00	112.50
07/14/2014	AD	Reviewed and reconciled production schedules, updated funding analysis and circulated revised version of schedule A.	1.80	375.00	675.00
07/14/2014	AD	Participated in telephone call regarding KKP premises, followed up on and reviewed various operational issues.	1.10	375.00	412.50
07/15/2014	AD	Reviewed cash flow activity and updated actuals/variance analysis.	0.50	375.00	187.50
07/15/2014	AD	Reviewed production and shipped parts, updated analysis.	0.90	375.00	337.50
07/15/2014	AD	Reviewed cash flow activity and updated actuals/variance analysis.	1.50	375.00	562.50
07/15/2014	AD	Reviewed cash flow activity.	0.30	375.00	112.50
07/16/2014	AD	Reviewed payroll and production detail, updated cash flow forecast.	1.10	375.00	412.50
07/16/2014	AD	Participated in meeting with landlord.	0.80	375.00	300.00
07/16/2014	AD	Reviewed production activity and reporting and updated analysis.	0.40	375.00	150.00
07/16/2014	AD	Reviewed production activity and continued to develop revised cash flow forecast.	0.80	375.00	300.00



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Professional Fees

<u>Date</u>	<u>Timekeeper</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
07/17/2014	AD	Reviewed cash flow and production data, updated analysis.	1.20	375.00	450.00
07/17/2014	AD	Reviewed trust accounting and accommodation agreement revision.	0.20	375.00	75.00
07/17/2014	AD	Reviewed production and shipment details, revised and finalized weekly funding reporting.	1.50	375.00	562.50
07/17/2014	AD	Followed up on various cash flow and company-related issues.	0.70	375.00	262.50
06/25/2014	CO	Prepare cheque. Post documents to website, and email to OSB. Notes in Ascend.	1.10	250.00	275.00
06/26/2014	CO	Post and email to OSB Monitors' first report. Notes in Ascend	0.30	250.00	75.00
06/30/2014	AS	Prepare deposit	0.30	185.00	55.50
07/02/2014	AS	Prepare cheque	0.30	185.00	55.50
07/03/2014	AS	Administration of file	0.20	185.00	37.00
07/07/2014	AS	Administration of file; prepare deposit	0.50	185.00	92.50
07/08/2014	AS	Prepare cheque	0.30	185.00	55.50
07/09/2014	AS	Administration of file	0.30	185.00	55.50
07/14/2014	AS	Prepare deposit	0.30	185.00	55.50
07/15/2014	AS	Communication with contact for address on returned mail; prepare cheque	0.80	185.00	148.00
07/17/2014	AS	Resend returned notice; update records	0.30	185.00	55.50
			Total:	146.10	\$65,436.50



Date: 07/24/2014
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Disbursements (Taxable)

Description	Amount
Airfare	\$ 510.46
Hotel	802.09
Transportation	1,079.19
Postage, courier and newspaper ad	1,803.38
Total:	\$4,195.12



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Fees and Disbursements Summary

<u>Name</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
EB Eric Barbieri, Partner	31.30	595.00	\$18,623.50
AA Andrew Adessky, Partner	0.50	595.00	297.50
ASH Adam Sherman, Vice-President	29.70	525.00	15,592.50
AD Anthony Dalfio, Senior Associate	79.90	375.00	29,962.50
CO Carol O'Donnell, File Administrator	1.40	250.00	350.00
AS Ann Stremski, File Administrator	3.30	185.00	610.50
Professional Fees	146.10		65,436.50
Disbursements (Taxable)			4,195.12
		Total :	\$69,631.62

**RICHTER
BARBIERI**

KK Precision Inc.
104 Oakdale Road
Toronto, ON M3N 1V9

Attention: Mr. George Koulakian

Date: 09/08/2014
Invoice #: RP07777
File #: 036377-002
Due Date: Upon Receipt

Professional services rendered for the period from July 20, 2014
to August 29, 2014

Fees	\$ 94,589.25
Disbursements	3,098.65
Sub-Total	97,687.90
HST # 885435842 RT000 1	12,699.43
Balance to pay:	\$110,387.33

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Montréal, Toronto





Date: 09/08/2014
Invoice #: RP0777
File #: 036377-002

Professional Fees

<u>Date</u>	<u>Timekeeper</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
07/21/2014	EB	Review of landlord e-mail re: restoration of premises, original lease and lease extension	0.50	595.00	\$ 297.50
07/21/2014	EB	Telephone call with counsel, AS and management re: response to landlord	1.00	595.00	595.00
07/22/2014	EB	Update telephone call with GW	0.30	595.00	178.50
07/22/2014	EB	Review of actual vs. forecast results and revised CF projections	1.00	595.00	595.00
07/22/2014	EB	Telephone call with AD to discuss revised cash flow forecast	0.50	595.00	297.50
07/22/2014	EB	Telephone call with AS to review status of liquidator agreement and other issues	0.40	595.00	238.00
07/23/2014	EB	Review of blackline of liquidation agreement and associated schedules	0.50	595.00	297.50
07/23/2014	EB	Discussion with AF re: revised cash flow forecast and schedules to liquidation analysis	0.50	595.00	297.50
07/23/2014	EB	Review of response to the landlord re: remediation work	0.40	595.00	238.00
07/24/2014	EB	Telephone call with management, counsel and Richter staff re: court hearing, response to landlord and LSA	1.00	595.00	595.00
07/24/2014	EB	Review of draft Monitor's report and making changes thereto	1.50	595.00	892.50
07/25/2014	EB	Finalization of Monitor's report	1.50	595.00	892.50
07/28/2014	EB	Review and finalization of cash flow reporting and updated forecast for BMO	1.00	595.00	595.00
07/28/2014	EB	Review of motion materials filed	0.50	595.00	297.50
07/28/2014	EB	Final review and issuance of Second Monitor's Report	0.50	595.00	297.50
07/28/2014	EB	Correspondence with Rolls Royce re: amendment to agreement and collection of weekly funding	0.30	595.00	178.50



Date: 09/08/2014
Invoice #: RP07777
File #: 036377-002

Professional Fees

<u>Date</u>	<u>Timekeeper</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
07/29/2014	EB	Review of cash flow reporting schedules and correspondence with A Dalfio thereon	0.30	595.00	178.50
07/29/2014	EB	Review of landlord objection to approval of the LSA and correspondence with A. Sherman thereon	0.60	595.00	357.00
07/30/2014	EB	Telephone call with A. Sherman and S. Rappos re: supplementary Monitor's report	0.40	595.00	238.00
07/30/2014	EB	Review of landlord objection and formulation of point by point response	1.20	595.00	714.00
07/30/2014	EB	Update telephone call with BMO	0.50	595.00	297.50
07/30/2014	EB	Telephone call with counsel and management re: response to landlord objection	0.50	595.00	297.50
07/31/2014	EB	Review of draft supplemental affidavit of Garth Wheldon, and providing comments thereon	0.70	595.00	416.50
07/31/2014	EB	Review of final affidavit and Monitor's report prior to filing with the court	0.50	595.00	297.50
07/31/2014	EB	Telephone call with A. Sherman and Chaitons re: court hearing preparation	0.50	595.00	297.50
07/31/2014	EB	Review of draft supplemental Monitor's report, and providing comments thereon	0.80	595.00	476.00
08/01/2014	EB	Attendance in court re: sale approval motion	1.00	595.00	595.00
08/01/2014	EB	Meeting with counsel to lenders and counsel to Infinity re: delayed court hearing	0.50	595.00	297.50
08/01/2014	EB	Meeting with G. Wheldon and A. Dalfio at KKP premises re: outstanding issues and status of operations	1.50	595.00	892.50
08/01/2014	EB	Review and issuance of weekly RR monitoring report and letter	0.30	595.00	178.50
08/01/2014	EB	Correspondence with RR re: execution of amendment to agreement	0.20	595.00	119.00



Date: 09/08/2014
Invoice #: RP07777
File #: 036377-002

Professional Fees

Date	Timekeeper	Description	Hours	Rate	Amount
08/02/2014	EB	Review of landlord offer and correspondence with company and BMO thereon	1.20	595.00	714.00
08/04/2014	EB	Correspondence with RR and coordination of execution of amendment 1 to RR agreement	0.60	595.00	357.00
08/04/2014	EB	Review of materials for court hearing	0.50	595.00	297.50
08/05/2014	EB	Attendance in court for approval of LSA	2.50	595.00	1,487.50
08/05/2014	EB	Discussion with BMO counsel prior to hearing	0.50	595.00	297.50
08/06/2014	EB	Processing of weekly payment re: RR agreement	0.30	595.00	178.50
08/06/2014	EB	Review of weekly cash flow monitoring and follow-up comments to A Dalfio	0.50	595.00	297.50
08/06/2014	EB	Correspondence with M. Butler re: outstanding payments to be made by RR	0.40	595.00	238.00
08/06/2014	EB	Correspondence with M. Butler	0.50	595.00	297.50
08/06/2014	EB	Coordination of execution of RR Amendment	0.30	595.00	178.50
08/08/2014	EB	Review of RR weekly funding summary and letter	0.40	595.00	238.00
08/11/2014	EB	Telephone conversation with GW and AD to review production schedule and issues	0.70	595.00	416.50
08/12/2014	EB	Reviewing summary of professional fees incurred, as requested by BMO	0.30	595.00	178.50
08/12/2014	EB	Processing of weekly funding to KKP re: Rolls Royce agreement	0.30	595.00	178.50
08/13/2014	EB	Telephone conversation with GW, AS and AD to review list of repairs and operational update	0.50	595.00	297.50
08/21/2014	EB	Review of landlord letter and e-mail response to management and counsel	1.00	595.00	595.00
08/22/2014	EB	Correspondence with A. Dalfio re: status of operations	0.30	595.00	178.50
08/25/2014	EB	Update call with A. Dalfio regarding cash flow and operational issues	0.50	595.00	297.50



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08/27/2014	EB	Update call with A. Dalfio and G. Wheldon	0.50	595.00	297.50
08/28/2014	EB	Update call with A. Dalfio and G. Wheldon	0.70	595.00	416.50
08/29/2014	EB	Update call with G. Wheldon and A. Dalfio	0.40	595.00	238.00
08/29/2014	EB	Review of weekly RR funding report	0.30	595.00	178.50
08/29/2014	EB	Update telephone call with R. Kiefer of BMO	0.30	595.00	178.50
07/28/2014	AA	Telephone conversation with tax consulting company and forward to E. Barbieri and Adam Sherman; e-mail from attorney re Heenan Blaikie claim.	0.40	595.00	238.00
07/29/2014	AA	E-mail from creditor and forward for response.	0.10	595.00	59.50
07/31/2014	AA	Review of landlord affidavit; update with E. Barbieri; review of supplemental report/affidavit.	0.40	595.00	238.00
08/06/2014	AA	Review of recent order and endorsement re sale.	0.30	595.00	178.50
08/22/2014	AA	Telephone conversation with lawyer re case status, forward to A. Sherman and E. Barbieri for follow up	0.20	595.00	119.00
07/21/2014	ASH	Emails with the Company and its counsel re scheduling of conference call. Conference call with the Company and its counsel re landlord email outlining its position on the repairs required to be completed by the Company prior to vacating the leased premises. Begin drafting Monitor's 2nd report.	4.00	525.00	2,100.00
07/21/2014	ASH	Conference call with the Company and its counsel re Company response to landlord letter. Email from Dentons to R. Epstein providing comments on liquidation services agreement. Email from A. Dalfio re variance report for the period ending July 18, 2014. Drafting Monitor's 2nd report.	4.00	525.00	2,100.00



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<u>Date</u>	<u>Timekeeper</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
07/22/2014	ASH	Voicemail from and telephone calls with D. Ullmann re landlord. Emails and discussions with E. Barbieri re production variances and other matters. Emails from/to and telephone calls with R. Epstein re liquidation agreement. Emails and telephone calls with L. Amoils re liquidation agreement. Email to the Company and its counsel re update on assets excluded from the liquidation agreement, including email from the Company in response to same. Email to J. Salmas re liquidation agreement. Conference call with J. Salmas and E. Barbieri re liquidation agreement and other matters. Email from R. Epstein forwarding Infinity insurance certificate, including subsequent email to the Company and its counsel attaching same. Email from R. Epstein attaching revised liquidation agreement, including subsequent email to R. Epstein in response to same. Email from A. Dalfio attaching cash flow summary for Monitor's 2nd report. Email from R. Epstein to the Dentons attaching revised liquidation agreement. Review, revise and update Monitor's 2nd report.	5.00	525.00	2,625.00
07/23/2014	ASH	Email from E. Barbieri re revised liquidation agreement. Emails from A. Dalfio re schedules to liquidation agreement. Emails with R. Epstein re liquidation agreement. Email from B. Moran attaching draft response to landlord. Email from G. Wheldon re excluded assets. Review, revise and update Monitor's 2nd report.	3.00	525.00	1,575.00
07/24/2014	ASH	Emails with E. Barbieri. Emails with the Company and its counsel.	5.00	525.00	2,625.00



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		<p>Emails and telephone calls with R. Epstein. Conference call with the Company and its counsel re liquidation agreement, landlord response letter and other matters. Email from S. Rappos re liquidation agreement. Email from Dentons to R. Epstein attaching further revised liquidation agreement. Email from B. Moran attaching revised landlord response letter, including email from J. Salmas re same. Email from A. Dalfio re KKP HST number, including subsequent email to the Company and its counsel re same. Email to and telephone call with B. Moran re comments on landlord letter. Email from B. Moran attaching further revised landlord letter. Email from G. Wheldon re excluded assets. Review, revise and update Monitor's 2nd report, including emails with E. Barbieri re same. Email from B. Moran attaching draft approval and vesting order. Email from B. Moran to D. Ullmann attaching landlord's response letter. Email from and telephone call with J. Sugar re liquidation agreement. Email from B. Moran attaching draft affidavit. Emails with G. Wheldon re schedules to liquidation agreement. Telephone call with L. Amoils re adjustment to liquidation agreement for excluded assets. Email to the Company, Dentons, Chaitons and Aird & Berlis attaching draft Monitor's 2nd report. Email from S. Rappos providing comments on Monitor's 2nd report.</p>			

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07/25/2014	ASH	Telephone call with E. Barbieri re adjustment to liquidation agreement for excluded assets. Email from G. Wheldon re adjustments to schedules to liquidation agreement. Emails from A. Dalfio re revised schedules to liquidation agreement. Emails and telephone call with S. Rappos. Email from B. Moran attaching revised affidavit. Email from J. Salmas re comments on Monitor's 2nd report. Email from R. Epstein re comments on draft approval and vesting order. Email from B. Moran attaching updated/complete liquidation agreement, including schedules. Email from B. Moran to R. Epstein attaching final liquidation agreement. Email from I. Aversa re Monitor's 2nd report. Telephone call with R. Epstein. Conference call with the Company and R. Epstein re liquidation agreement. Email from R. Epstein attaching signed liquidation agreement. Email from G. Wheldon attaching proposal to repair the floor pits. Email from Dentons re service of motion materials re motion returnable August 1, 2014.	2.00	525.00	1,050.00
07/28/2014	ASH	Emails and telephone calls with E. Barbieri and S. Rappos re finalization of Monitor's 2nd report. Email from A. Dalfio attaching banking details for auction deposit, including subsequent email to Infinity and its counsel re same. Email from E. Barbieri attaching finalized Monitor's 2nd report. Sign Monitor's 2nd report, including subsequent email to S. Rappos attaching same. Email from R. Epstein re liquidation	2.50	525.00	1,312.50



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Date	Timekeeper	Description	Hours	Rate	Amount
07/29/2014	ASH	agreement, including subsequent discussion with R. Epstein re same. Telephone call with B. Moran re liquidation agreement. Email from B. Moran to R. Epstein attaching motion material including signed liquidation agreement. Email from S. Rappos re service of Monitor's 2nd report. Email from B. Moran attaching confidential exhibits to Wheldon affidavit. Emails from/to Delta Grinding, creditor. Email from L. Amoils confirming payment of auction deposit. Emails with A. Dalfio. Emails from/to Xerox re leased equipment. Email from S. Rappos to Aird & Berlis requesting copy of BMO's security, including email from I. Aversa in response to same. Emails with S. Rappos re equipment lessors. Email from J. Salmas forwarding email from D. Ullmann re landlord response to Company motion seeking approval of the liquidation agreement. Emails with E. Barbieri.	1.50	525.00	787.50
07/30/2014	ASH	Conference call with BMO and its counsel re update. Conference call with Dentons, Aird & Berlis and Chaitons re landlord position on liquidation agreement. Email from and telephone call with L. Amoils re landlord opposition to liquidation agreement. Telephone call with R. Epstein re landlord opposition to liquidation agreement. Email from G. Wheldon re A/C unit repairs. Email from E. Barbieri re comments on landlord's draft affidavit. Email from J. Salmas re Company response to landlord opposition to liquidation agreement. Email to	5.00	525.00	2,625.00



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Date	Timekeeper	Description	Hours	Rate	Amount
07/31/2014	ASH	<p>Chaitons forwarding landlord's draft affidavit opposing the liquidation agreement, including emails from S. Rappos/M. Poliak in response to same. Conference call with E. Barbieri and S. Rappos. Email from S. Rappos to J. Salmas re Company response to landlord objection. Email from D. Ullmann attaching sworn landlord affidavit in support of its opposition to liquidation agreement. Draft Monitor's supplemental 2nd report. Email to E. Barbieri and S. Rappos attaching draft supplemental 2nd report. Email from Xerox re leased equipment. Email from B. Moran attaching draft supplemental affidavit. Telephone call with E. Barbieri re draft supplemental affidavit. Email from E. Barbieri to B. Moran re comments on draft supplemental affidavit. Email from K. Kraft attaching revised draft supplemental affidavit. Email from S. Rappos providing comments on Supplemental 2nd report, including email in response to same. Telephone call with E. Barbieri re Supplemental 2nd report. Review, revise and update supplemental 2nd report. Email to the Company, Dentons, Aird & Berlis and Chaitons attaching Supplemental 2nd report. Email from K. Kraft re Supplemental 2nd report. Email from Aird & Berlis re Supplemental 2nd report. Telephone call with R. Epstein. Email from B. Moran re service of supplemental affidavit. Telephone call with I. Amois. Emails with E. Barbieri and S. Rappos re Supplemental 2nd report. Revise,</p>	4.50	525.00	2,362.50



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08/01/2014	ASH	finalize and sign Supplemental 2nd report, including email to Chaitons attaching same. Email from Chaitons re service of Monitor's supplemental 2nd report. Emails and conference call with E. Barbieri, S. Rappos and M. Poliak re motion. Email from and telephone call with D. Ullmann re motion. Emails with S. Rappos and J. Salmas re Company's motion. Preparation for and attendance in Court re Company motion for approval of liquidation agreement, including discussions with various counsels in attendance. Meeting with R. Epstein, I. Aversa, E. Barbieri and L. Amoils (via phone) re adjournment of motion and other matters in connection with same. Email from K. Kraft attaching endorsement of Wilton-Siegel issued earlier on same date. Emails from and telephone calls with L. Amoils re liquidation agreement. Telephone calls with D. Ullmann re potential settlement/lease extension. Telephone calls with E. Barbieri re discussion with D. Ullmann. Telephone calls with L. Amoils re potential settlement with landlord and impact on liquidation. Email from D. Ullmann re without prejudice offer to settle. Telephone call with S. Rappos re landlord offer. Email from S. Rappos to the Company, Dentons and Aird & Berlis re landlord offer. Email from E. Barbieri re landlord offer.	4.50	525.00	2,362.50



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08/02/2014	ASH	Telephone calls with L. Amoils re potential landlord settlement. Telephone call with E. Barbieri re discussions with L. Amoils. Email from E. Barbieri to the Company, Dentons, Aird & Berlis and Chaitons re potential landlord settlement. Email from K. Kraft re potential landlord settlement.	1.00	525.00	525.00
08/03/2014	ASH	Email from S. Graff confirming BMO's rejection of the landlord's settlement offer. Email from S. Rappos to D. Ullmann re rejection of landlord settlement offer, including D. Ullmann's email response to same.	0.20	525.00	105.00
08/05/2014	ASH	Preparation for and attendance in Court re motion to approve liquidation agreement, including various discussions with counsel in attendance. Email to Infinity and its counsel confirming approval of liquidation agreement. Telephone call with R. Epstein re liquidation agreement. Email from B. Moran attaching endorsement and order of Justice Penny.	1.50	525.00	787.50
08/11/2014	ASH	Email from J. Sugar of Infinity re auction. Emails with A. Dalfio and E. Barbieri re release requested for removal of assets stored at 3rd party.	0.20	525.00	105.00
08/13/2014	ASH	Emails and conference call with E. Barbieri, A. Dalfio and G. Wheldon re update on status of repairs to facility, auction set up, removal of assets from 3rd party storage, etc.	0.50	525.00	262.50
08/14/2014	ASH	Email from Xerox re status of account, including email to A. Dalfio re same. Emails from Dentons re correspondence to landlord detailing the repairs to be completed by the Company, including the proposed	0.20	525.00	105.00



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08/15/2014	ASH	timing for same. Telephone call with and email from J. Sugar re inclusion of IP in the auction. Email to G. Wheldon and E. Barbieri re IP; email from A. Dalfio to Xerox re payment of post-filing account.	0.30	525.00	157.50
08/19/2014	ASH	Telephone call with L. Amoils re update on auction preparation, etc. Email from J. Sugar attaching brochure for auction, including subsequent email to J. Sugar in response to same.	0.50	525.00	262.50
08/20/2014	ASH	Emails from/to D. Ullmann re proposed timing for Company motion to extend the stay of proceedings. Emails with E. Barbieri and A. Dalfio re water leak update. Email from B. Moran attaching letter from landlord re proposed repair list, including subsequent emails scheduling a conference call to discuss same.	0.50	525.00	262.50
08/21/2014	ASH	Emails from E. Barbieri and Dentons re landlord. Voicemails from/to S. Williford of Wall Colmonoy Corp. Conference call with KKP and Dentons re landlord response to repairs agreed to be completed by KKP and other matters. Emails with A. Dalfio and E. Barbieri re water leak update. Telephone calls with L. Amoils re auction preparation and other matters.	1.20	525.00	630.00
08/22/2014	ASH	Emails with E. Barbieri and A. Dalfio re water leak update. Email from B. Moran attaching draft landlord response letter. Email from A. Dalfio re comments on draft landlord response letter.	0.40	525.00	210.00
08/28/2014	ASH	Voicemail from and telephone call with K. Scott of HGR Graham Partners re claim of Russell Metals.	0.30	525.00	157.50



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07/21/2014	AD	Followed up on various operational issues, including resolution of receivables collections.	1.90	375.00	712.50
07/21/2014	AD	Reviewed production activity and updated weekly funding analysis.	1.40	375.00	525.00
07/21/2014	AD	Reviewed weekly cash flow activity and prepared weekly reporting analysis.	2.60	375.00	975.00
07/21/2014	AD	Prepared for and participated in call with company and counsel.	0.60	375.00	225.00
07/22/2014	AD	Coordinated with customer on receivables collection, followed up on supplier issues, reviewed production activity.	1.10	375.00	412.50
07/22/2014	AD	Discussed cash flow forecast internally and revised forecast.	1.50	375.00	562.50
07/22/2014	AD	Reviewed response from PWC on receivables collection, reviewed Siemens issue, provided recommendation to company.	1.30	375.00	487.50
07/22/2014	AD	Updated weekly funding analysis, discussed with company.	1.20	375.00	450.00
07/23/2014	AD	Reviewed professional fees and other cash flow forecast/activity and developed summary analysis.	0.90	375.00	337.50
07/23/2014	AD	Evaluated supplier issue and advised company, discussed draft liquidation services agreement with company and developed schedules.	1.30	375.00	487.50
07/23/2014	AD	Worked with company to develop schedules to liquidator agreement, reviewed and communicated internally short-term shipments forecast and revised cash flow.	2.50	375.00	937.50
07/23/2014	AD	Discussed environmental assessments with company, transferred data for counsel.	0.20	375.00	75.00
07/24/2014	AD	Reviewed latest production activity and updated funding analysis.	0.90	375.00	337.50
07/25/2014	AD	Reviewed production activity and finalized weekly reporting.	1.90	375.00	712.50



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<u>Date</u>	<u>Timekeeper</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
07/25/2014	AD	Reviewed and addressed various questions/issues on LSA, coordinated with company on finalizing.	0.90	375.00	337.50
07/25/2014	AD	Reviewed LSA and materials to be filed with court, made edits to LSA schedules.	1.20	375.00	450.00
07/25/2014	AD	Updated cash flow variance reporting and forecast, reviewed with company.	1.00	375.00	375.00
07/28/2014	AD	Discussed cash flow reporting and forecast updates internally, revised materials.	0.40	375.00	150.00
07/29/2014	AD	Researched supplier issues, reviewed weekly cash flow activity and developed variance reporting; discussed customer production and invoicing with company.	2.50	375.00	937.50
07/29/2014	AD	Discussed invoicing, receivable collection and other issues with customer; researched various follow up items and discussed with company.	0.50	375.00	187.50
07/29/2014	AD	Reviewed production and shipment activity, developed updates to weekly funding analysis; formulated production questions to discuss with company as well as operational updates.	2.20	375.00	825.00
07/30/2014	AD	Reviewed customer receivable collection status and various cash flow activity, discussed with company and responded to customer.	2.10	375.00	787.50
07/30/2014	AD	Review production progress, discuss detailed part completion updates and subcontractor status with company; prepared for and participated in company update call.	2.30	375.00	862.50
07/30/2014	AD	Reviewed customer invoicing issue, records analysis, and sales tax calculation; discussed comments with company.	1.30	375.00	487.50



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07/31/2014	AD	Reviewed various company and monitor prepared documents.	1.00	375.00	375.00
07/31/2014	AD	Reviewed response from customer on receivable collection and addressed questions, followed up on other operational matters.	0.40	375.00	150.00
08/01/2014	AD	Discussed operational updates with company, revised cash flow projections.	0.30	375.00	112.50
08/01/2014	AD	Reviewed operational updates internally, reviewed production activity and finalized weekly funding reporting, reviewed next weeks' planned shipments.	2.30	375.00	862.50
08/01/2014	AD	Reviewed cash flow activity and receivable collections, revised cash flow analysis.	0.80	375.00	300.00
08/05/2014	AD	Reviewed production activity, updated weekly funding model.	0.80	375.00	300.00
08/05/2014	AD	Reviewed cash activity from prior week, updated cash flow model.	1.70	375.00	637.50
08/06/2014	AD	Discussed case updates internally, developed list of interested parties for auction.	1.40	375.00	525.00
08/06/2014	AD	Reviewed production activity and updated analysis.	1.40	375.00	525.00
08/06/2014	AD	Reviewed customer invoicing and collections, cash flow activity.	0.90	375.00	337.50
08/06/2014	AD	Followed up on various cash flow activity issues, receivables collection.	1.10	375.00	412.50
08/06/2014	AD	Reviewed and finalized customer WIP invoicing, discussed with company.	1.00	375.00	375.00
08/06/2014	AD	Updated cash flow variance reporting.	0.50	375.00	187.50
08/06/2014	AD	Discussed accommodation agreement with company, researched document and summarized relevant points.	0.70	375.00	262.50
08/07/2014	AD	Finalized summary of potential interested parties in auction.	0.50	375.00	187.50

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08/07/2014	AD	Developed and reviewed building premises plan and discussed further with company.	0.50	375.00	187.50
08/07/2014	AD	Reviewed customer WIP, discussed production with company. Discussed various work streams with company.	1.50	375.00	562.50
08/07/2014	AD	Discussed various customer production and billing questions with the company, reviewed production status.	0.50	375.00	187.50
08/07/2014	AD	Reviewed production activity and revised weekly funding analysis, discussed production invoicing with company.	1.20	375.00	450.00
08/08/2014	AD	Reviewed cash flow activity, customer WIP shipments/locations and updated analysis.	1.60	375.00	600.00
08/08/2014	AD	Reviewed production activity, discussed part shipments with company and finalized weekly funding analysis.	1.30	375.00	487.50
08/08/2014	AD	Reviewed insurance policy and discussed invoicing activity with company.	0.80	375.00	300.00
08/08/2014	AD	Analyzed production risk assessment, discussed comments with company.	1.50	375.00	562.50
08/08/2014	AD	Reviewed customer invoicing relative to accommodation agreement, provided feedback.	0.90	375.00	337.50
08/08/2014	AD	Discussed building repair issues/plan and reviewed analysis with company.	1.20	375.00	450.00
08/11/2014	AD	Reviewed production activity and discussed with company, reviewed billing/collection; reviewed planned billing/shipments on customers.	2.30	375.00	862.50
08/11/2014	AD	Reviewed customer planned shipments and billing, discussed with company.	1.00	375.00	375.00



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08/11/2014	AD	Reviewed cash flow activity and developed cash flow reporting materials, discussed feedback/comments with company.	2.00	375.00	750.00
08/12/2014	AD	Reviewed professional fees and developed analysis.	1.00	375.00	375.00
08/12/2014	AD	Participated in meeting with customer regarding collections, followed up on preparing related materials.	1.80	375.00	675.00
08/12/2014	AD	Discussed inventory storage issue with company and reviewed release document, drafted e-mail to counsel; followed up on A/P issues.	2.30	375.00	862.50
08/12/2014	AD	Reviewed customer invoicing and reconciliation of collections, reviewed cash flow activity.	2.30	375.00	862.50
08/13/2014	AD	Reviewed production activity and monitored changes from prior week.	0.40	375.00	150.00
08/13/2014	AD	Participated in call with company to discuss building repairs and other updates, updated and finalized materials; reviewed inventory shipment updates.	1.30	375.00	487.50
08/13/2014	AD	Reviewed shipments and production activity.	1.00	375.00	375.00
08/13/2014	AD	Discussed building repairs with management and began to develop summary of repairs; finalized weekly cash flow variance reporting.	1.60	375.00	600.00
08/14/2014	AD	Reviewed production activity and updated weekly reporting.	0.60	375.00	225.00
08/15/2014	AD	Reviewed weekly funding and reviewed invoices, updated management on relevant details.	0.90	375.00	337.50
08/15/2014	AD	Finalized weekly production and funding reporting.	1.40	375.00	525.00
08/15/2014	AD	Discussed various issues with company, followed up on supplier and repair issues.	0.90	375.00	337.50
08/15/2014	AD	Reviewed and sent zero balance invoicing to customer.	1.30	375.00	487.50



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08/18/2014	AD	Discussed vendor release with company and counsel, followed up on finalizing document.	1.30	375.00	487.50
08/19/2014	AD	Reviewed various issues including repair updates, trust accounting, production activity, and researched pricing on parts.	3.30	375.00	1,237.50
08/19/2014	AD	Discussed water leak and repair update with management, participated in call with insurance broker.	0.40	375.00	150.00
08/19/2014	AD	Reviewed KKP insurance policies and related documents.	0.70	375.00	262.50
08/20/2014	AD	Participated in update call with company regarding repairs, reviewed status updates related to invoicing and collection and followed up with customers.	1.50	375.00	562.50
08/20/2014	AD	Prepare for call on customer weekly funding, prepare cheque requisition.	1.00	375.00	375.00
08/20/2014	AD	Review weekly production activity, update weekly completion reporting.	0.80	375.00	300.00
08/20/2014	AD	Participated in call with customer to discuss weekly funding report and pricing/invoicing questions, followed up with company.	0.80	375.00	300.00
08/21/2014	AD	Reviewed landlord letter, prepared for and participated in update call.	1.70	375.00	637.50
08/21/2014	AD	Reviewed customer invoicing; participated in call with customer regarding collection.	1.30	375.00	487.50
08/21/2014	AD	Reviewed cash flow activity and operational updates, discussed with management.	2.60	375.00	975.00
08/22/2014	AD	Reviewed production and shipment updates with management, revised weekly funding.	0.70	375.00	262.50
08/22/2014	AD	Reviewed cash flow activity and repair updates with company, revised analyses.	2.90	375.00	1,087.50



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08/22/2014	AD	Finalized weekly funding reporting, reviewed and provided comments on response to landlord letter, followed up on collection issues.	3.00	375.00	1,125.00
08/25/2014	AD	Reviewed production/shipment activity and documentation, followed up on weekly funding questions from Rolls Royce, discussed updates with KKP.	2.60	375.00	975.00
08/25/2014	AD	Reviewed cash flow activity and finalized variance reporting, discussed prior week updates internally and formulated plan for remaining production period.	2.90	375.00	1,087.50
08/26/2014	AD	Reviewed production/shipments and updated analysis, spoke with KKP customer regarding receivables collection, revised receivables analysis.	0.50	375.00	187.50
08/27/2014	AD	Discussed remaining parts with KKP, developed analysis for company monitoring resolution.	2.50	375.00	937.50
08/27/2014	AD	Followed up on various cash flow issues, communicated internally and with KKP management.	2.00	375.00	750.00
08/27/2014	AD	Discussed retention plan analysis and cash flow activity, processed cheque requisition, reviewed production activity and updated analysis.	2.10	375.00	787.50
08/28/2014	AD	Discussed retention plan with KKP, followed up on various receivables collection issues and reviewed production activity and updated analysis.	2.60	375.00	975.00
08/28/2014	AD	Assisted in developing retention plan analysis, followed up on various receivables collection issues, reviewed production activity and updated analysis, communicated with KKP management.	2.50	375.00	937.50
08/29/2014	AD	Followed up on collection of KKP receivables.	0.30	375.00	112.50



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File #: 036377-002

Professional Fees

<u>Date</u>	<u>Timekeeper</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
08/29/2014	AD	Reviewed production activity and finalized weekly funding.	2.50	375.00	937.50
07/22/2014	CO	Prepare cheque, obtain signatures, sending by FEDEX.	0.20	250.00	50.00
07/28/2014	CO	Review motion and 2nd report. Prepare address change.	0.50	250.00	125.00
07/29/2014	CO	Prepare deposit.	0.20	250.00	50.00
07/31/2014	CO	Prepare cheques.	0.20	250.00	50.00
08/05/2014	CO	Review of order for approval of auction agreement.	0.20	250.00	50.00
08/05/2014	CO	Prepare deposits.	0.20	250.00	50.00
08/06/2014	CO	Prepare cheque.	0.20	250.00	50.00
08/12/2014	CO	Prepare deposit and cheque.	0.50	250.00	125.00
08/18/2014	CO	Prepare deposit	0.20	250.00	50.00
08/19/2014	CO	E mails with A Dalfio. Prepare reallocations of receipts.	0.30	250.00	75.00
08/20/2014	CO	Prepare cheque.	0.20	250.00	50.00
08/27/2014	CO	Prepare cheque.	0.20	250.00	50.00
07/22/2014	SB	Save emails to pst file	0.20	185.00	37.00
07/28/2014	SB	Emails exchange with Lucie Leroux, note in Ascend, website posting of the Monitor's 2nd report, Monitor's 2nd report emailed to CCAA, email to Andrew Adessky re. service list, update of the Service List, posting on website	1.20	185.00	222.00
07/29/2014	SB	Website posting of the Motion, efilng with OSB	0.30	185.00	55.50
07/30/2014	SB	Service List updated July 28 emailed to CCAA	0.10	185.00	18.50
08/06/2014	SB	Website posting (new order and update)	0.50	185.00	92.50
07/21/2014	PL	changing address in creditors list	0.50	185.00	92.50
08/13/2014	PL	bank reconciliation	0.20	185.00	37.00
07/21/2014	AS	Prepare deposit	0.20	185.00	37.00
07/25/2014	NF	Report	2.00	105.00	210.00
07/28/2014	NF	Report	0.50	105.00	52.50



Date: 09/08/2014
Invoice #: RP07777
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Professional Fees

<u>Date</u>	<u>Timekeeper</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
07/28/2014	LL	Read motion received. Email to Soazig Bourguine re motion.	0.25	105.00	26.25
			Total:	216.75	\$94,589.25



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Disbursements

<u>Description</u>	<u>Amount</u>
Airfare	\$1,582.99
Hotel	384.67
Transportation	159.60
Conference calls, courier, other	<u>971.39</u>
Total	\$3,098.65



Date: 09/08/2014
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Fees and Disbursements Summary

Name	Hours	Rate	Amount
AA Andrew Adessky, Partner	1.40	595.00	\$ 833.00
EB Eric Barbieri, Partner	34.40	595.00	20,468.00
ASH Adam Sherman, Vice-President	47.80	525.00	25,095.00
AD Anthony Dalfio, Senior Associate	124.10	375.00	46,537.50
CO Carol O'Donnell, File Administrator	3.10	250.00	775.00
PL Pascale Lareau, File Administrator	0.70	185.00	129.50
SB Soazig Bourguine, File Administrator	2.30	185.00	425.50
AS Ann Stremski, File Administrator	0.20	185.00	37.00
NF Nicole Fournier, Administrative Assistant	2.50	105.00	262.50
LL Lucie Leroux, File Administrator	0.25	105.00	26.25
Professional Fees	216.75		94,589.25
Disbursements (Taxable)			3,098.65
Total :			\$97,687.90

**RICHTER
BARBIERI**

KK Precision Inc.
104 Oakdale Road
Toronto, ON M3N 1V9

Attention: Mr. George Koulakian

Date: 10/08/2014
Invoice #: RP07863
File #: 036377-002
Due Date: Upon Receipt

Professional services rendered for the period ended September 30, 2014

Fees	\$81,651.50
Disbursements	3,525.32
Sub-Total	85,176.82
HST # 885435842 RT000 1	11,072.99
Balance to pay:	\$96,249.81

Payment Options

We accept Direct Telephone Banking and Internet Banking. If you choose to pay your account using one of these payment options, please contact Collection Department at 514-934-3580 or e-mail collection@richter.ca

T. 514.934.8693
ebarbieri@richter.ca

Richter Groupe Conseil Inc.
Richter Advisory Group Inc.
1981 McGill College
Mtl (Qc) H3A 0G6
www.richter.ca

Montréal, Toronto





Date: 10/08/2014
Invoice #: RP07863
File #: 036377-002

Professional Fees

Date	Timekeeper	Description	Hours	Rate	Amount
09/02/2014	EB	Update call with G. Wheldon and A. Dalfio regarding wind-down of production and final shipments	1.00	595.00	595.00
09/03/2014	EB	Telephone conversation with G. Wheldon and drafting of letter regarding sale of WIP parts to RR	1.00	595.00	595.00
09/03/2014	EB	Telephone conversation with counsel and management regarding CCAA next steps	0.50	595.00	297.50
09/03/2014	EB	Follow-up call with Richter team to discuss next steps	0.50	595.00	297.50
09/03/2014	EB	Drafting of letter and review of schedules regarding sale of WIP parts to RR	1.00	595.00	595.00
09/04/2014	EB	Various correspondence with RR and management regarding reconciliation of the WIP parts schedule	1.00	595.00	595.00
09/05/2014	EB	Review of landlord correspondence	0.50	595.00	297.50
09/05/2014	EB	Discussions with G. Wheldon and A. Dalfio regarding adjustments to schedule of RR WIP parts purchased	0.40	595.00	238.00
09/05/2014	EB	Telephone conversation with A. Sherman regarding follow-up with company counsel on landlord and other issues	0.30	595.00	178.50
09/05/2014	EB	Telephone conversation with BMO and A. Sherman	0.50	595.00	297.50
09/05/2014	EB	Preliminary review of cash flow projection and follow-up call with A. Dalfio	1.00	595.00	595.00
09/05/2014	EB	Review of RR accommodation agreement and noting various items to be addressed post-production	0.50	595.00	297.50
09/05/2014	EB	Review of revised cash flow and calls with A Dalfio and A. Sherman regarding cash flow, Infinity and other matters	1.00	595.00	595.00
09/08/2014	EB	Drafting final letter regarding release of RR funds	0.50	595.00	297.50
09/08/2014	EB	Work on final release letter and schedules regarding Rolls Royce	0.70	595.00	416.50



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Professional Fees

Date	Timekeeper	Description	Hours	Rate	Amount
09/08/2014	EB	Review of updated cash flow reporting and forecast	1.00	595.00	595.00
09/08/2014	EB	Review and adjustments to final production reports and RR reconciliation	1.00	595.00	595.00
09/08/2014	EB	Telephone conversation with counsel regarding next week's hearing	0.50	595.00	297.50
09/09/2014	EB	Review and finalization of cash flow reporting and forecast, and follow-up call with A. Dalfio	1.00	595.00	595.00
09/09/2014	EB	Finalize Rolls Royce reconciliation reporting and letter, and forward to counsel and RR	1.00	595.00	595.00
09/09/2014	EB	Preliminary review of motion materials	1.00	595.00	595.00
09/09/2014	EB	Drafting of fee affidavit and discussion with A. Sherman	1.50	595.00	892.50
09/09/2014	EB	Discussions with G. Wheldon and A. Sherman regarding status of equipment for auction	0.50	595.00	297.50
09/10/2014	EB	Attendance at equipment auction, various discussions with G. Wheldon and L. Amoils, review of various drafts of motion materials and correspondence/ calls with counsel thereon, work on Third Monitor's Report.	6.50	595.00	3,867.50
09/11/2014	EB	Call with A. Sherman regarding potential agreement with the landlord	0.50	595.00	297.50
09/11/2014	EB	Final review and filing of Third Monitor's Report	1.50	595.00	892.50
09/11/2014	EB	Discussions with L. Amoils, A. Dalfio, G. Wheldon and R. Kiefer regarding results of auction	1.50	595.00	892.50
09/12/2014	EB	Several e-mails and calls with L. Amoils, BMO, G. Wheldon and all parties' respective counsels regarding negotiation of the landlord settlement	4.00	595.00	2,380.00
09/12/2014	EB	Correspondence with RR regarding final reconciliation	0.30	595.00	178.50
09/15/2014	EB	Review of landlord settlement agreement and providing comments thereon	0.50	595.00	297.50



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Professional Fees

<u>Date</u>	<u>Timekeeper</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
09/15/2014	EB	Correspondence with Rolls Royce and A. Dalfio regarding final reconciliation	0.50	595.00	297.50
09/16/2014	EB	Review of revised landlord settlement agreement and providing comments thereon	0.50	595.00	297.50
09/16/2014	EB	Preparation for and attendance at court hearing	1.50	595.00	892.50
09/16/2014	EB	Update call with G. Wheldon	0.50	595.00	297.50
09/16/2014	EB	Correspondence and discussions with A. Dalfio regarding court hearing and RR reconciliation	0.50	595.00	297.50
09/17/2014	EB	Review of revised RR reconciliation and forward to parties for execution	0.50	595.00	297.50
09/17/2014	EB	Update call with G. Wheldon	0.50	595.00	297.50
09/17/2014	EB	Correspondence regarding finalization and execution of landlord settlement agreement.	0.30	595.00	178.50
09/18/2014	EB	Update call with George Koulakian	0.50	595.00	297.50
09/18/2014	EB	Update calls with A. Dalfio and G. Wheldon	0.50	595.00	297.50
09/18/2014	EB	Conference call regarding wind-down issues to address	0.80	595.00	476.00
09/19/2014	EB	Correspondence with A. Dalfio regarding Rolls Royce follow-up	0.20	595.00	119.00
09/19/2014	EB	Correspondence with management and counsel regarding wiring instructions to landlord and BMO	0.30	595.00	178.50
09/22/2014	EB	Correspondence with G. Wheldon regarding temporary access to servers and confirmation of wires	0.50	595.00	297.50
09/22/2014	EB	Review of draft hourly contracts with GW and ZB, and making adjustments thereto	0.50	595.00	297.50
09/22/2014	EB	Correspondence with A. Dalfio regarding Rolls Royce receivables	0.30	595.00	178.50
09/23/2014	EB	Correspondence regarding revisions to GW and ZB consulting agreements	0.30	595.00	178.50
09/23/2014	EB	Correspondence with counsel regarding GW and ZB consulting agreements	0.50	595.00	297.50
09/23/2014	EB	Correspondence with G. Wheldon regarding operational issues	0.50	595.00	297.50



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Professional Fees

<u>Date</u>	<u>Timekeeper</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
09/26/2014	EB	Review of estimated additional proceeds to BMO and correspondence with R. Kiefer thereon	0.50	595.00	297.50
09/26/2014	EB	Update calls with A. Dalfio and G. Wheldon regarding operational issues and collections from Rolls	0.50	595.00	297.50
09/29/2014	EB	Telephone conversation with Les Amoils regarding exit of premises	0.30	595.00	178.50
09/29/2014	EB	Discussion with A. Dalfio regarding RR collection status	0.30	595.00	178.50
09/30/2014	EB	Update call with G. Wheldon	0.50	595.00	297.50
09/10/2014	AA	Review fee affidavit	0.20	595.00	119.00
09/11/2014	AA	Review extension motion and report	0.50	595.00	297.50
09/03/2014	ASH	Telephone calls with L. Amoils re various matters in connection with the auction, including additional items owned by Rolls Royce to be excluded from the auction. Telephone call with G. Wheldon re various matters, including the additional items owned by Rolls Royce and excluded from the auction. Emails with Dentons, Chaitons and Aird & Berlis re scheduling of conference call. Telephone call with S. Rappos re BMO security opinion and other matters. Conference call with Dentons, Chaitons and Aird & Berlis re various matters, including motion to extend the stay, etc. Conference call with E. Barbieri and A. Dalfio re various matters in connection with the upcoming motion, including preparation of an updated cash flow, etc. Begin drafting Monitor's 3rd Report.	4.00	525.00	2,100.00
09/04/2014	ASH	Email to/from S. Rappos re motion to approve activities/fees of the Monitor and its counsel. Draft Monitor's 3rd Report.	5.00	525.00	2,625.00



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Professional Fees

<u>Date</u>	<u>Timekeeper</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
09/05/2014	ASH	Email from N. Didyk of Xerox re leased equipment. Telephone calls with E. Barbieri and A. Dalfio re various matters. Emails from A. Dalfio re additional equipment excluded from the auction. Telephone calls with L. Amoils re additional assets excluded from the auction, reduction to the NMG and other matters. Email from J. Salmas attaching correspondence from D. Ullmann. Email from A. Dalfio attaching extended cash flow for the period ending November 28, 2014. Email from S. Rappos attaching invoice for the period ending August 31, 2014. Conference call with Aird & Berlis and BMO re addition assets excluded from the auction, requested reduction to NMG, extended cash flow and other matters. Emails with J. Salmas re additional assets excluded from the auction and requested reduction to the NMG. Telephone call with L. Amoils re discussions with BMO and Dentons re requested reduction to the NMG. Email from S. Graff in connection with D. Ullmann's letter of same date.	3.00	525.00	1,575.00
09/07/2014	ASH	Emails and telephone call with S. Rappos re Monitor's 3rd Report.	0.50	525.00	262.50
09/08/2014	ASH	Conference call with Dentons, Chaitons and Aird & Berlis re various matters in connection with KKP's motion returnable September 16, 2014. Email from and telephone call with J. Salmas re the Infinity transaction, including reduction in the NMG. Emails with S. Rappos re discussion with J. Salmas. Telephone call with L. Amoils re Infinity transaction. Email from L. Amoils confirming payment of NMG. Email from E. Barbieri	5.00	525.00	2,625.00



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Professional Fees

Date	Timekeeper	Description	Hours	Rate	Amount
09/09/2014	ASH	attaching a schedule reconciling Rolls Royce production. Review, revise and continue drafting Monitor's 3rd Report. Emails and telephone calls with E. Barbieri re Monitor's 3rd Report and request for approval of the Monitor's activities and fees. Telephone call with S. Rappos re Monitor's 3rd Report. Discussions with A. Dalfio re Monitor's 3rd Report. Email from F. Dalfio attaching cash flow variance for Monitor's 3rd Report. Email from S. Rappos re fee affidavit and opinion on BMO security. Emails from/to S. Rappos re status of Monitor's 3rd Report. Email from C. O'Donnell attaching draft fee affidavit and exhibits, including subsequent telephone call with C. O'Donnell re same. Email to and telephone call with E. Barbieri re fee affidavit. Email from F. Dalfio attaching draft schedule re holdback to complete CCAA administration. Telephone calls with L. Amoils re machine/equipment issues and auction set up, including subsequent discussion with E. Barbieri re same. Email from and telephone call with G. Wheldon confirming machine/equipment repairs, including subsequent telephone call with L. Amoils re same. Email from A. Dalfio attaching extended cash flow forecast in support of KKP's request for an extension of the stay period to November 28, 2014. Email from B. Moran attaching draft notice of motion, affidavit and order re September 16, 2014 motion. Emails from/to S. Rappos re KKP's draft motion materials. Review, revise and update Monitor's 3rd Report.	10.00	525.00	5,250.00



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Professional Fees

<u>Date</u>	<u>Timekeeper</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
09/10/2014	ASH	Emails from A. Adessky and E. Barbieri re fee affidavit. Emails and telephone calls with S. Rappos re comments on KKP's motion materials. Email from I. Aversa re comments on KKP's motion materials. Email to S. Rappos and E. Barbieri attaching draft Monitor's 3rd Report. Email from B. Moran re KKP's motion materials. Email from S. Rappos providing comments on draft Monitor's 3rd Report. Email from S. Rappos attaching BMO security opinion. Discussions with E. Barbieri and A. Dalfio re Monitor's 3rd Report, including email from A. Barbieri providing comments on same. Email from S. Rappos to Dentons and Aird & Berlis attaching draft Monitor's 3rd Report. Email from B. Moran re request for update on the status of secured creditors/PPSA registrants claims against KKP. Attendance at the Company's premises re auction of KKP's machinery/equipment, including several discussions with L. Amoils in connection with same. Email from and telephone call with J. Salmas re calculation of proposed holdback and other matters. Email from I. Aversa providing comments on Monitor's 3rd Report. Discussions with E. Barbieri and A. Dalfio re next steps, including telephone call with S. Rappos re same. Conference call with S. Rappos and Dentons re next steps, including the Monitor's concerns regarding the impact of terminating all of the Company's remaining employees on the completion of KKP's CCAA proceedings. Email from B. Moran attaching revised motion materials.	8.00	525.00	4,200.00

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Date	Timekeeper	Description	Hours	Rate	Amount
09/11/2014	ASH	Email from J. Salmas providing comments on the Monitor's 3rd Report. Emails from I. Aversa and S. Graff re Monitor's 3rd Report. Emails with E. Barbieri re finalization and filing of Monitor's 3rd Report. Email from B. Moran re services of KKP's motion record returnable September 16, 2014.	1.50	525.00	787.50
09/12/2014	ASH	Emails and telephone calls with L. Amoils and E. Barbieri re potential settlement with the landlord. Email from R. Keifer advising of BMO's position re landlord settlement. Emails from S. Graff re proposed landlord settlement and other matters in connection with same. Emails from A. Dalfio re finalization of Monitor's 3rd Report. Email from S. Rappos re service of Monitor's 3rd Report.	1.00	525.00	525.00
09/15/2014	ASH	Emails from S. Graff, E. Barbieri and R. Keifer re proposed landlord settlement and other matters. Email from E. Barbieri confirming landlord settlement, including emails from R. Keifer in connection with same. Email to S. Rappos re landlord settlement. Emails between Aird & Berlis and Dentons re papering of landlord settlement.	0.40	525.00	210.00
09/16/2014	ASH	Telephone call with Federal Express, a creditor, re update on status of CCAA proceedings. Telephone call with K. Scott of HGR Graham Partners, solicitor for Russell Metals, re update on status of CCAA proceedings.	2.00	525.00	1,050.00
		Preparation and attendance in Court re Company motion for a stay extension and approval for an interim distribution, including discussions with various counsels in attendance. Email from S. Graff re comments on draft landlord			

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Professional Fees

<u>Date</u>	<u>Timekeeper</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
09/18/2014	ASH	settlement. Emails from S. Graff and K. Kraft re landlord release. Email from B. Moran attaching order and endorsement of Justice Penny dated September 16, 2014, including subsequent email to C. O'Donnell re same. Email from B. Moran attaching revised landlord release and settlement. Emails from S. Graff and E. Barbieri providing comments on revised landlord release and settlement.	0.20	525.00	105.00
09/19/2014	ASH	Email from E. Barbieri attaching landlord settlement and release signed by the Company. Emails from B. Moran and S. Graff re landlord settlement and release. Telephone call with L. Amoils re auction report and other matters. Email from G. Wheldon confirming the wiring of monies to BMO (interim distribution) and the landlord (settlement).	0.30	525.00	157.50
09/23/2014	ASH	Email from A. Kaminoulu, a former employee, re various matters including eligibility for WEPPA, including subsequent email to A. Kaminoulu in response to same.	0.20	525.00	105.00
09/25/2014	ASH	Emails from B. Moran and I. Aversa re comments on proposed agreements with G. Wheldon and Z. Badiguian.	0.20	525.00	105.00
09/26/2014	ASH	Email from N. Williamson of Primus re termination of service, including subsequent email to N. Williamson in response to same. Email to A. Dalfio re Primus.	0.20	525.00	105.00
09/29/2014	ASH	Email from and telephone call with K. Beehn of Seaspace International Forwarders re its claim against KKP, update on status of CCAA proceedings and other matters.	0.30	525.00	157.50
09/02/2014	AD	Reviewed various updates including receivables collection and production and shipments, updated cash flow	2.40	375.00	900.00



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09/02/2014	AD	and funding analysis. Updated WIP parts schedule and related production analyses.	1.30	375.00	487.50
09/02/2014	AD	Participated in call with customer to discuss weekly funding analysis, revised analysis.	0.20	375.00	75.00
09/02/2014	AD	Participated in internal update call to discuss production and wind down issues.	0.60	375.00	225.00
09/02/2014	AD	Reviewed company production updates and revised analysis / model for latest data.	2.30	375.00	862.50
09/03/2014	AD	Reviewed WIP documents and discussed various case updates / open items with management.	0.90	375.00	337.50
09/03/2014	AD	Discussed records retention with management and reviewed company analysis.	0.80	375.00	300.00
09/03/2014	AD	Prepared for and participated in call with company and counsel, discussed various case updates/issues internally and with management.	1.90	375.00	712.50
09/03/2014	AD	Reviewed WIP parts analysis/documents and prepared trust account requisition.	0.50	375.00	187.50
09/04/2014	AD	Developed updated cash flow forecast through November 28th, discussed key assumptions internally and with management.	4.30	375.00	1,612.50
09/04/2014	AD	Reviewed and advised on various KKP wind down issues with management; reviewed production and shipment activity for component parts, updated analysis.	2.20	375.00	825.00
09/04/2014	AD	Reviewed weekly cash flow activity, coordinated on finalizing sale of WIP parts.	2.00	375.00	750.00
09/05/2014	AD	Reviewed cash flow forecast internally, updated model to finalize draft.	2.70	375.00	1,012.50
09/05/2014	AD	Discussed sale of WIP parts with KKP and customer, made agreed upon revisions to agreement and coordinated finalizing.	2.00	375.00	750.00



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Professional Fees

Date	Timekeeper	Description	Hours	Rate	Amount
09/05/2014	AD	Analyzed tooling POs and invoices for sizing of magnitude, discussed with management.	0.70	375.00	262.50
09/05/2014	AD	Analyzed trust account, discussed wind down activities with management.	1.50	375.00	562.50
09/05/2014	AD	Developed weekly funding reporting.	1.10	375.00	412.50
09/08/2014	AD	Reviewed cash activity reporting provided by company and developed variance analysis for monitor's report.	2.30	375.00	862.50
09/08/2014	AD	Reviewed/discussed A/P and operating disbursements with the company. Discussed trust account reconciliation internally, reviewed updates and recent cash activity and made final changes. Discussed various wind down issues with company.	3.80	375.00	1,425.00
09/08/2014	AD	Developed final production and shipment activity, WIP sales, retention payments and finalized final trust account reconciliation. Reviewed / discussed analysis with company.	4.00	375.00	1,500.00
09/09/2014	AD	Discussed cash flow forecast internally, made various updates to model.	1.30	375.00	487.50
09/09/2014	AD	Developed charts and narrative for monitor's report, discussed cash flow forecast internally, revised cash flow forecast and various materials for monitor's report. Also discussed auction prep updates with the company.	2.50	375.00	937.50
09/10/2014	AD	Prepared appendices for monitor's report, discussed transition and remaining work streams for September, auction progress with company.	1.80	375.00	675.00
09/10/2014	AD	Reviewed and discussed cash management with company, coordinated on various A/P and disbursement items.	2.20	375.00	825.00
09/10/2014	AD	Attended and monitored auction	1.40	375.00	525.00



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Professional Fees

<u>Date</u>	<u>Timekeeper</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
09/10/2014	AD	progress, discussed updates with company and liquidator. Reviewed motion materials and monitor's report and provided comments, addressed various other comments/issues. Participated in meetings internally and with company and counsel.	3.50	375.00	1,312.50
09/11/2014	AD	Discussed various case updates with company, reviewed cash flow and A/P activity.	2.40	375.00	900.00
09/11/2014	AD	Reviewed remaining wind down activities with company, reviewed cash flow activity, records retention, A/P detail.	2.00	375.00	750.00
09/11/2014	AD	Reviewed company's analysis of residual receivables, provided feedback.	1.90	375.00	712.50
09/11/2014	AD	Discussed return of leased equipment with company, expected needs/timing, and logistics.	1.00	375.00	375.00
09/12/2014	AD	Meeting with company to discuss collection of remaining receivables and wind down issues.	1.50	375.00	562.50
09/12/2014	AD	Reviewed various case updates and documents.	0.50	375.00	187.50
09/15/2014	AD	Discussed with company wind down activity updates, discussed trust reconciliation with Rolls Royce and reviewed related materials.	2.50	375.00	937.50
09/16/2014	AD	Followed up on various wind down issues with the company.	1.50	375.00	562.50
09/17/2014	AD	Reviewed trust reconciliation with Rolls Royce and resolved difference, revised reconciliation analysis.	2.00	375.00	750.00
09/18/2014	AD	Participated in call to discuss updates to wind down activities, followed up on various items.	1.50	375.00	562.50
09/18/2014	AD	Developed A/R analysis and sent to Rolls Royce.	0.90	375.00	337.50
09/19/2014	AD	Followed up on various wind down issues with the company.	1.80	375.00	675.00
09/22/2014	AD	Followed up on various issues related to receivable collection and final trust account reconciliation.	2.90	375.00	1,087.50



Date: 10/08/2014
Invoice #: RP07863
File #: 036377-002

Professional Fees

<u>Date</u>	<u>Timekeeper</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
09/24/2014	AD	Followed up on various issues related to receivables collection, final reconciliation, and wind down activities.	2.40	375.00	900.00
09/25/2014	AD	Reviewed communications from Rolls Royce, researched and discussed with company.	2.20	375.00	825.00
09/26/2014	AD	Developed cash flow update to provide to the bank, discussed cash flows internally.	1.10	375.00	412.50
09/26/2014	AD	Followed up on various wind down issues related to return of leased equipment and vacating the premises.	2.10	375.00	787.50
09/26/2014	AD	Participated in update call with Zaven Badiguian to discuss cash flows, A/P, wind down priorities.	0.90	375.00	337.50
09/30/2014	AD	Follow up on various wind down activities.	2.50	375.00	937.50
09/03/2014	CO	Prepare deposit	0.20	250.00	50.00
09/03/2014	CO	Prepare cheque.	0.20	250.00	50.00
09/08/2014	CO	Prepare fee affidavit and exhibits.	3.60	250.00	900.00
09/10/2014	CO	Prepare deposit.	0.20	250.00	50.00
09/11/2014	SB	Website posting of the Motion and 3rd report of the Monitor, Motion and Report emailed to CCAA	0.50	185.00	92.50
09/16/2014	SB	Order 3rd Extension efiled with CCAA and posted on website	0.50	185.00	92.50
09/26/2014	PL	Bank reconciliation	0.20	185.00	37.00
09/11/2014	NF	Report	0.50	105.00	52.50
09/09/2014	LL	Fee affidavit formatted and reviewed.	0.60	105.00	63.00
			Total:	177.30	\$81,651.50



Date: 10/08/2014
Invoice #: RP07863
File #: 036377-002

Disbursements

Details	Amount
Airfare	\$ 940.51
Transportation and travelling to client	2,467.71
Conference calls and courier	117.10
Total:	\$3,525.32



Date: 10/08/2014
Invoice #: RP07863
File #: 036377-002

Fees and Disbursements Summary

<u>Name</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
AA Andrew Adessky, Partner	0.70	595.00	\$ 416.50
EB Eric Barbieri, Partner	44.50	595.00	26,477.50
ASH Adam Sherman, Vice-President	41.80	525.00	21,945.00
AD Anthony Dalfio, Senior Associate	83.80	375.00	31,425.00
CO Carol O'Donnell, File Administrator	4.20	250.00	1,050.00
SB Soazig Bourgine, File Administrator	1.00	185.00	185.00
PL Pascale Lareau, File Administrator	0.20	185.00	37.00
NF Nicole Fournier, Administrative Assistant	0.50	105.00	52.50
LL Lucie Leroux, File Administrator	0.60	105.00	63.00
	<hr/>		<hr/>
Professional Fees	177.30		81,651.50
	<hr/>		<hr/>
Disbursements			3,525.32
			<hr/>
		Total :	\$85,176.82
			<hr/>

RICHTER

KK Precision Inc.
104 Oakdale Road
Toronto, ON M3N 1V9

Attention: Mr. George Koulakian

Date: 11/03/2014
Invoice #: RP07921
File #: 036377-002
Due Date: Upon Receipt

Professional services rendered for the period of October 1st to
October 31, 2014

Fees	\$20,784.50
Disbursements	38.35
Sub-Total	20,822.85
HST # 885435842 RT000 1	2,706.97
Balance to pay:	\$23,529.82

T. 514.934.8693
ebarbieri@richter.ca

Richter Groupe Conseil Inc.
Richter Advisory Group Inc.
1981 McGill College
Mtl (Qc) H3A 0G6
www.richter.ca

Montréal, Toronto





Date: 11/03/2014
Invoice #: RP07921
File #: 036377-002

Professional Fees

Date	Timekeeper	Description	Hours	Rate	Amount
10/02/2014	EB	E-mail exchange with GK re: payment for time spent on KKP matters	0.40	595.00	\$ 238.00
10/02/2014	EB	E-mails with G. Wheldon to coordinate update call	0.20	595.00	119.00
10/03/2014	EB	E-mail to Rolls Royce re: execution of final reconciliation letter	0.50	595.00	297.50
10/03/2014	EB	Update call with G. Wheldon, A. Dalfio, ZB	0.50	595.00	297.50
10/06/2014	EB	Correspondence re: collection of RR receivables	0.30	595.00	178.50
10/07/2014	EB	E-mails with G. Wheldon, ZB and A. Dalfio re: IT issues	0.30	595.00	178.50
10/07/2014	EB	Receipt and processing of legal invoice from Dentons	0.20	595.00	119.00
10/09/2014	EB	Telephone call with A. Sherman and J. Salmas	0.30	595.00	178.50
10/10/2014	EB	Update call with G. Wheldon, A. Dalfio and ZB	0.50	595.00	297.50
10/10/2014	EB	Email to Rolls Royce re: sign off of trust account reconciliation	0.50	595.00	297.50
10/14/2014	EB	E-mail from Dentons re: court date	0.20	595.00	119.00
10/14/2014	EB	E-mail to A. Dalfio and G. Wheldon re: follow-up with Rolls Royce	0.30	595.00	178.50
10/16/2014	EB	Discussions and e-mail with A. Dalfio and ZB re: updated financial projections	0.50	595.00	297.50
10/16/2014	EB	Review updated forecasted of wind-down costs and cash flow	0.50	595.00	297.50
10/16/2014	EB	E-mails with R. Keifer re: payment of counsel invoices and analysis of further estimated distributions	0.40	595.00	238.00
10/17/2014	EB	E-mail exchange with R. Kiefer re: amount and timing of additional BMO distributions	0.50	595.00	297.50
10/17/2014	EB	E-mail exchange and call with A. Sherman re: additional interim distributions	0.30	595.00	178.50
10/17/2014	EB	E-mail exchange with management re: possibility of making a further interim distribution	0.20	595.00	119.00



Date: 11/03/2014
Invoice #: RP07921
File #: 036377-002

Professional Fees

Date	Timekeeper	Description	Hours	Rate	Amount
10/20/2014	EB	E-mail exchanges between Richter, management, counsel and BMO re: additional interim distribution	0.50	595.00	297.50
10/21/2014	EB	E-mail exchange re: discussions between RR and Richter	0.30	595.00	178.50
10/22/2014	EB	Drafting e-mail to RR re: execution of reconciliation letter	0.30	595.00	178.50
10/22/2014	EB	E-mail exchange re: info requested by GK	0.20	595.00	119.00
10/23/2014	EB	Drafting of revised reconciliation letter and circulation to management and RR	0.50	595.00	297.50
10/23/2014	EB	E-mails and call with representatives of RR re: execution of reconciliation letter	0.50	595.00	297.50
10/23/2014	EB	Drafting of negative confirmation letter to RR and e-mails with AD and AA thereon	1.00	595.00	595.00
10/24/2014	EB	E-mails with RR and management re: execution of revised trust account reconciliation letter	0.80	595.00	476.00
10/24/2014	EB	Update call with A. Sherman	0.30	595.00	178.50
10/24/2014	EB	Update call with G. Wheldon	0.30	595.00	178.50
10/24/2014	EB	E-mails to A. Dalfio	0.20	595.00	119.00
10/27/2014	EB	E-mails with RR, management and counsel re: execution of revised trust account reconciliation letter	0.40	595.00	238.00
10/28/2014	EB	Telephone message to P. Mclarnon at RR	0.20	595.00	119.00
10/30/2014	EB	Correspondence with G. Koulakian re: status of the process and various questions.	0.50	595.00	297.50
10/30/2014	EB	Correspondence with counsel re: RR request to see draft vesting order	0.30	595.00	178.50
10/31/2014	EB	E-mails with counsel and RR re: vesting order	0.40	595.00	238.00
10/31/2014	EB	Update call with A. Sherman and A. Dalfio re: preparation of court materials	0.30	595.00	178.50
10/01/2014	ASH	Emails from/to S. Rappos re Xerox.	0.10	525.00	52.50
10/08/2014	ASH	Emails from/to S. Rappos re Xerox.	0.10	525.00	52.50



Date: 11/03/2014
Invoice #: RP07921
File #: 036377-002

Professional Fees

Date	Timekeeper	Description	Hours	Rate	Amount
10/09/2014	ASH	Emails with E. Barbieri and J. Salmas. Conference call with E. Barbieri and J. Salmas re completion of CCAA proceedings, discharge motion, etc. Email to J. Salmas confirming availability re discharge motion.	0.40	525.00	210.00
10/17/2014	ASH	Emails with E. Barbieri re finalization of administration. Emails from/to S. Rappos re Xerox.	0.20	525.00	105.00
10/20/2014	ASH	Emails between E. Barbieri, S. Rappos and J. Salmas re additional distribution to BMO. Emails with E. Barbieri and A. Dalfio re Rolls Royce.	0.20	525.00	105.00
10/22/2014	ASH	Voicemails from/to K. Scott of HGR Graham Partners re update.	0.10	525.00	52.50
10/23/2014	ASH	Email from E. Barbieri re draft letter to Rolls Royce re: release of trust funds, including subsequent email to E. Barbieri in response to same. Telephone call with E. Barbieri re various matters.	0.30	525.00	157.50
10/24/2014	ASH	Telephone calls with E. Barbieri and A. Dalfio re various matters in connection with finalizing the administration.	0.30	525.00	157.50
10/27/2014	ASH	Email from E. Barbieri to Rolls Royce re updated letter agreement. Email from Rolls Royce re letter agreement and vesting order for tooling acquired by Rolls Royce. Email from E. Barbieri to J. Salmas re vesting order. Email from C. O'Donnell attaching draft fee affidavit.	0.50	525.00	262.50
10/28/2014	ASH	Telephone call with S. Johnson re Chubb Edwards claim against KKP, update on status of CCAA proceedings and other matters in connection with same. Emails from A. Adessky re Visual license management program.	0.30	525.00	157.50



Date: 11/03/2014
Invoice #: RP07921
File #: 036377-002

Professional Fees

<u>Date</u>	<u>Timekeeper</u>	<u>Description</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
10/31/2014	ASH	Email from B. Moran re motion to seek vesting order in favour of Rolls Royce. Email from E. Barbieri re KKP motion. Review, revise and update draft Monitor's 4th report.	4.00	525.00	2,100.00
10/03/2014	AD	Participated in weekly update call to discuss wind down activities, followed up on certain matters.	0.40	375.00	150.00
10/08/2014	AD	Reviewed invoice tracking file from Rolls Royce, updated data for KKP to prepare zero value invoices. Reviewed KKP invoices.	1.40	375.00	525.00
10/10/2014	AD	Reviewed cash flow updates in preparation for update call.	0.40	375.00	150.00
10/10/2014	AD	Participated in wind down update call with KKP.	0.30	375.00	112.50
10/16/2014	AD	Updated distribution and post-filing expenses analysis, discussed with KKP and circulated to KKP and Monitor.	1.20	375.00	450.00
10/17/2014	AD	Followed up on distribution analysis and other wind down activity issues.	0.20	375.00	75.00
10/20/2014	AD	Reviewed and followed up on outstanding issues related to the trust account's final reconciliation.	0.60	375.00	225.00
10/22/2014	AD	Discussed Fourth monitor's report internally, began to develop draft report.	0.70	375.00	262.50
10/22/2014	AD	Reviewed invoices and cash flow activity.	0.20	375.00	75.00
10/23/2014	AD	Initial draft of Fourth monitor's report, reviewed relevant documents.	2.20	375.00	825.00
10/23/2014	AD	Draft of Fourth monitor's report, reviewed relevant documents.	1.90	375.00	712.50
10/24/2014	AD	Reviewed cash flow activity since Third monitor's report and developed variance reporting for Fourth report.	2.90	375.00	1,087.50
10/24/2014	AD	Reviewed materials/correspondence related to final reconciliation of Rolls Royce accommodation agreement, reviewed cash flow activity since Third monitor's report and developed variance reporting.	0.20	375.00	75.00



Date: 11/03/2014
Invoice #: RP07921
File #: 036377-002

Disbursements

Date	Description	Amount
09/05/2014	Conference call	\$ 8.43
09/18/2014	Conference call	19.08
09/30/2014	Sameday courier Oct 9 2014	10.84
Total:		\$38.35



Date: 11/03/2014
Invoice #: RP07921
File #: 036377-002

Fees and Disbursements Summary

Name	Hours	Rate	Amount
EB Eric Barbieri, Partner	13.60	595.00	\$ 8,092.00
ASH Adam Sherman, Vice-President	6.50	525.00	3,412.50
AD Anthony Dalfio, Senior Associate	22.90	375.00	8,587.50
CO Carol O'Donnell, File Administrator	2.20	250.00	550.00
PL Pascale Lareau, File Administrator	0.50	185.00	92.50
AS Ann Stremski, File Administrator	0.10	185.00	18.50
NF Nicole Fournier, Administrative Assistant	0.30	105.00	31.50
Professional Fees	46.10		20,784.50
Disbursements			38.35
		Total :	\$20,822.85

Exhibit “C”

**ONTARIO SUPERIOR COURT OF JUSTICE
IN THE MATTER OF THE COMPANIES CREDITORS ARRANGEMENT ACT ("CCAA")
Re: KK Precision Inc.**

**Time Summary
May 9 to October 31, 2014**

Time Summary and applicable rates

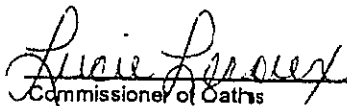
	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Andrew Adessky, Partner	22.50	\$595	13,387.50
Eric Barbieri, Partner	223.00	\$595	132,685.00
Adam Sherman, Vice-President	199.70	\$525	104,842.50
Anthony Dalflo, Senior Associate	468.10	\$375	175,537.50
Carol O'Donnell, Senior File Administrator	20.90	\$250	5,225.00
Ann Stremski, File Administrator	3.60	\$185	666.00
Pascale Lareau, File Administrator	3.50	\$185	647.50
Soazig Bourguine, File Administrator	16.10	\$185	2,978.50
Lucie Leroux, File Administrator	2.85	\$105	299.25
Vicky Coupal, Administrative Assistant	0.50	\$105	52.50
Nicole Fournier, Administrative Assistant	9.90	\$105	1,039.50
Total	970.65		437,360.75
Average Hourly Amount		\$ 450.59	

**Richter Advisory Group Inc.
Court-Appointed Monitor**



Andrew Adessky, CPA, CA, CIRP

This is Exhibit "C" referred to in the
Affidavit of Andrew Adessky sworn before
me this 6th day of November 2014



Commissioner of Oaths



APPENDIX “B”

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
KK PRECISION INC. (the "**Applicant**")

AFFIDAVIT OF HARVEY CHAITON
(sworn November 6, 2014)

1. I am a partner with the law firm of Chaitons LLP ("**Chaitons**"), solicitors for Richter Advisory Group Inc. in its capacity as monitor (the "**Monitor**") in this proceeding, and as such have knowledge of the matters to which I hereinafter depose.

2. Attached hereto as the following exhibits are copies of the following accounts issued by Chaitons to the Monitor totalling \$25,857.66 (comprised of fees of \$21,676, disbursements of \$1,253.84 and HST of \$2,927.82) with respect to this proceeding:

Exhibit "A" - Account for the period up to and including May 31, 2014;

Exhibit "B" - Account for the period up to and including June 30, 2014;

Exhibit "C" - Account for the period up to and including July 31, 2014;

Exhibit "D" - Account for the period up to and including August 31, 2014.


Exhibit "E" – Account for the period up to and including September 30, 2014

Exhibit "F" – Account for the period up to and including October 31, 2014

3. I confirm that the accounts described above accurately reflect the services provided by Chaitons in this matter and the fees and disbursements claimed by it from May 14, 2014 to October 31, 2014.

4. Attached hereto as **Exhibit "G"** is a summary of additional information with respect to Chaitons' accounts, indicating all members of Chaitons who have worked on this matter, their year of call to the bar, total time charges and hourly rates, and I hereby confirm that this list represents an accurate account of such information.

SWORN before me at the City)
of Toronto, this 6th)
day of November, 2014)
)




Sam Rapp
A Commissioner For Taking Affidavits, etc.



HARVEY CHAITON

**THIS IS EXHIBIT "A" TO
THE AFFIDAVIT OF HARVEY CHAITON
SWORN BEFORE ME THIS
6th DAY OF NOVEMBER, 2014**

A handwritten signature in black ink, appearing to be "J. M. [unclear]", written above a horizontal line.

A Commissioner Etc.



INVOICE NUMBER: 250308

May 31, 2014

RICHTER ADVISORY GROUP INC.
181 BAY STREET, SUITE 3320
TORONTO, ON, M5J 2T3

Re: KK PRECISION INC.
Our file: 007152-55516

FOR PROFESSIONAL SERVICES RENDERED on this matter up to and including May 31, 2014:

PROFESSIONAL FEES

SUBJECT TO HST	\$3,486.00	
SUB-TOTAL		\$3,486.00

DISBURSEMENTS

NON TAXABLE	\$8.00	
SUBJECT TO HST	\$6.00	
SUB-TOTAL		\$14.00
HST at 13.00%		\$453.96

GRAND TOTAL

\$3,953.96

Amount payable on the current invoice	\$3,953.96
Plus outstanding invoices on this matter	\$0.00
Amount Due	<u>\$3,953.96</u>
Trust Balance	

**PROFESSIONAL FEES:**

May 14, 14	SPR	Reviewed draft of affidavit in support of CCAA application; discussed matters with Adam Sherman;
May 15, 14	SPR	Reviewed and drafted correspondence regarding status of discussions;
May 16, 14	SPR	Reviewed and commented on draft pre-filing report; reviewed and drafted correspondence;
May 23, 14	SPR	Reviewed draft initial order and accommodation agreement; reviewed revised draft of pre-filing report; discussed accommodation agreement matters with Eric Barbieri; revised initial order and drafted correspondence regarding same;
May 28, 14	SPR	Discussed status of matter and court application with Adam Sherman;
May 29, 14	SPR	Reviewed updated CCAA application record; finalized and served Richter's pre-filing report; discussed matters with Adam Sherman; reviewed correspondence;
May 30, 14	SPR	Attended at hearing of CCAA application; discussed matters with Richter;
May 31, 14	SPR	Reviewed draft correspondence and provided comments;

TOTAL PROFESSIONAL FEES**\$3,486.00**

HST at 13.00%

453.18

DISBURSEMENTS:**Subject to HST:**

Internet Search Fee Taxable	\$6.00	\$6.00
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Non-Taxable:

Government Disbursement Internet Search Non-Tax	\$8.00	\$8.00
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GST No R124110933

INVOICE NUMBER: 250308

E. & O.E. Payment due on receipt of the account. In Accordance with the Solicitor's Act, interest will be charged on any unpaid balance at the rate of 0.5% per annum commencing one month after delivery of this account.




TOTAL DISBURSEMENTS
HST at 13.00%

\$14.00
0.78

GRAND TOTAL

\$3,953.96

CHAITONS LLP

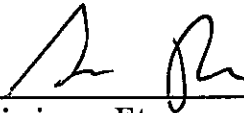
per: 

Sam Rappos

**LAWYERS' SUMMARY:**

Lawyers and legal assistants involved	Hourly Rate	Hours Billed	Total Billed
SAM RAPPOS	\$415.00	8.40	\$3,486.00
Total:		8.40	\$3,486.00

**THIS IS EXHIBIT "B" TO
THE AFFIDAVIT OF HARVEY CHAITON
SWORN BEFORE ME THIS
6th DAY OF NOVEMBER, 2014**

A handwritten signature in black ink, appearing to be 'A. P.', written over a horizontal line.

A Commissioner Etc.



INVOICE NUMBER: 250738

June 30, 2014

RICHTER ADVISORY GROUP INC.
181 BAY STREET, SUITE 3320
TORONTO, ON, M5J 2T3

Re: KK PRECISION INC.
Our file: 007152-55516

FOR PROFESSIONAL SERVICES RENDERED on this matter up to and including June 30, 2014:

PROFESSIONAL FEES

SUBJECT TO HST	\$2,033.50	
SUB-TOTAL		\$2,033.50

DISBURSEMENTS

SUBJECT TO HST	\$12.39	
SUB-TOTAL		\$12.39
HST at 13.00%		\$265.97

GRAND TOTAL

\$2,311.86

Amount payable on the current invoice	\$2,311.86
Plus outstanding invoices on this matter	\$3,953.96
Amount Due	<u>\$6,265.82</u>
Trust Balance	

**PROFESSIONAL FEES:**

Jun 2, 14	SPR	Reviewed and drafted correspondence regarding Xerox;
Jun 3, 14	SPR	Reviewed status update correspondence;
Jun 13, 14	SPR	Discussed status of matters with Adam Sherman; reviewed correspondence;
Jun 16, 14	SPR	Reviewed and drafted correspondence regarding letter to be sent out to potential purchasers; provided comment on draft letter;
Jun 23, 14	SPR	Reviewed correspondence; reviewed and commented on draft motion materials for the company; reviewed and commented on draft Monitor's report; discussed matters with Adam Sherman;
Jun 24, 14	SPR	Reviewed and drafted correspondence; prepared report for service on electronic service list; drafted correspondence to the Court regarding the report; reviewed and drafted correspondence to counsel to landlord;
Jun 25, 14	SPR	Attended at hearing of motion before Commercial List; discussed matters with client;

TOTAL PROFESSIONAL FEES**\$2,033.50**

HST at 13.00%

264.36

DISBURSEMENTS:**Subject to HST:**

Parking Charges	\$12.39	\$12.39
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TOTAL DISBURSEMENTS**\$12.39**

HST at 13.00%

1.61

GRAND TOTAL**\$2,311.86**


GST No R124110933

INVOICE NUMBER: 250738

E. & O.E. Payment due on receipt of the account. In Accordance with the Solicitor's Act, interest will be charged on any unpaid balance at the rate of 0.5% per annum commencing one month after delivery of this account.



CHAITONS LLP

per: 
Sam Rappos

GST No R124110933

INVOICE NUMBER: 250738


E. & O.E. Payment due on receipt of the account. In Accordance with the Solicitor's Act, interest will be charged on any unpaid balance at the rate of 0.5% per annum commencing one month after delivery of this account.

Doc#3063100v1

**LAWYERS' SUMMARY:**

Lawyers and legal assistants involved	Hourly Rate	Hours Billed	Total Billed
SAM RAPPOS	\$415.00	4.90	\$2,033.50
Total:		4.90	\$2,033.50

THIS IS EXHIBIT "C" TO
THE AFFIDAVIT OF HARVEY CHAITON
SWORN BEFORE ME THIS
6th DAY OF NOVEMBER, 2014

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

A Commissioner Etc.



INVOICE NUMBER: 251224

July 31, 2014

RICHTER ADVISORY GROUP INC.
181 BAY STREET, SUITE 3320
TORONTO, ON, M5J 2T3

Re: KK PRECISION INC.
Our file: 007152-55516

FOR PROFESSIONAL SERVICES RENDERED on this matter up to and including July 31, 2014:

PROFESSIONAL FEES

SUBJECT TO HST	\$4,281.00	
SUB-TOTAL		\$4,281.00

DISBURSEMENTS

SUBJECT TO HST	\$5.70	
SUB-TOTAL		\$5.70
HST at 13.00%		\$557.27

GRAND TOTAL

\$4,843.97

Amount payable on the current invoice	\$4,843.97
Plus outstanding invoices on this matter	\$0.00
Amount Due	<u>\$4,843.97</u>
Trust Balance	



PROFESSIONAL FEES:

Jul 4, 14	SPR	Reviewed correspondence;
Jul 9, 14	SPR	Discussed matters with Adam Sherman;
Jul 14, 14	SPR	Attended at chambers appointment to discuss status of sale process; discussed matters with Adam Sherman and counsel to company and landlord;
Jul 15, 14	SPR	Reviewed correspondence received from counsel to landlord regarding walk through the premises;
Jul 18, 14	SPR	Reviewed draft documents; discussed matters with Adam Sherman;
Jul 23, 14	SPR	Reviewed and commented on liquidation services agreement; reviewed and drafted correspondence regarding same;
Jul 24, 14	SPR	Reviewed correspondence and draft of company's letter to landlord regarding lease; attended conference call amongst company and the monitor to discuss sale transaction and issues with landlord; reviewed and commented on draft second report of the Monitor;
Jul 25, 14	SPR	Reviewed company's motion materials regarding sale transaction;
Jul 28, 14	SPR	Reviewed and drafted correspondence regarding Xerox equipment; effected electronic service of the Monitor's second report;
Jul 30, 14	MP	Review motion materials and the Monitor's report; review email correspondence regarding landlord complaint;
Jul 30, 14	SPR	Reviewed landlord's draft affidavit; reviewed and drafted correspondence regarding upcoming sale approval motion; attended call with Eric Barbieri and Adam Sherman to discuss landlord and sale transaction matters;



Jul 31, 14	MP	Conference call with S. Rappos regarding the motion to approve the auction services agreement and the landlord's opposition; review supplemental materials; conference call with client and S. Rappos regarding motion; prepare for the motion;
Jul 31, 14	SPR	Reviewed and commented on draft supplement to second report; discussed same and outstanding issues with Eric Barbieri, Adam Sherman and M. Poliak; reviewed and drafted correspondence;

TOTAL PROFESSIONAL FEES	\$4,281.00
HST at 13.00%	556.53

DISBURSEMENTS:**Subject to HST:**


Parking Charges	\$4.20	
Photocopying Charges	\$1.50	
		\$5.70

TOTAL DISBURSEMENTS	\$5.70
HST at 13.00%	0.74

GRAND TOTAL	\$4,843.97
--------------------	-------------------

CHAITONS LLP

per:


 A handwritten signature in black ink, appearing to be "S Rappos", is written over a horizontal line. Below the line, the name "Sam Rappos" is printed.

 Sam Rappos

**LAWYERS' SUMMARY:**

Lawyers and legal assistants involved	Hourly Rate	Hours Billed	Total Billed
MAYA POLIAK	\$390.00	1.40	\$546.00
SAM RAPPOS	\$415.00	9.00	\$3,735.00
Total:		10.40	\$4,281.00


GST No R124110933

INVOICE NUMBER: 251224

E. & O.E. Payment due on receipt of the account. In Accordance with the Solicitor's Act, interest will be charged on any unpaid balance at the rate of 0.5% per annum commencing one month after delivery of this account.

Doc#3102663v1

**THIS IS EXHIBIT "D" TO
THE AFFIDAVIT OF HARVEY CHAITON
SWORN BEFORE ME THIS
6th DAY OF NOVEMBER, 2014**



A Commissioner Etc.



INVOICE NUMBER: 251384

August 31, 2014

RICHTER ADVISORY GROUP INC.
181 BAY STREET, SUITE 3320
TORONTO, ON, M5J 2T3

**Re: KK PRECISION INC.
Our file: 007152-55516**

FOR PROFESSIONAL SERVICES RENDERED on this matter up to and including August 31, 2014:

PROFESSIONAL FEES

SUBJECT TO HST	\$3,174.50	
SUB-TOTAL		\$3,174.50

DISBURSEMENTS

SUBJECT TO HST	\$92.67	
SUB-TOTAL		\$92.67
HST at 13.00%		\$424.73

GRAND TOTAL		\$3,691.90
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Amount payable on the current invoice	\$3,691.90
Plus outstanding invoices on this matter	\$4,843.97
Amount Due	<u>\$8,535.87</u>
Trust Balance	

**PROFESSIONAL FEES:**

Aug 1, 14	MP	Attend at a motion to approve the liquidation services agreement;
Aug 1, 14	SPR	Discussed matters relating to attendance at court with M. Poliak; reviewed correspondence;
Aug 2, 14	SPR	Reviewed without prejudice offer received from landlord and reviewed and drafted correspondence regarding same; discussed same with Adam Sherman;
Aug 5, 14	SPR	Attended at hearing of motion seeking approval of liquidation transaction and the opposition of the landlord to the motion; discussed matters with Richter and counsel to other parties;
Aug 20, 14	SPR	Reviewed and drafted correspondence regarding stay extension motion;

TOTAL PROFESSIONAL FEES
HST at 13.00%

\$3,174.50
412.69

DISBURSEMENTS:**Subject to HST:**

Kap Litigation Service	\$52.50
Courier and Taxi Charges	\$31.32
Parking Charges	\$8.85

\$92.67

TOTAL DISBURSEMENTS
HST at 13.00%


\$92.67
12.05

GRAND TOTAL

\$3,691.90



CHAITONS LLP

per: 
Sam Rappos

GST No R124110933

INVOICE NUMBER: 251384

E. & O.E. Payment due on receipt of the account. In Accordance with the Solicitor's Act, interest will be charged on any unpaid balance at the rate of 0.5% per annum commencing one month after delivery of this account.

Doc#3118791v1

**LAWYERS' SUMMARY:**

Lawyers and legal assistants involved	Hourly Rate	Hours Billed	Total Billed
MAYA POLIAK	\$390.00	2.50	\$975.00
SAM RAPPOS	\$415.00	5.30	\$2,199.50
Total:		7.80	\$3,174.50

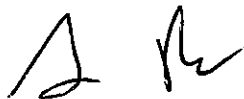
GST No R124110933

INVOICE NUMBER: 251384

E. & O.E. Payment due on receipt of the account. In Accordance with the Solicitor's Act, interest will be charged on any unpaid balance at the rate of 0.5% per annum commencing one month after delivery of this account.

Doc#3118791v1

**THIS IS EXHIBIT "E" TO
THE AFFIDAVIT OF HARVEY CHAITON
SWORN BEFORE ME THIS
6th DAY OF NOVEMBER, 2014**

A handwritten signature in black ink, appearing to be 'J. R.', is written above a horizontal line.

A Commissioner Etc.



INVOICE NUMBER: 251765

September 30, 2014

RICHTER ADVISORY GROUP INC.
181 BAY STREET, SUITE 3320
TORONTO, ON, M5J 2T3

**Re: KK PRECISION INC.
Our file: 007152-55516**

FOR PROFESSIONAL SERVICES RENDERED on this matter up to and including September 30, 2014:

PROFESSIONAL FEES

SUBJECT TO HST	\$8,333.50	
SUB-TOTAL		\$8,333.50

DISBURSEMENTS

NON TAXABLE	\$400.14	
SUBJECT TO HST	\$713.90	
SUB-TOTAL		\$1,114.04
HST at 13.00%		\$1,176.16

GRAND TOTAL		\$10,623.70
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Amount payable on the current invoice	\$10,623.70
Plus outstanding invoices on this matter	\$0.00
Amount Due	<u>\$10,623.70</u>
Trust Balance	



PROFESSIONAL FEES:

Sep 3, 14	SPR	Reviewed and drafted correspondence regarding scheduling of next motion; attended conference call with Monitor and representatives of Company and the Bank to discuss relief to be sought at next motion;
Sep 7, 14	SPR	Discussed upcoming motion matters and draft report with Adam Sherman; drafted correspondence;
Sep 8, 14	HGC	Conference with D. Loomis; Review draft opinion;
Sep 8, 14	DL	To review of PPSA and Bank Act search results and to prepare summaries of same; to review of loan and security documents; to prepare opinion re security review; to email correspondence re intercreditor agreement;
Sep 8, 14	SPR	Attended conference call to discuss status of matter with representative of the company and its counsel, the Monitor and counsel to BMO;
Sep 9, 14	DL	To review of intercreditor agreement; to review and revise draft security opinion
Sep 9, 14	SPR	Reviewed draft document to Rolls Royce; drafted fee affidavit; reviewed company's draft materials; discussed draft security opinion with D. Loomis;
Sep 10, 14	DL	To finalize and issue security opinion; to discuss same with H. Chaiton;
Sep 10, 14	SPR	Reviewed and commented on draft Monitor's report; commented on draft motion materials from the company; discussed matters with Adam Sherman; sent final security opinion to the Monitor; discussed matters with counsel to the company; discussed matters with counsel to BMO; reviewed comments received on draft report and incorporated same; reviewed revised company motion materials;
Sep 11, 14	SPR	Finalized Monitor's Third Report and prepared for service to parties on service list; reviewed and drafted correspondence;



Sep 16, 14 SPR Attended company's motion for extension of CCAA stay; reviewed draft settlement agreement with landlord;
Sep 17, 14 SPR Reviewed correspondence regarding settlement with landlord;

TOTAL PROFESSIONAL FEES **\$8,333.50**
HST at 13.00% 1,083.36

DISBURSEMENTS:

Subject to HST:

Kap Litigation Service	\$52.50	
Internet Search Fee Taxable	\$468.00	
Courier and Taxi Charges	\$79.70	
Photocopying Charges	\$113.70	
		\$713.90

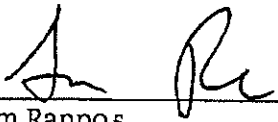
Non-Taxable:

Government Disbursement Internet Search Non-Tax	\$400.14	
		\$400.14

TOTAL DISBURSEMENTS **\$1,114.04**
HST at 13.00% 92.81

GRAND TOTAL **\$10,623.70**

CHAITONS LLP

per: 
Sam Rappos



LAWYERS' SUMMARY:

Lawyers and legal assistants involved	Hourly Rate	Hours Billed	Total Billed
HARVEY G. CHAITON	\$675.00	0.82	\$552.50
DEBRA LOOMIS	\$395.00	5.40	\$2,133.00
SAM RAPPOS	\$415.00	13.61	\$5,648.00
Total:		19.83	\$8,333.50

GST No R124110933

INVOICE NUMBER: 251765

E. & O.E. Payment due on receipt of the account. In Accordance with the Solicitor's Act, interest will be charged on any unpaid balance at the rate of 0.5% per annum commencing one month after delivery of this account.

**THIS IS EXHIBIT "F" TO
THE AFFIDAVIT OF HARVEY CHAITON**

**SWORN BEFORE ME THIS
6th DAY OF NOVEMBER, 2014**

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

A Commissioner Etc.



INVOICE NUMBER: 252103

October 31, 2014

RICHTER ADVISORY GROUP INC.
181 BAY STREET, SUITE 3320
TORONTO, ON, M5J 2T3

Re: KK PRECISION INC.
Our file: 007152-55516

FOR PROFESSIONAL SERVICES RENDERED on this matter up to and including October 31, 2014:

PROFESSIONAL FEES

SUBJECT TO HST	\$367.50	
SUB-TOTAL		\$367.50

DISBURSEMENTS

SUBJECT TO HST	\$15.04	
SUB-TOTAL		\$15.04
HST at 13.00%		\$49.73

GRAND TOTAL		\$432.27
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Amount payable on the current invoice	\$432.27
Plus outstanding invoices on this matter	\$0.00
Amount Due	<u>\$432.27</u>
Trust Balance	

**PROFESSIONAL FEES:**

Oct 1, 14	DL	To review of Xerox lease; to discussion and email correspondence with S. Rappos re same;
Oct 1, 14	SPR	Reviewed and drafted correspondence regarding Xerox claim to copier; discussed same with Adam Sherman;
Oct 7, 14	SPR	Drafted correspondence to Xerox regarding delivery of equipment;
Oct 8, 14	SPR	Reviewed and drafted correspondence regarding Xerox equipment;
Oct 20, 14	SPR	Reviewed correspondence;

TOTAL PROFESSIONAL FEES**\$367.50**

HST at 13.00%

47.78

DISBURSEMENTS:**Subject to HST:**

Parking Charges	\$15.04	\$15.04
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TOTAL DISBURSEMENTS**\$15.04**

HST at 13.00%

1.96

GRAND TOTAL**\$432.27****CHAITONS LLP**

per: _____


 Sam Rappos

**LAWYERS' SUMMARY:**

Lawyers and legal assistants involved	Hourly Rate	Hours Billed	Total Billed
DEBRA LOOMIS	\$395.00	0.30	\$118.50
SAM RAPPOS	\$415.00	0.60	\$249.00
Total:		0.90	\$367.50

THIS IS EXHIBIT "G" TO
THE AFFIDAVIT OF HARVEY CHAITON
SWORN BEFORE ME THIS
6th DAY OF NOVEMBER, 2014

A handwritten signature in black ink, appearing to be 'A. R.', is written above a horizontal line.

A Commissioner Etc.

SUMMARY

Lawyer	Year of Call	Hours Billed	Hourly Rate	Amount Billed
Harvey G. Chaiton	1982	0.82	\$675.00	\$552.50
Sam P. Rappos	2005	41.8	\$415.00	\$17,351.00
Debra Loomis	2006	5.7	\$395.00	\$2,251.50
Maya Poliak	2007	3.9	\$390.00	\$1,521.00
Total Hours and Amounts Billed		52.22		\$21,676.00
Average Hourly Rate			\$415.09	
Total Costs				\$1,253.84
Total Taxes (HST)				\$2,927.82
TOTAL				\$25,857.66

**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.**

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceedings commenced at TORONTO

AFFIDAVIT OF HARVEY CHAITON
(sworn November 6, 2014)

CHAITONS LLP
5000 Yonge Street, 10th Floor
Toronto, Ontario
M2N 7E9

Sam Rappos
LSUC #51399S
Tel: (416) 218-1137
Fax: (416) 218-1837
E-mail: samr@chaitons.com

Lawyers for Richter Advisory Group Inc.

**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.**

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceedings commenced at TORONTO

**FOURTH REPORT OF
RICHTER ADVISORY GROUP INC.
IN ITS CAPACITY AS
MONITOR OF
KK PRECISION INC.**

CHAITONS LLP
5000 Yonge Street, 10th Floor
Toronto, Ontario
M2N 7E9

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Lawyers for Richter Advisory Group Inc.