SUPERIOR COURT
(Commercial division)
The Companies' Creditors Arrangement Act

CANADA
PROVINCE OF QUEBEC
DISTRICT OF MONTREAL

No: 500-11-038474-108

DATE: October 7, 2011

UNDER THE PRESIDENCY OF: THE HONOURABLE ROBERT MONGEON, J.S.C.

IN THE MATTER OF THE PLAN OF ARRANGEMENT AND COMPROMISE OF:

WHITE BIRCH PAPER HOLDING COMPANY
-and-
WHITE BIRCH PAPER COMPANY
-and-
STADACONA GENERAL PARTNER INC.
-and-
BLACK SPRUCE PAPER INC.
-and-
F.F. SOUCY GENERAL PARATNER INC.
-and-
3120772 NOVA SCOTI COMPAPNY
-and-
ARRIMAGE DE GROS CACOUNA INC.
-and-
PAPIER MASSON LTÉE
Debtors
-and-
ERNST & YOUNG INC.
Monitor
-and-
STADACONA LIMITED PARTNERSHIP
-and-
JM1838 **F.F. SOUCY LIMITED PARTNERSHIP**
-and-

F.F. SOUCY INC. & PARTNERS, LIMITED PARTNERSHIP
Mises-en-cause

JUDGMENT

The context

[1] The Monitor comes before me with a Motion for Directions in the following context.

[2] The Debtors (collectively WB Canada) are under the protection of the CCAA. The Initial Order extending this protection has been in force since February 24, 2010 and will remain in force at least until November 18, 2011, whereupon it shall most likely be extended further.

[3] The Debtors also conduct business in the United States of America through a subsidiary of White Birch Paper Holding Company known as Bear Island Paper Company LLC ("Bear Island") presently under the protection of Chapter 11 of the United States Bankruptcy Code (WB Canada and Bear Island are hereinafter referred to as the "WB Group"). Both the Canadian proceedings and the U.S. proceedings are being conducted simultaneously and appropriate Cross-Border Insolvency Protocols have been put in place in the early stages of this restructuration. It is to be noted, however, that Bear Island is not a "Debtor" under the current CCAA proceedings.

[4] It is also to be noted that the United States Bankruptcy Court for the Southern District of Virginia (the USBC) has recognized the Canadian Proceedings under the CCAA as "foreign main proceedings" and has recognized White Birch Paper Holding Company as "foreign representative".

[5] In the course of both the U.S. and the Canadian restructuring process, the usual DIP financing was put in place guaranteed by appropriate super-priority charges upon all Canadian and U.S. assets of the WB Group.

[6] Furthermore, it has been previously decided and approved by both jurisdictions that the greater majority (if not the totality of the assets) of the WB Group would be sold through a "Stalking Horse" bidding process. The auction has taken place but the sale has not yet closed. The purchaser is an entity known as BD White Birch Investments Inc. and certain of its subsidiaries (BDWBI).

[7] As indicated above, Bear Island has commenced proceedings in the U.S. under Chapter 11 of the U.S. Bankruptcy Code pursuant to which it must file its Plan of

Arrangement as well as a "Disclosure Statement' of all circumstances surrounding the submission and administration of the proposed Plan, including which assets may be used by Bear Island for a proposal to its creditors.

[8] In its Report dated September 27, 2011, the Monitor specifically represents that:

> ...
>
> **15. The plan filed by Bear Island is essentially a liquidation plan that is conditional upon the occurrence of a closing of a transaction with BDWBI. The plan and draft disclosure statement contemplate essentially a pro rata distribution amongst creditors of a fund ("Fund") comprised of the proceeds of the sale to BDWBI that are allocated to Bear Island; proceeds of the settlement or prosecution of causes of action for fraudulent preferences, void or voidable transactions; and proceeds from the disposition of any remaining asset during the wind down of the activities of Bear Island.**
>
> **It should be noted that the plan contemplates that WB Canada will share in the distribution of the proceeds of the Fund, based on an admitted intercompany claim of approximately US$136M, representing 17.6% of the scheduled claims.**
>
> **16. While the plan and the draft disclosure statement provide for a distribution from the Fund, the plan and the draft disclosure statement as filed do not indicate what would be the allocation of the proceeds of the sale to BDWBI, as between Bear Island and WB Canada.**
>
> ...
>
> **(emphasis added)**

[9] This allocation of proceeds is crucial to WB Canada, inasmuch as its share of the sale proceeds will form the basis of its own. Plan of Restructuration to be approved by all appropriate Canadian stakeholders.

[10] The Monitor further represents that:

> ...
>
> **18. In the course of the discussions with the Monitor, several different models of allocation have been explored, which yield a wide range of different results. Depending upon the formula used to allocate assets and the principles adopted to allocate the responsibility for the repayment of the Interim Financing facility, the results of the allocation models yielded a greater allocation to Bear Island in some cases, and a greater allocation to WB Canada in other cases, by a**

wide margin. The main factors influencing the allocation are summarized below:

18.1 Whether the allocation for the assets sold is based on a standard formula derived from the historical breakdown in working capital (current assets minus assumed current liabilities) as between Bear Island and WB Canada, or on the actual breakdown in working capital on a set date. In the past, the breakdown in working capital has been approximately 20% for Bear Island and 80% for WB Canada, although more recently the breakdown has been in the range of 10% to 15% for Bear Island and 85% to 90% for WB Canada.

18.2 The manner in which the responsibility for the repayment of the Interim Financing facility is allocated between the co-borrowers, namely Bear Island and certain entities comprising WB Canada. At the time the Interim Financing facility was negotiated, the Companies' cash flow forecasts suggested that a portion of the borrowings would be necessary for Bear Island and a portion for WB Canada, and the aggregate requirements were built into the interim Financing Credit Facility. In fact, the drawings under the Interim Financing facility were all made by WB Canada, although the Interim Financing facility was necessary for all entities within WB Group in order to provide the required degree of confidence to the trade suppliers that the Companies had the necessary resources to pay for the merchandise supplied and services rendered after the commencement of the restructuring proceedings.

Depending on the perspective, an argument can be made that the responsibility for the repayment of the Interim Financing facility lies with the entities that made the draws under the credit facility. Another argument can be made that the responsibility for the repayment should be shared amongst all of the entities that benefited from the availability of funds, since the DIP was negotiated for the benefit of both WB Canada and Bear Island equally, and was necessary to satisfy the creditors of both WB Canada and Bear Island that the Companies had the resources to carry on business.

The difference in approach leads to widely different results.

19. The problem of determining which specific formula to use to allocate the working capital is compounded by the fact that the amount that needs to be allocated is not known with certainty. The amount that will ultimately be available for distribution to the creditors depends upon the timing of the closing of the transaction with BDWBI, which

has not yet been established, and the amount to be distributed will be left over, if any, after repayment of the Interim Financing facility. At this juncture, the models of allocation prepared by the Companies for the purpose of completing the disclosure statement and the plan are based on cash flow projections and historical results, and the actual amounts may be different when the residual amounts are calculated at the time of the closing.

20. As mentioned earlier, the basis of allocation had not yet been disclosed, as of the date of drafting of this report, notwithstanding the fact that the hearing on the adequacy of the disclosure statement is scheduled for October 5, 2011. The Monitor has been informed that the disclosure statement will be amended to reflect a range of values based on various allocation alternatives, and that Bear Island will not seek an approval by the US Court of any definitive allocation but rather will suggest that the Companies and the creditors continue to seek a consensual allocation, with such an allocation being subject to the approval of the US Court at the latest at the hearing to confirm a plan.

    Based on the most recent information made available to the Monitor, which is still subject to adjustment, the range in values could provide an allocation of net proceeds to WB Canada that varies between US$23.4 million and US$0.5 million, or an allocation of between 88.5% and 1.8% of the funds estimated to be available for distribution to the unsecured creditors.

21. The Monitor is concerned that the First Term Loan lenders and the UCC may favour an allocation methodology that results in an allocation that favours the estate of Bear Island, and thus prejudices the rights or creditors with claims against WB Canada.

    The Monitor understands that the First Term Loan lenders consist in large part of the purchaser for the assets of the Companies or companies or entities related to the purchaser, and that an allocation that favours Bear Island as compared with WB Canada would benefit primarily the First Term Loan lenders, at the expense of the other creditors that have filed claims in the proceedings in Canada.

22. The Monitor considers it would be necessary to ensure that stakeholders in Canada are given an opportunity to express their views on the proposed allocation if a consensual formula is to be devised, and that the allocation of proceeds to each respective estate is made after a joint hearing in which the views of the interested stakeholders from Canada and the U.S. can be expressed, if a consensual allocation cannot be reached.

(emphasis added)

[11] This was the situation at the time of filing of the Monitor's Motion and Report.

[12] However, at the hearing of the present Motion, an extract of Bear Island's Disclosure Statement was submitted to this Court. The said extract deals with current problems surrounding the finalization of an "Estate Allocation" between WB Canada and Bear Island.[1]

[13] This document states:

> **The Estate Allocation**
>
> **The Estate Allocation provides the manner by which the Debtor and the Canadian Sellers, and their respective estates, shall allocate proceeds from the Sale and satisfy certain obligations that remain as of the Sale Closing, including obligations under the DIP Credit Facility. As discussed in more detail below, the outcome of, among other things, the Estate Allocation, will determine monies available for distribution to creditors of both the Debtor's Estate and the Canadian Sellers' estates. The determination of the proper Estate Allocation has required, and will continue to require, significant and extensive negotiations and compromise between various parties in interest.**
>
> **(emphasis added)**

[14] The document further describes the way the cash funds held by Bear Island and WB Canada will firstly be used and allocated towards the DIP reimbursement of the loan and, thereafter, how the cash component of the sale proceeds (US$ 90 000 000,00) will be used. Bear Island represents that:

> **Once the First DIP Repayment is consummated, at which point the Debtor's Estate and Canadian Sellers' estates shall be depleted of all cash, the Debtor and Canadian Sellers shall allocate the $90,000,000 cash component (after accounting for earnings on escrowed amounts and periodic taxes, the "Cash Component") of the Purchase Price. The ASA does not prescribe the manner in which the Cash Component shall be allocated between the Debtor's Estate and the Canadian Sellers' estates, and parties in interest have yet to agree regarding this allocation. One outstanding issue is whether to allocate the Cash Component according to the relative proportions of each estate's gross current assets or net current assets. On this point, both the Sale Order and the ASA support an allocation based on gross current assets. In particular, the Sale Order entered by he Bankruptcy Court provides that the Cash Component is to be allocated to "Current Assets[,]" which are defined as the collateral under the Revolving ABL Agreement, including, "among other things, Bear**

[1] Pages 15 to 17 of Bear Island's Disclosure Statement.

> **Island's inventory, accounts receivable and cash[.]" Likewise, the Asset Allocation Schedule, attached to and as defined in the ASA, provides that "the Cash Component shall be allocated exclusively to the current assets of the Sellers." Neither document nor any other document identified by any party makes mention of subtracting accounts payable or accrued liabilities assumed by the Purchaser, as would be required under a net current assets analysis. An additional issue is whether to include the respective estates' cash positions in such current asset amounts.**
>
> **Upon allocation of the Cash Component, the Debtor and Canadian Sellers must then pay the remaining balance under the DIP Credit Facility (the "Final DIP Repayment"). Similar to the allocation of the Cash Component, the ASA does not prescribe the Debtor and Canadian Sellers' respective obligations to satisfy the Final DIP Repayment. Accordingly, the Debtor, Creditors' Committee, the majority lenders under the First Lien Credit Facility (the "Majority First Lien Lenders"), Canadian Sellers and Monitor in the CCAA Cases engaged in extensive good-faith discussions with respect to potential methodologies by which to allocate obligations on account of the Final DIP Repayment. The parties, however, maintain divergent views of the Debtor's obligations on the one hand, and the Canadian Sellers' obligations on the other hand, to repay amounts due under the DIP Credit Facility.**
>
> **(emphasis added)**

[15] As can be seen from the foregoing, the issues are serious, the parties are engaged in serious negotiations and a consensus has not yet been reached.

[16] There is more: Bear Island further contends that one of the difficulties which may be encountered has to do with Bear Island's obligation to assume liability for part of the repayment of the DIP loan although it never benefited from the DIP funds. Bear Island expresses the problem as follows:

> **One issue raised for consideration is that, upon the Debtor's repayment of the $2.5 million in DIP Credit Facility funds that were used to satisfy the Debtor's obligation under the Revolving ABL Agreement, the Debtor had, and currently has, no borrowings under the DIP Credit Facility. Additionally, the Debtor does not anticipate borrowing any funds from the DIP Credit Facility. Yet, under the terms of the ASA, the Debtor and Canadian Sellers are both required to apply their remaining cash on hand to repay a portion of the DIP Credit Facility as described above in connection with the First DIP Repayment. Arguably, any such payment made by the Debtor constitutes a payment by the Debtor under the DIP Credit Facility Guarantee of the obligations of the Canadian Sellers, which**

entitles the Debtor, by right of subrogation, to seek repayment from the Canadian Sellers' estate of the amount the Debtor paid under the First DIP Repayment. Specifically, the DIP Credit Facility Guarantee provides that, if a guarantor thereunder (a "Guarantor") makes payment under the DIP Credit Facility Guarantee, and if the obligations under the DIP Credit Facility are paid in full, the DIP Lenders will, at such Guarantor's request, transfer by subrogation their interest in the DIP Credit Facility obligations and any security held therefore to the Guarantor without recourse and without representation and warranty. The Plan provides for such transfer upon repayment of the DIP Credit Facility. Accordingly, the Debtor, as Guarantor, would succeed to the rights of the DIP Lenders and maintain a postpetition Subrogation Claim in the CCAA Cases in an amount equal the Debtor's portion of the First DIP Repayment, which, based on the Debtor's 13-week cash flow forecast dated as of September 22, 2011, would equal approximately $16.1 million.

An additional issue raised for consideration is that because the Debtor will have no borrowings under the DIP Credit Facility as of the Sale Closing, the Debtor should not be obligated to pay any amounts owed by the Canadian Sellers on account of the Final DIP Repayment when (a) Final DIP Repayment should be based on direct borrowings of the respective estates and (b) the Canadian Sellers have sufficient financial wherewithal to meet their obligations under the DIP Credit Facility. The Debtor would be entitled to assert a Subrogation Claim against the Canadian Sellers in the event that it pays any amounts under the Final DIP Repayment. If the Canadian Sellers' allocated portion of the Cash Component is not sufficient to satisfy the Final DIP Repayment, the Debtor would pay the balance and such amounts would also become part of the Debtor's Subrogation Claim. An Estate Allocation that adopts these arguments would, based on the Debtors' and Canadian Sellers' 13-week cash flow forecast dated as of September 22, 2011, provide the Debtor's Estate with approximately $26.5 million (less the costs of administration and Wind Down of the Debtor's Estate) and the Canadian Sellers' estates with approximately $400,000 (in addition to any recovery on account of the Intercompany Claims, which, if allowed in their asserted amount, would equal approximately $5.4 million).

A final issue for consideration is that, similar to the allocation of the Cash Component, the Final DIP Repayment should be allocated based on the relative proportions of the Debtor's and the Canadian Sellers' net or gross current assets. Consideration has also been given to the notion that the Debtor benefited from the DIP Credit Facility, and as such, cannot seek to recover the amount paid under the First DIP Repayment from the Canadian Debtors' and Canadian Sellers' 13-week cash flow forecast dated as of September 22, 2011, provide the Debtor's Estate with approximately $3.1 million (less the costs of administration and Wind Down of the Debtor's Estate) and the Canadian Sellers' estates with approximately $23.8 million.

> In light of the foregoing and assuming that the currently estimated ratio of current assets and the total amount of cash available following repayment of the DIP Credit Facility do not change materially, as of the Sale Closing, the Debtor's Estate will receive a recovery ranging from approximately $3.1 million to approximately $26.9 million. The components of the Estate Allocation and the ranges of recovery based on the various positions discussed above are set forth in Exhibit B to this Disclosure Statement.
>
> Further, it is important to note that, as of the date hereof, a significant number of creditors of the debtors in the CCAA Cases have not been informed of, or consulted with, regarding the Estate Allocation. Once informed of the issues identified herein, such creditors may seek to investigate (a) the basis for payment of outstanding obligations under the DIP Credit Facility and (b) thee right, if any, of the debtors in the CCAA Cases to (i) offset the Intercompany Claims against any Subrogation Claims and (ii) assert an Administrative Claim or right of setoff against the Debtor, or require transfer of funds prior to the Sale Closing, on account of fees, expenses and repayments potentially due from the Debtor to the debtors in the CCAA Cases under the DIP Credit Facility, the Revolving ABL Agreement or certain intercompany transfers. The assertion and outcome of any of the foregoing may impact the monies available for distribution to the Debtor's creditors.
>
> In sum, given the various issues concerning repayment of the DIP Credit Facility, the parties have been unable to reach final agreement on the proper Estate Allocation. Nevertheless, to enable the Debtor to proceed with solicitation and Confirmation, the Debtor, Creditors' Committee and Majority First Lien Lenders have agreed that all parties shall reserve their rights with respect to the Estate Allocation. The Debtor, Creditors' Committee and Majority First Lien lenders believe that this approach is fair and reasonable, and allows the parties to continue to negotiate a consensual resolution to the Estate Allocation or, to the extent necessary, conduct cross-border litigation to resolve these issues at or prior to Confirmation.
>
> **(emphasis added)**

[17] Based upon the foregoing, the Monitor is very seriously concerned with the risk of an Estate Allocation being decided in the United States without taking into consideration all of the effects of such a decision upon the Canadian proceedings. In light of such a possibility, the Monitor seeks the following conclusions:

> **[1] GRANT the present Motion for Directions;**
>
> **[2] DIRECT the monitor as to the information that should be given to the creditors with claims against the Debtors with respect to the specific issue of Estate Allocation;**

> **[3] DECLARE that any definitive Estate Allocation shall be approved by this Court;**
>
> **[4[ORDER the Debtors, should the parties with an interest fail to reach a consensual Estate Allocation or an Estate Allocation which the Monitor can support and recommend for acceptance by this Court, to request a joint hearing between the United States Bankruptcy Court for the Eastern District of Virginia and this Court to deal with the specific issue of Estate Allocation;**
>
> **[5] APPROVE the Monitor's activities, as described in the monitor's Report dated September 27, 2011;**

[18] But for the wording of conclusion no. [3] above, the stakeholders present at the hearing do not oppose the Monitor's Motion. Several stakeholders, however, believe that this conclusion is premature and that the parties should continue their negotiations in order to arrive at a consensual Estate Allocation. They do not wish to see an Order from this Court which could be interpreted as subordinating the validity of Estate Allocation to a unilateral judgment of this Court.

__Analysis__

[19] The Court's intervention in CCAA proceedings must always be framed within the powers given to it by the legislation. As Deschamps J. stated in Re: Century Services[2], those powers are broad, because of the broad language used by the statute. More particularly, she writes:

> **[77] The CCAA creates conditions for preserving the *status quo* while attempts are made to find common ground amongst stakeholders for a reorganization which is fair to all.**

[20] Fairness to all, here, goes through negotiation in good faith of all disputes with the least possible intervention of supervising Courts.

[21] Primarily, the function of the Court in CCAA proceedings is to facilitate an orderly restructuration process and to promote a negotiated settlement of any disputes which may arise. The Court should not be asked to intervene to promote the point of view of one particular stakeholder or group of stakeholders. Furthermore, the Court's duty in cross-border proceedings is to protect the jurisdiction of all tribunals involved in an international restructuration.

[22] At this point in time, the parties, on both sides of the border, are engaged in negotiations. Furthermore, there is no indication that these negotiations will not come to fruition. Accordingly, the Court should abstain to intervene.

[2] [2010] 3, SCR 379; [2010] SCC 60

[23] It is quite obvious that this Court may have some implication in the use and/or allocation of the proceeds resulting from the sale of the WB Group's assets. It should not be forgotten that the sale process and draft Asset Purchase Agreement had been previously agreed to and authorized by this Court. Furthermore, the bidding process including the use of credit bidding was not only authorized and sanctioned by the undersigned, but also the validity of the auction procedure held in New-York was the subject matter of a vivid contestation which resulted in a judgment ratifying the entire process (see 2010 QCCS 4915; Motion for Leave to Appeal denied per Dalphond JCA, 2010, QCCA 1950).

[24] Nevertheless, the Monitor suggests at paragraphs 16 of its Motion:

> **16. Although Bear Island has yet to file its definitive proposed Estate Allocation, which shall be part of Bear Island Plan, the Monitor is concerned that Bear Island may well adopt an allocation methodology that favours the U.S. estate to the detriment of the Canadian estate;**

[25] Given the position taken by Bear Island in its above-noted comments on the issue of Estate Allocation, it is expected that, in the absence of a consensus, very important issues may have to be debated and decided either before this Court, the United-States Bankruptcy Court or perhaps even in a Joint Hearing before both jurisdictions.

[26] Furthermore, in order to arrive at a consensus, all stakeholders on both sides of the border should be kept informed of their respective positions. The Monitor point is well taken when he suggests that:

> **29. The Monitor considers it would be appropriate to ensure that the proposed allocation is discussed in a context where the views of Canadian stakeholders can be expressed in order to arrive at a consensual allocation formula;**
>
> **30. In the event a consensual allocation formula cannot be developed, the Monitor considers it would be preferable to debate the allocation in a context of a joint hearing in order to avoid, if possible, incompatible outcomes between the decisions of the US Bankruptcy Court and decisions that this honourable Court may render in the future with respect to the proper manner in which the proceeds from the sale transaction with BDWBI are distributed amongst WB Canada and Bear Island and the repayment of the Interim Financing facility is assumed by WB Canada and Bear Island;**

[27] This is an interesting suggestion. A joint hearing may prove to be a good way to dispose of some of the disputes but may not be the best vehicle to dispose of complex matters where legal principles may differ depending upon which legal regime is applicable to the dispute and which Court has jurisdiction to decide upon same.

[28] The undersigned is aware of the importance of protecting and asserting this Court's jurisdiction in CCAA matters and, when such matters involve Cross-Border issues, it is equally important to protect, and not to interfere with, the jurisdiction of the United States Bankruptcy Court.

[29] It seems that the question of Estate Allocation is an essential element of the Disclosure Statement, which is a necessary requirement of U.S. procedure in Chapter 11 proceedings. In this context, the U.S. Court may have to approve the allocation. It also must be emphasized that the Canadian Court has no direct jurisdiction over Bear Island which has never filed for protection under the CCAA and, conversely, the U.S. Court has no direct jurisdiction over the Canadian Debtors.

[30] On the other hand, any allocation of the sale price of the WB Group's assets between WB Canada on the one part, and Bear Island on the other part, should not be the result of any Canadian or U.S. unilateral decision. Although the Estate Allocation of proceeds may have to be ratified and/or approved by both Courts, such a step may only come after a negotiated settlement, or after all disputes blocking a negotiated settlement will have been decided.

[31] The end result of this allocation is equally important in Canada: WB Canada expects to obtain sufficient funds from the allocation of proceeds of the sale in order to implement its Plan of restructuration.

[32] Accordingly, both Courts will most probably have to intervene upon the issue of final Estate Allocation and approve or ratify same, both within the scope of their respective jurisdictions.

[33] Consequently, any unresolved dispute over any issue involving the allocation of the proceeds of sale of the assets of the WB Group shall firstly be submitted to either this Court or the U.S. Bankruptcy Court depending upon which Court has jurisdiction. Upon resolution of these disputes, both Courts, either jointly or separately, may approve the final allocation in accordance with their respective rules of procedure.

[34] Inasmuch as this Motion is brought by the Monitor in its capacity as Officer of the Court, there shall be no adjudication as to costs.

[35] As indicated above, the other conclusions sought by the Monitor, they cause no specific difficulties and they will be granted as sought.

FOR THESE REASONS, the Court

[36] **GRANTS** the Monitor's Motion for Directions;

[37] **DIRECTS** the Monitor to inform the creditors with claims against the Debtors with respect to the specific issue of Estate Allocation, by way of a general mailing containing

a copy of this Order together with a copy of the Monitor's Report dated September 27, 2011;

[38] **APPROVES** the Monitor's activities as described in its Report of September 27, 2011;

[39] **DIRECTS** the parties having an interest in the Estate Allocation to continue their negotiations towards a final and global settlement of the Estate Allocation.

[40] **DIRECTS** that any consensual definitive Estate Allocation of the proceeds of the sale of the assets of the WB Group, establishing the proper manner in which the proceeds from the sale transaction with BD White Birch Investments Inc. are to be distributed amongst WB Canada on the one part and Bear Island on the other part, including the repayment of the Interim financing Facility to be assumed by WB Canada and Bear Island, may be approved by both the Superior Court of Quebec and by the United States Bankruptcy Court for the Southern District of Virginia within the scope of their respective jurisdictions and **DIRECTS FURTHER** that should the parties fail to reach a consensual allocation (or an allocation which the Monitor can support and recommend for acceptance by this Court), **AUTHORIZES** any interested party to seek the adjudication of any dispute before the Court having jurisdiction upon same.

[41] **THE WHOLE WITHOUT COSTS.**

ROBERT MONGEON, J.S.C. J.S.C.

Counsel and parties present: see attendance list annexed to the Procès-Verbal

Date of hearing: 5 October 2011

CANADA
PROVINCE DE QUÉBEC

District ____________

N° ____________

ENREGISTREMENT

M
Dist. An Mois Jour Cas.

Dist. An Mois Jour Cas. Salle Piste

RÉFÉRENCES

PROCÈS-VERBAL D'AUDIENCE (suite)

JEAN-DANIEL BRETON ERNST & YOUNG INC.
SYLVAIN RIGAUD | NORTON ROSE CONTRÔLEUR
MARTIN ROSENTHAL ERNST & YOUNG INC.
et Philippe Giraldeau

MATTHEW LIBEN STIKEMAN ELLIOTT DÉBITRICES

MARTIN DESROSIERS OSLER CREDIT SUISSE
Jean-Éric Guindon Belanger Sauvé S3I
GERRY APOSTOLATOS LANGLOIS COMITÉS DE RETRAITE (NON-SYNDIQUÉS)
Jocelyn Morency Boily Morency Roy Regroupement des employés retraités

Yves St-Cyr ... Hudon ... SCEP-Québec + Comités de Retraite syndiqués

MARC DUCHESNE BLG Official Committee of Unsecured Creditors of Bear Island Paper Company LLC.

JEAN-YVES SIMARD LAVERY DE BILLY et JOSEPH LATHAM GOODMANS LLP } co-counsel for ~~Black~~ Black Diamond White Birch Investment Inc (BDWBI)

Page ______ de ______

• SJ-256-1 (1995-01)