



ONTARIO
SUPERIOR COURT OF JUSTICE
IN BANKRUPTCY AND INSOLVENCY

Province:	Bankruptcy Division:
Estate No.	Court No. 31-02-207893-1

IN THE MATTER OF THE BANKRUPTCY OF
ST. MARY'S PAPER CORP.
OF THE CITY OF SAULT STE. MARIE, PROVINCE OF ONTARIO

APPLICATION FOR BANKRUPTCY ORDER

We, International Forest Products LLC (formerly known as International Forest Products Corporation) ("IFP"), of the Town of Foxborough, in the Commonwealth of Massachusetts, hereby file an application for a bankruptcy order in respect of the property of St. Marys Paper Corp. ("St. Marys Paper") of the City of Sault Ste. Marie in the Province of Ontario, lately carrying on business at the City of Sault Ste. Marie in the Province of Ontario, and say:

1. That the said St. Marys Paper at some time during the year preceding the filing of this bankruptcy application carried on business at the City of Sault Ste. Marie in the Province of Ontario within the jurisdiction of this Court.
2. That the said St. Marys Paper is justly and truly indebted to IFP in the sum of at least SEVEN MILLION ONE HUNDRED AND SEVENTY-FIVE THOUSAND SIX HUNDRED AND SEVENTY-EIGHT DOLLARS in the lawful money of the United States of America (USD \$7,175,678.00).

3. That IFP has security for the payment of the said sum in the form of a general security agreement dated as of December 8, 2010, pursuant to which St. Marys Paper granted to IFP a security interest in all of its personal property, then owned or thereafter acquired, and a charge/mortgage registered on certain real property of St. Marys Paper on March 3, 2011. IFP estimates the value of this security at SEVEN MILLION DOLLARS in the lawful money of Canada (CDN \$7,000,000).

4. That St. Marys Paper, within the six months next preceding the date of the filing of this bankruptcy application, has committed the following acts of bankruptcy, namely: St. Marys Paper has ceased to meet its liabilities generally as they become due.

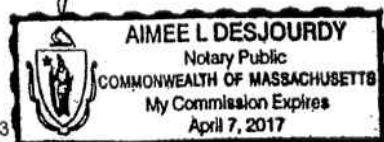
5. Ernst & Young Inc. is a person qualified to act as trustee of the property of the said debtor, has agreed to act as such and is acceptable to the undermentioned creditor:

<u>Creditor</u>	<u>Address</u>	<u>Amount of Debt</u>
International Forest Products LLC (formerly known as International Forest Products Corporation)	Foxborough, MA	USD\$7,175,678.00

DATED at Foxborough, MA this 2nd day of May, 2012.

Signed by the Applicant in my presence

Name:



12560298.3

) INTERNATIONAL FOREST PRODUCTS
) LLC (formerly known as International Forest
) Products Corporation)

per:

Name: Daniel J. Moore
Title: Chief Operating Officer

Issued at the City of TORONTO, in the Province of Ontario, this 02 day of May, 2012.

Registrar of Bankruptcy

M. J. Sproat
Registrar in Bankruptcy

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**IN THE MATTER OF THE BANKRUPTCY OF
ST. MARY'S PAPER CORP.
OF THE CITY OF SAULT STE. MARIE, PROVINCE OF ONTARIO**

AFFIDAVIT OF TRUTH OF STATEMENTS IN APPLICATION

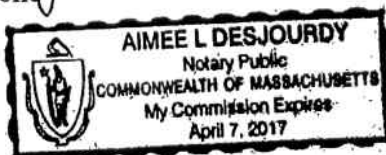
I, Daniel J. Moore, the Chief Operating Officer of International Forest Products LLC (formerly known as International Forest Products Corporation) ("IFP"), the applicant named in the application hereunto annexed, **MAKE OATH AND SAY:**

1. That St. Marys Paper Corp. is justly and truly indebted to IFP in the sum of at least SEVEN MILLION ONE HUNDRED AND SEVENTY-FIVE THOUSAND SIX HUNDRED AND SEVENTY-EIGHTY DOLLARS in the lawful money of the United States of America (USD \$7,175,678.00)

2. That the facts alleged in the said application are within my own knowledge true.

SWORN BEFORE ME at the Town of)
Foxborough, in the Commonwealth of)
Massachusetts, on May 2, 2012.)
)
)

Notary Public



12560309.2


DANIEL J. MOORE

Court File No.:

IN THE MATTER OF THE BANKRUPTCY OF ST. MARYS PAPER CORP.,
OF THE CITY OF SAULT STE. MARIE, PROVINCE OF ONTARIO

TAKE NOTICE that an Application for a Bankruptcy Order be made in respect of your property will be heard before a Justice at 330 University Avenue, 8th Floor, in the City of Toronto, on the 8th date of May, 2012, at the hour of 10:00 a.m. in the forenoon, or as soon thereafter as the Application can be heard.

AND FURTHER TAKE NOTICE that if a notice of cause against the Bankruptcy Application is not filed in Court and a copy thereof served on the lawyer for the Bankruptcy Applicant at least two (2) days before the hearing, the Court may make a Bankruptcy Order on such proof of the statements in the Application as the Court shall think sufficient.

DATED at Toronto, this ____ day of May, 2012

Lawyers for the Bankruptcy Applicant are:

BLAKE, CASSELS & GRAYDON LLP

Barristers and Solicitors

Commerce Court West

199 Bay Street, Suite 4000

Toronto, ON M5L 1A9

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SUPERIOR COURT OF JUSTICE
IN BANKRUPTCY AND INSOLVENCY

Proceeding Commenced at Toronto

AFFIDAVIT OF TRUTH

BLAKE, CASSELS & GRAYDON LLP

Barristers and Solicitors

Commerce Court West

199 Bay Street, Suite 4000

Toronto, ON M5L 1A9

Michael McGraw LSUC#: 46679C

Tel: (416) 863-4247

Fax: (416) 863-2653

Lawyers for the Bankruptcy Applicant

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OF THE CITY OF SAULT STE. MARIE, PROVINCE OF ONTARIO

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BANKRUPTCY APPLICATION

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