



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

THE HONOURABLE REGIONAL)
)
SENIOR JUSTICE MORAWETZ) FRIDAY, THE 14TH DAY
)
) OF FEBRUARY, 2014

BETWEEN:

**INTERNATIONAL FOREST PRODUCTS LLC (formerly known as
INTERNATIONAL FOREST PRODUCTS CORPORATION)**

Applicant

- and -

ST. MARYS PAPER CORP.

Respondent

**APPLICATION UNDER SUBSECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY*
ACT, R.S.C. 1985, c.B-3, AS AMENDED, AND SECTION 101 OF THE *COURTS OF*
JUSTICE ACT, R.S.O. 1990, C. C.43, AS AMENDED**

CLAIMS PROCESS ORDER

THIS MOTION, made by Ernst & Young Inc., in its capacity as Court-appointed receiver and receiver and manager pursuant to section 243(1) of the *Bankruptcy and Insolvency Act* and section 101 of the *Courts of Justice Act* (Ontario) (jointly and collectively, the "Receiver"), without security, of all of the assets, undertakings and properties of each of St. Marys Paper Corp. ("St. Marys"), SMP Resources Inc. ("SMPR") and Ontario Wilderness Vacations Limited ("OWVL") was heard this day, at 330 University Avenue, Toronto, Ontario.

ON READING the Sixth Report of the Receiver dated February 12, 2014 (the "Sixth Report"), and on hearing the submissions of counsel for the Receiver and counsel for IFP, no other parties appearing, although duly served as appears from the affidavits of service filed with the Court,

1. **THIS COURT ORDERS** that the following terms in this Order shall have the following meanings ascribed to them:

*Counsel for Dennis
Bunnell, John Lloyd, Dick
O'Brian and Wishart
Law Firm LLP*

- (a) “BIA” means the *Bankruptcy and Insolvency Act*, R.S.C. 1985 c. B-3;
- (b) “Business Day” means a day, other than a Saturday or a Sunday or statutory holiday, on which banks are generally open for business in Toronto, Ontario;
- (c) “Claimant” or “Claimants” means any Person(s) with a Claim and, if the context requires, includes an assignee of a Claim, or a trustee, interim receiver, receiver, receiver and manager, liquidator, or other Person acting on that Person’s behalf;
- (d) “Claim” or “Claims” means any right or claim of any Person against SMPR and/or OWVL, whether or not asserted, in connection with any indebtedness, liability or obligation of any kind whatsoever of SMPR and/or OWVL, and any accrued interest thereon and costs payable in respect thereof, whether or not such right or claim is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, perfected, unperfected, present, future, known, or unknown, by guarantee, surety or otherwise, and whether or not such right is executory or anticipatory in nature, including the right or ability of any Person to advance a claim for contribution or indemnity or otherwise with respect to any matter, action, cause or chose in action, whether existing at present or commenced in the future;
- (e) “Claims Bar Date” means 5:00 p.m. (Eastern Standard Time) on April 30, 2014, or such later date as may be ordered by this Court;
- (f) “Claims Package” means this Order, a Proof of Claim, and such other instructional or other materials as the Receiver considers necessary or appropriate;
- (g) “Claims Process” means the process outlined in this Order in connection with the assertion of Claims against SMPR and/or OWVL;
- (h) “Court” means the Ontario Superior Court of Justice (Commercial List) sitting in Toronto, Ontario;
- (i) “Equity Claim” means the Claim of any Person in respect of any equity or shareholding interest in SMPR or OWVL;

- (j) “Notice of Revision or Disallowance” means the Form 77 Notice of Disallowance of Claim, Right to Priority or Security or Notice of Valuation of Claim prescribed by the BIA;
- (k) “Person” means any individual, partnership, firm, joint venture, trust, entity, corporation, limited or unlimited liability company, association, unincorporated organization, court-appointed representative, government or any agency, officer or instrumentality thereof or similar entity, or any other entity howsoever designated or constituted exercising executive, legislative, judicial, regulatory or administrative functions in Canada or any other country; and
- (l) “Proof of Claim” means the Form 31 Proof of Claim prescribed by the BIA.

CLAIMS PROCESS

2. **THIS COURT ORDERS** that the Claims Process be and is hereby approved and the Receiver be and is hereby directed and empowered to administer the Claims Process and to take such steps or actions as may be necessary or desirable to administer or complete the Claims Process.

NOTICE TO CLAIMANTS

3. **THIS COURT ORDERS** that for the purpose of facilitating the identification of all Claims, within ten (10) Business Days of the date of this Order:

- (a) the Receiver shall send a Claims Package by ordinary mail, express post, courier, facsimile transmission or electronic mail to each known potential Claimant at the address for such potential Claimant listed in the books and records of SMPR or OWVL in the possession of the Receiver;
- (b) the Receiver shall cause to be published once in the *Sault Star* a notice of the Claims Process and the Claims Bar Date; and
- (c) the Receiver shall make a copy of the Claims Package available on the Receiver’s website at www.ey.com/ca/smp.

4. **THIS COURT ORDERS** that in complying the terms of this Order, including paragraph 3 of this Order, the Receiver shall be entitled to rely on information previously provided to it by management of SMPR and OWVL.

5. **THIS COURT ORDERS** that the Receiver shall send by ordinary mail, express post, courier, facsimile transmission or electronic mail as soon as reasonably possible following receipt of a request therefor, a Claims Package to any Person requesting the same, provided such request is received prior to the Claims Bar Date.

6. **THIS COURT ORDERS** that compliance by the Receiver with the provisions of paragraph 3 shall constitute good and sufficient service upon all Claimants of notice of these proceedings, this Order, the Claims Process, the Claims Bar Date, and the related deadlines and procedures set forth herein and no other form of service or notice need be made by the Receiver to any Person in respect of the Claims Process.

7. **THIS COURT ORDERS** that the delivery of a Claims Package to a Claimant shall not constitute an admission of any liability of either SMPR or OWVL to any Person.

FILING OF PROOFS OF CLAIM

8. **THIS COURT ORDERS** that any Person asserting a Claim shall set out its Claim in a Proof of Claim and deliver that Proof of Claim so that it is actually received by the Receiver in accordance with paragraph 15 of this Order by the Claims Bar Date or such later date as the Receiver may agree to in writing, or as the Court may otherwise order.

9. **THIS COURT ORDERS** that each Claimant shall specify in its Proof of Claim against which one of SMPR or OWVL the Claimant asserts a Claim.

10. **THIS COURT ORDERS** that any Claimant that fails to deliver or fails to have delivered on the Claimant's behalf a completed Proof of Claim to the Receiver by the Claims Bar Date:

- (a) shall be and is hereby forever barred from making or enforcing any Claim and all such Claims shall be forever extinguished and released; and
- (b) shall not be entitled to receive any further notice in respect of the Claims Process or these receivership proceedings, or receive any distribution in relation to the estate or assets of SMPR or OWVL.

11. **THIS COURT ORDERS** that, notwithstanding anything else contained in this Order, the following Claims shall not be barred, extinguished or affected by this Order:

- (a) Claims by the Receiver and counsel to the Receiver;
- (b) Claims of St. Marys against either of SMPR or OWVL or Claims of either SMPR or OWVL against the other; and
- (c) Equity Claims.

REVIEW AND DETERMINATION OF PROOFS OF CLAIM

12. **THIS COURT ORDERS** that the Receiver be and is hereby authorized and directed to determine whether the Claims of each Person that filed a Proof of Claim should be accepted, revised or disallowed in accordance with the process established in paragraph 13 of this Order. Any Claim accepted, deemed or determined as proven in accordance with this Order will be referred to herein as a "Proven Claim" (or more than one, "Proven Claims").

13. **THIS COURT ORDERS** that the Receiver be and is authorized and directed to administer the following process to finally determine Claimants' Claims as Proven Claims:

- (a) the Receiver shall review each Claim and shall accept, revise or disallow the Claim;
- (b) if the Receiver determines to accept any Claim, the Receiver shall send notice to the respective Claimant as soon as is practicable once the Claim has been allowed, and the amount of the Claim as accepted will be deemed to be the Proven Claim of the respective Claimant upon delivery of such notice;
- (c) if the Receiver determines to revise or disallow any Claim, the Receiver shall send a Notice of Revision or Disallowance to the respective Claimant as soon as is practicable once the Claim has been revised or disallowed;
- (d) a Notice of Revision or Disallowance shall be final and conclusive and stand as evidence of the respective Claimant's Proven Claim unless the Claimant appeals to the Court in accordance with Section 135(4) of the BIA within the thirty (30) day period after service of the Notice of Revision or Disallowance;

- (e) following delivery of a Notice of Revision or Disallowance, the Receiver may attempt to consensually resolve the amount of any Claim with the respective Claimant and may accept, revise, disallow or settle any disputed Claim; and
- (f) the Receiver is hereby authorized and directed to use reasonable discretion as to the adequacy of compliance as to the manner in which the Claims are completed and executed and may, where satisfied that a Claim has been adequately proven, waive strict compliance with the requirements of this Order as to the completion and the execution thereof.

NOTICES AND COMMUNICATION

14. **THIS COURT ORDERS** that any notice or other communication to be given under this Order by the Receiver to a Claimant shall be in writing in substantially the form, if any, provided for in this Order. Such notice or other communication will be sufficiently given to a Claimant if given by prepaid ordinary mail, express post, courier, facsimile transmission or electronic mail to the Claimant to such address, facsimile number or electronic mail address for such Claimant as may be recorded in the books and records of SMPR or OWVL in the possession of the Receiver or to such other address, facsimile number or electronic mail address as such Claimant may request by notice to the Receiver given in accordance with this Order. Any such notice or other communication, (i) if given by prepaid ordinary mail, shall be deemed received on the third Business Day after mailing, (ii) if given by courier or delivery shall be deemed received on the next Business Day following dispatch, (iii) if given by facsimile transmission or electronic mail before 5:00 p.m. (Eastern Standard Time) on a Business Day shall be deemed received on such Business Day; and (iv) if given by facsimile transmission or electronic mail after 5:00 p.m. (Eastern Standard Time) on a Business Day shall be deemed received on the next following Business Day.

15. **THIS COURT ORDERS** that any notice or other communication (including, without limitation, Proofs of Claim) to be given under this Order by a Claimant to the Receiver shall be in writing in substantially the form, if any, provided for in this Order and will be sufficiently given only if given by ordinary mail, courier, delivery, facsimile transmission or electronic mail addressed to:

Ernst & Young Inc.
P.O. Box 251
222 Bay Street, Toronto-Dominion Centre
Toronto ON M5K 1J7

Philip Kan
Tel: (416) 943-2277
Fax: (416) 943-3300
Email: Philip.kan@ca.ey.com

Any such notice or other communication by a Claimant shall be deemed received only upon actual receipt thereof during normal business hours on a Business Day.

16. **THIS COURT ORDERS** that if during any period during which notices or other communication are being given pursuant to this Order a postal strike or postal work stoppage of general application should occur, such notices or other communications then not received or deemed received shall not, absent further Order of this Court, be effective and notices and other communications given hereunder during the course of any such postal strike or work stoppage of general application shall only be effective if given by courier, delivery, facsimile transmission or electronic mail in accordance with this Order.

TRANSFER OF CLAIMS

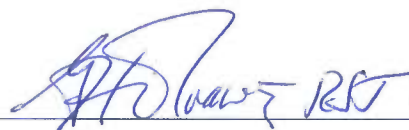
17. **THIS COURT ORDERS** that if the holder of the whole of a Claim transfers the whole of such Claim to more than one Person or part of such Claim to another Person after the Appointment Time, such transfer shall not create a separate Claim and such Claim shall continue to constitute and be dealt with as a single Claim. Notwithstanding such transfer, the Receiver shall not be bound to recognize or acknowledge any such transfer and shall be entitled to give notices to and otherwise deal with such Claim only as a whole and only to and with the Person last holding such Claim in whole as the Claimant in respect of such Claim, provided such Claimant may, by notice in writing to the Receiver in accordance with the preceding paragraph and subject to the provisions of the preceding paragraph, direct the subsequent dealings in respect of such Claim, but only as a whole, shall be with a specified Person and in such event, such transferee of the Claim and the whole of such Claim shall be bound by any notices given or steps taken in respect of such Claim in accordance with this Order and any other orders in these proceedings.

MISCELLANEOUS

18. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or any other country, to give effect to this Order and to the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders

and to provide such assistance to the Receiver as may be necessary or desirable to give effect to this Order or to assist in carrying out the terms of this Order.

19. **THIS COURT ORDERS** that the Receiver may apply at any time to this Court to seek any further relief in respect of the Claims Process, and any other interested Person may apply to this Court to vary this Order or seek other relief in respect of the Claims Process on seven (7) Business Days notice to the Receiver and to any other Person likely to be affected by the Order sought.



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ON / BOOK NO:
LE / DANS LE REGISTRE NO.:

FEB 14 2014

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INTERNATIONAL FOREST PRODUCTS LLC (formerly
known as INTERNATIONAL FOREST PRODUCTS CORPORATION)

Applicant

- and -

ST.MARYS PAPER CORP.

Respondent

ONTARIO

SUPERIOR COURT OF JUSTICE

Proceeding Commenced at Toronto

CLAIMS PROCESS ORDER

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capacity as Receiver*