Court File No. CV-11-9367-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE Mr.	)	MONDAY, THE 2ND DAY
	)	
JUSTICE D.M. Brown	)	OF JUNE, 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

ORDER
(Approval of Property Tax Settlement and Interim Distribution)

THIS MOTION, made by Ernst & Young Inc., in its capacity as Court-appointed receiver of the undertaking, property and assets of each of St. Marys Paper Corp. ("**St. Marys**"), SMP Resources Inc. ("**SMPR**"), and Ontario Wilderness Vacations Limited ("**OWVL**" and together with SMPR and St. Marys, the "**Debtors**"), was heard this day, at 330 University Avenue, Toronto, Ontario.

ON READING the Seventh Report of the Receiver dated May 27, 2014 (the "**Seventh Report**") and on hearing the submissions of counsel for the Receiver and counsel for the

Applicant, International Forest Products LLC ("**IFP**"), no one else appearing although served as evidenced by the affidavit of Deborah Ferguson sworn May 28, 2014, filed,

1. **THIS COURT ORDERS AND DECLARES** that service of the notice of motion and the motion record in accordance with the affidavits of service, including the method and timing of notice, and service to the service list, shall be and is hereby abridged and validated, so that this motion is properly returnable today and any further service thereof upon any interested party other than the persons served with the motion record is hereby dispensed with.

2. **THIS COURT ORDERS** that each of the minutes of settlement in respect of the tax assessment appeals in Assessment Review Board Appeal Nos. 2010179, 2025346, 2025347, 2348766, 2348774, 2401155, 2695708, 2695727, 2923313, and 2923348, substantially in the form attached as Appendix "B" to the Report, be and are hereby approved.

3. **THIS COURT ORDERS AND DIRECTS** that, in accordance with paragraph 2.2(g) of the Asset Purchase Agreement ("**Mill Sale Agreement**") dated March 15, 2012 between St. Marys by the Receiver as seller and 2319839 Ontario Inc. as purchaser (the "**Mill Purchaser**"), the Corporation of the City of Sault Ste. Marie shall pay directly to the Receiver any refund of property or realty taxes arising from the settlement or final determination of tax assessment appeals in Assessment Review Board Appeal Nos. 2010179, 2025346, 2025347, 2348766, 2348774, 2401155, 2695708, 2695727, 2923313, and 2923348 (the "**Property Tax Refund**").

4. **THIS COURT ORDERS** that, upon receipt of the Property Tax Refund from the Corporation of the City of Sault Ste. Marie, the Receiver shall adjust the refund of property or realty taxes as between the Receiver on behalf of St. Marys and the Mill Purchaser in accordance with the Mill Sale Agreement.

5. **THIS COURT ORDERS** that the Receiver is hereby authorized and directed to distribute to IFP the amount of the Property Tax Refund, less any adjustments made in favour of the Mill Purchaser and less any disbursements made to the Property Tax Consultant (as defined and described in the Seventh Report), from funds in the receivership estate of St. Marys which shall be applied by IFP in partial satisfaction of the indebtedness owing to IFP by St. Marys.

6. **THIS COURT ORDERS** that the Seventh Report, and the conduct and activities of the Receiver as described therein, be and are hereby approved.

7. **THIS COURT ORDERS** that the Statements of Receipts and Disbursements for each of the Debtors attached as Appendix "C" to the Seventh Report be and are hereby approved.

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

JUN 0 2 2014

INTERNATIONAL FOREST PRODUCTS LLC (formerly known as INTERNATIONAL FOREST PRODUCTS CORPORATION) -and- **ST. MARYS PAPER CORP.**

Applicant Respondent

Court File No. CV-11-9367-00CL

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PROCEEDING COMMENCED AT TORONTO

ORDER
(Approval of Property Tax Settlement and Interim Distribution)

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Lawyers for Ernst & Young Inc., in its capacity as Receiver