

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

THE HONOURABLE REGIONAL )  
 )  
SENIOR JUSTICE MORAWETZ ) FRIDAY, THE 14<sup>TH</sup> 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**

**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" and together with St. Marys and SMPR, the "Debtors") 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"), the Affidavit of Daniel Moore sworn February 12, 2014 (the "Moore Affidavit") filed, and on hearing the submissions of counsel for the Receiver and the Applicant, International Forest Products LLC ("IFP"), no other parties appearing, although duly served as appears from the affidavits of service filed with the Court,

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 the Minutes of Settlement substantially in the form attached as confidential Exhibit "A" to the Moore Affidavit (the "Minutes of Settlement") be and are hereby approved.
3. **THIS COURT ORDERS** that the reserve established pursuant to paragraph 2(a) of the Order of the Honourable Mr. Justice Campbell dated June 6, 2012 be and is hereby vacated and the Receiver is hereby authorized and directed to make the distributions as set out in the Minutes of Settlement from funds in the receivership estate of St. Marys.
4. **THIS COURT ORDERS** that the Receiver is hereby authorized and directed to distribute to IFP the amount of \$600,000 (inclusive of amounts to be distributed pursuant to the Minutes of Settlement) 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.
5. **THIS COURT ORDERS** that the Sixth Report, and the conduct and activities of the Receiver as described therein, be and are hereby approved
6. **THIS COURT ORDERS** that the Statement of Receipts and Disbursements attached as Appendix "C" to the Sixth Report be and is hereby approved. *unredacted*
7. **THIS COURT ORDERS** that the Minutes of Settlement shall remain confidential, sealed and subject to a protective order of this Court and shall not form part of the permanent Court record except by further order of this Court made on notice to the Receiver and IFP.

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

*MB*  
FEB 13 2014

*MB*

*[Signature]*

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

**ORDER**

**BLAKE, CASSELS & GRAYDON LLP**  
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*Lawyers for Ernst & Young Inc., in its capacity as  
Receiver*