

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE MR.
JUSTICE MORAWETZ

) FRIDAY, THE 1st DAY OF
) MAY, 2009
)



IN THE MATTER OF THE *COMPANIES' CREDITORS
ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF TERRACE BAY PULP INC.

ORDER

THIS MOTION, made by Vector Construction Ltd. for an order amending paragraph 31 of the Initial Order dated March 19, 2009 to recognize the priorities for construction liens established by the *Construction Lien Act*, R.S.O. 1990, C.c.30 (the "**CLA**") was heard this day at the court house located at 330 University Avenue.

WHEREAS paragraph 31 of the Initial Order provides that certain charges created by the Initial Order shall rank in priority to liens and other interests;

AND WHEREAS paragraph 33 of the Initial Order provides that the priorities established by paragraph 31 survive the bankruptcy of the Applicant;

AND WHEREAS the moving party and Skyway Canada Ltd. are concerned about the possibility of the Applicant becoming bankrupt.

AND WHEREAS the moving party is concerned that if the Applicant becomes bankrupt before its motion is heard that paragraph 33 of the

Initial Order would prejudice the rights of the moving party and Skyway Canada Ltd. to make a claim for the priorities afforded to them pursuant to the provisions of the CLA;

AND WHEREAS the Applicant and the moving party have agreed to adjourn this motion on the understanding that such adjournment is without prejudice to the moving party to argue that the priorities established by the provisions of the CLA in relation to construction liens properly preserved and perfected in accordance with the CLA should govern in the event of the bankruptcy of the Applicant notwithstanding paragraphs 31 and 33 of the Initial Order.

ON HEARING the consent of the moving party, the Applicant, the Monitor, Nexcap Finance Corporation and Skyway Canada Ltd., no one else appearing although properly served,

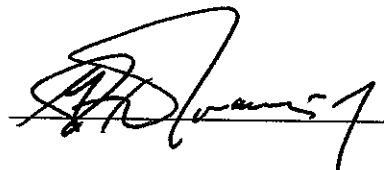
1. **THIS COURT ORDERS** that this motion is adjourned *sine die* and may be brought back on before this Court by scheduling a future 9:30 a.m. chambers appointment before this Court, returnable on no less than 4 days notice to the service list in this proceeding, without prejudice to the position of any person regarding the timing of the scheduling of the hearing of the motion on its merits.

2. **THIS COURT ORDERS** that the adjournment of this motion is granted without prejudice to the rights of the moving party and Skyway Canada Ltd. to argue that the priorities established by the provisions of the CLA in relation to construction liens that are properly preserved and perfected in accordance with the provisions of the CLA should govern in the event of the bankruptcy of the Applicant, notwithstanding paragraphs 31 and 33 of the Initial Order.

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

MAY 04 2009

PER / PAR: 



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ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED AND IN THE MATTER OF A PLAN
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Court File No: CV-09-8062-00-CL

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SUPERIOR COURT OF JUSTICE

Proceeding commenced at TORONTO

ORDER

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