

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

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.

Applicant

**NOTICE OF MOTION
(Returnable December 18, 2009)**

The Applicant will make a motion to a Judge presiding over the Commercial List on Friday, December 18, 2009, at 10:00 a.m., or as soon after that time as the motion can be heard, at the Court House, 330 University Avenue, 8th Floor, Toronto, Ontario.

PROPOSED METHOD OF HEARING: The motion is to be heard

☐ in writing under subrule 37.12.1(1)

☐ in writing as an opposed motion under subrule 37.12.1(4);

☒ orally.

THE MOTION IS FOR Orders:

- (a) abridging the time for service of the Notice of Motion and Motion Record herein, validating the service of such motion material and dispensing with the service of such motion material on interested parties not served;
- (b) directing that capitalized terms not otherwise defined in the draft Orders attached hereto as **Schedules “A” and “B”** have the same meaning as in the Monitor’s Ninth Report (the “Ninth Report”);
- (c) approving the claims process substantially in the form as set out in the Claims Process Order attached hereto as Schedule “A”;
- (d) authorizing and directing the Applicant to enter in a forest management agreement with GreenForest Management Inc. (“GMI”) dated April 1, 2009 (“the Forest Management Agreement”) *nunc pro tunc* as of April 1, 2009, and authorizing and directing the Applicant to pay to GMI the amount of \$384,036.16 pursuant to the Forest Management Agreement, as more particularly described in the Ninth Report and the Affidavit of Russell York (the “York Affidavit”) substantially in the form of Order as attached hereto as Schedule “B”;
- (e) approving the Ninth Report and the conduct and activities of the Monitor described therein; and
- (f) such further and other relief as this Honourable Court may deem just.

THE GROUNDS FOR THE MOTION ARE:

- (a) the reasons described in the Ninth Report and the York Affidavit;
- (b) Section 11 of the CCAA; and
- (c) such further and other grounds as counsel may advise.

THE FOLLOWING DOCUMENTARY EVIDENCE will be used at the hearing of the motion:

- (a) The Ninth Report and the York Affidavit; and
- (b) such other materials as counsel may advise and this Honourable Court permit.

December 15, 2009

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IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C., 1985 c. C-36
AND IN THE MATTER of a Plan of Compromise or Arrangement of Terrace Bay Pulp Inc.

Applicant

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at Toronto

**NOTICE OF MOTION
(RETURNABLE DECEMBER 18, 2009)**

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