IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re: GRANT FOREST PRODUCTS INC., *et al.*,[1] Debtors in Foreign Proceedings.	CHAPTER 15 Case No. 10-11132 Joint Administration Pending

MONITOR'S MOTION FOR ENTRY OF AN ORDER GRANTING RECOGNITION AND RELIEF IN AID OF FOREIGN MAIN PROCEEDING PURSUANT TO 11 U.S.C. §§ 1515, 1517 AND 1520

Ernst & Young Inc. ("**E&Y**"), in its capacity as monitor (the "**Monitor**") and foreign representative of the above-captioned Debtors, who are parties in a proceeding ("**CCAA Proceeding**") under Canada's *Companies' Creditors Arrangement* Act, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"), before the Ontario Superior Court of Justice (Commercial List) ("**CCAA Court**"), hereby moves this Court for the entry of an order granting recognition and relief to the CCAA Proceeding pursuant to sections 1515, 1517, and 1520 of Title 11 of the United States Code ("**Bankruptcy Code**"). In support hereof, the Monitor respectfully submits its *Memorandum of Law in Support of (I) Monitor's Motion for Entry of an Order Granting Recognition and Relief in aid of Foreign Main Proceeding Pursuant to 11 U.S.C. §§ 1515, 1517, and 1520; (II)Monitor's Motion for Joint Administration; and (III) Monitor's Motion for Ex Parte Emergency Relief and Provisional Relief Pursuant to 11 U.S.C. §§ 105(a), 1519, and 1521* ("**Memorandum**"). In addition, the Monitor relies on the *Declaration of Peter Lynch in Support of (I) Monitor's Motion for Entry of an Order Granting Recognition and Relief in aid of*

---

[1] The proposed jointly administered cases are those of the following debtors: Grant Forest Products Inc., Grant Forest Products Sales Inc., Grant Alberta Inc., Grant U.S. Holdings GP, Southeast Properties LLC, Grant Clarendon LP, Grant Allendale LP, Grant US Sales Inc., Grant Newco LLC, and Grant Excluded GP.

Foreign Main Proceeding Pursuant to 11 U.S.C. §§ 1515, 1517, and 1520; (II)Monitor's Motion for Joint Administration; and (III) Monitor's Motion for Ex Parte Emergency Relief and Provisional Relief Pursuant to 11 U.S.C. §§ 105(a), 1519, and 1521 ("**Lynch Declaration**"), and the *Declaration of Alexander Morrison in Support of (I) Monitor's Motion for Entry of an Order Granting Recognition and Relief in aid of Foreign Main Proceeding Pursuant to 11 U.S.C. §§ 1515, 1517, and 1520; (II)Monitor's Motion for Joint Administration; and (III) Monitor's Motion for Ex Parte Emergency Relief and Provisional Relief Pursuant to 11 U.S.C. §§ 105(a), 1519, and 1521* ("**Morrison Declaration**").

JURISDICTION AND VENUE

1. This Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(P). Venue is proper in this District pursuant to 28 U.S.C. § 1410. The statutory predicates for the relief requested herein are sections 105(a), 1515, 1517, and 1520 of the Bankruptcy Code.

BACKGROUND

2. Contemporaneously herewith, on March 31, 2010 (the "**Petition Date**"), the Monitor commenced the Debtors' chapter 15 cases by filing petitions pursuant to section 1504 and 1515 of the Bankruptcy Code. The Monitor seeks recognition of the CCAA Proceeding as a "foreign main proceeding" as defined in section 1502(4) and 1517(b)(1) of the Bankruptcy Code.

3. The Court is respectfully referred to the Lynch Declaration, the Morrison Declaration, and the "Background" Section of the accompanying Memorandum for a detailed explanation of the Debtors, their business, their debt structure, and the CCAA Proceeding.

4. In brief, the Debtors are the third largest North American manufacturer of oriented strand board, a building material that has replaced plywood in many uses. Debtors

applied for protection under the CCAA after, among other things, Debtors defaulted on their obligations under the two primary secured lending facilities. In its initial order ("**Initial Order**"), the CCAA Court appointed E&Y as monitor. E&Y was subsequently selected as the Investment Offering Advisor to conduct and oversee the court-approved Marketing Process.[2]

5. As a result of the Marketing Process, Debtors and Georgia-Pacific LLC, and certain of its affiliates and subsidiaries ("**Georgia-Pacific**"), have entered into a complex series of transactions, after which Georgia-Pacific will own certain of the Debtors' Canadian assets and all of the equity interests in various American entities that were formerly subsidiaries of Grant Forest Products Inc. (the direct or indirect parent of all other Debtors).

REQUEST FOR RELIEF

6. By this Motion, the Monitor seeks the entry of an order: (i) recognizing the CCAA Proceeding as a foreign main proceeding pursuant to section 1517(b) of the Bankruptcy Code and relief related thereto; (ii) enforcing the Initial Order and Supplemental Initial Order in the United States on an interim basis; (iii) affording the Monitor the benefit of the provisions of section 1520 of the Bankruptcy Code; and (iv) granting such further relief as this Court deems just and proper. In addition, by motion filed contemporaneously herewith, the Monitor will request recognition of the CCAA Court's approval of the Proposed Transaction and separate authority to sell assets pursuant to section 363 of the Bankruptcy Code.

BASIS FOR RELIEF

7. As set forth more fully in the Memorandum, the Court should enter an order recognizing the CCAA Proceeding as a "foreign main proceeding." The Monitor believes that

[2] Capitalized terms not defined herein shall have the same meaning as provided in the Memorandum.

the relief sought herein will best assure an economical, expeditious, and equitable administration of the Debtors' restructuring.

8. Specifically, the Motion should be granted because:

(a) The CCAA Proceeding is a "foreign proceeding" within the meaning of section 101(23) of the Bankruptcy Code;

(b) the CCAA Proceeding is a "foreign main proceeding" within the meaning of section 1502(4) of the Bankruptcy Code because Canada constitutes the "center of main interests" under sections 1502(4), 1516(c) and 1517(b)(1) of the Bankruptcy Code;

(c) the CCAA Court authorized E&Y to monitor the reorganization of the Debtors' businesses and to act as their representative in these Chapter 15 cases, thereby qualifying E&Y as a "foreign representative" within the meaning of section 101(24) of the Bankruptcy Code; and

(d) the Debtors' petitions meet the requirements of section 1515 of the Bankruptcy Code, because (i) they have been filed with a true and exact copy of the Initial Order and Supplemental Initial Order commencing the CCAA Proceeding and appointing the Monitor as foreign representative; and (ii) they otherwise comply with the Bankruptcy Code, Bankruptcy Rules, and Local Rules.

9. Accordingly, the Court should recognize the CCAA Proceeding as a foreign main proceeding, and grant the Monitor recognition as the Debtors' foreign representative.

10. This Court should enforce the Initial Order and Supplemental Initial Order on an interim and final basis. These Orders provide relief similar to and consistent with the relief provided by the Bankruptcy Code, including:

(a) stay relief to protect the Debtors' businesses and property;

(b) authority for the Debtors to operate their businesses in the ordinary course;

(c) authority for the Debtors to expend sums necessary to preserve the Debtors' businesses and property;

(d) authority to pay applicable taxes;

(e) authority to cease, downsize or shut down businesses within certain limits;

(f) authority to terminate employees as necessary;

(g) authority to engage in a marketing process for a sale of the businesses;

(h) protection from creditors seeking to terminate various contracts;

(i) protection against suits seeking recovery from directors and officers;

(j) authority to obtain necessary professionals; and

(k) authority for Southeast Properties LLC, Grant Clarendon LP, Grant Allendale LP, Grant US Sales Inc., Grant Newco LLC, and Grant Excluded GP to borrow funds to enable them to carry on their respective business from their affiliates, Grant Forest Products Inc., Grant Forest Products Sales Inc., Grant Alberta Inc., and Grant US Holdings GP.

NOTICE

11. Pursuant to the *Monitor's Motion for Order (I) Specifying Form and Manner of Service of Notice of Filing of Petitions and Other Pleadings Pursuant to Chapter 15 of the Bankruptcy Code, and (II) Scheduling a Hearing on Chapter 15 Petitions for Recognition and for Approval of the Sale of Certain Assets* (the "**Notice Motion**"), the Monitor proposes to give notice to the Notice Parties defined therein. Under the circumstances, the Monitor submits that the foregoing constitutes due and adequate notice and that no further notice is required.

NO PRIOR REQUEST

12. No prior request for relief sought herein has been made to this or any other court in the United States.

WHEREFORE, for the reasons set forth herein and the accompanying Memorandum, the Lynch Declaration, and the Morrison Declaration, the Monitor respectfully requests that the Court, after notice and a hearing, (i) enter the proposed recognition order attached hereto as **Exhibit A**; and (ii) grant such other and further relief as the Court deems just.

Dated: March 31, 2010
Wilmington, Delaware

ELLIOTT GREENLEAF

Rafael X. Zahralddin-Aravena (DE Bar No. 4166)
Shelley A. Kinsella (DE Bar No. 4023)
Andrew G. Mirisis (DE Bar No. 5365)
1105 North Market Street, Suite 1700
Wilmington, Delaware 19801
Telephone: (302) 384-9400
Facsimile: (302) 384-9399
Email: rxza@elliottgreenleaf.com
Email: sak@elliottgreenleaf.com
Email: agm@elliottgreenleaf.com

-- and --

Jeffrey W. Kelley
Garrett A. Nail
TROUTMAN SANDERS LLP
Bank of America Plaza
600 Peachtree Street, NE
Suite 5200
Atlanta, GA 30308-2216
Telephone: (404) 885-3000
Facsimile: (404) 885-3900
Email: Jeffrey.Kelley@troutmansanders.com
Email: Garrett.Nail@troutmansanders.com

Attorneys for Ernst & Young Inc., Monitor and Foreign Representative of the Debtors

EXHIBIT A

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

In re: GRANT FOREST PRODUCTS INC., *et al.*,[1] Debtors in Foreign Proceedings.	CHAPTER 15 Case No. 10-11132 Joint Administration Pending

ORDER GRANTING RECOGNITION AND RELIEF IN AID OF FOREIGN MAIN PROCEEDING PURSUANT TO 11 U.S.C. 1515, 1517 AND 1520

Upon the petitions filed under chapter 15 of title 11 of the United States Code (the "**Bankruptcy Code**") and the required documents thereto (the "**Chapter 15 Petitions**") by Ernst & Young Inc. ("**E&Y**"), in its capacity as monitor (the "**Monitor**") and foreign representative of the above-captioned Debtors, the Monitor's *Motion for Entry of an Order Granting Recognition and Relief in Aid of Foreign Main Proceeding Pursuant to 11 U.S.C. §§ 1515, 1517, and 1520* ("**Motion**"); the *Declaration of Peter Lynch in Support of (I) Monitor's Motion for Entry of an Order Granting Recognition and Relief in Aid of Foreign Main Proceeding Pursuant to 11 U.S.C. §§ 1515, 1517, and 1520; (II) Monitor's Motion for Joint Administration; and (III) Monitor's Motion for Ex Parte Emergency Relief and Provisional Relief Pursuant to 11 U.S.C. §§ 105(a), 1519, and 1521* (the "**Lynch Declaration**"); *Declaration of Alexander Morrison in Support of (I) Monitor's Motion for Entry of an Order Granting Recognition and Relief in Aid of Foreign Main Proceeding Pursuant to 11 U.S.C. §§ 1515, 1517, and 1520; (II) Monitor's Motion for Joint Administration; and (III) Monitor's Motion for Ex Parte Emergency Relief and Provisional Relief Pursuant to 11 U.S.C. §§ 105(a),*

[1] The proposed jointly administered cases are those of the following debtors: Grant Forest Products Inc., Grant Forest Products Sales Inc., Grant Alberta Inc., Grant U.S. Holdings GP, Southeast Properties LLC, Grant Clarendon LP, Grant Allendale LP, Grant US Sales Inc., Grant Newco LLC, and Grant Excluded GP.

1519, and 1521 (the "**Morrison Declaration**"), and the *Memorandum of Law in Support of (I) Monitor's Motion for Entry of an Order Granting Recognition and Relief in Aid of Foreign Main Proceeding Pursuant to 11 U.S.C. §§ 1515, 1517, and 1520, (II) Motion for Joint Administration; and (III) Monitor's Motion for Ex Parte Emergency Relief and Provisional Relief Pursuant to 11 U.S.C. §§ 105(a), 1519, and 1521* (the "**Memorandum**") related to a proceeding (the "**CCAA Proceeding**") under Canada's *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended ("**CCAA**"), before the Ontario Superior Court of Justice (Commercial List) ("**CCAA Court**"), and the Court having considered and reviewed the Chapter 15 Petitions, the Lynch Declaration, the Morrison Declaration, and the Memorandum; and upon the record of the statements made by interested parties; and after due deliberation and sufficient cause appearing, therefor the Court finds and concludes as follows:

a) This Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334;

b) This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(P);

c) Venue is proper in this District pursuant to 28 U.S.C. § 1410;

d) E&Y is duly appointed to act as monitor and foreign representative of the Debtors within the meaning of sections 101(24) and 1517(a)(2) of the Bankruptcy Code;

e) These chapter 15 cases were properly commenced in compliance with and pursuant to sections 1504 and 1515 of the Bankruptcy Code;

f) The Chapter 15 Petitions satisfy the requirements of section 1515 of the Bankruptcy Code;

g) The CCAA Proceeding is a foreign proceeding within the meaning of section 101(23) of the Bankruptcy Code and is entitled to recognition as a foreign proceeding by this Court pursuant to sections 1515 and 1517(a) of the Bankruptcy Code;

h) The CCAA Proceeding is entitled to recognition as a foreign main proceeding pursuant to sections 1502(4) and 1517(b)(1) of the Bankruptcy Code because the Debtors have their center of main interests in Canada; and

i) Recognition of the CCAA Proceeding as a foreign main proceeding is necessary and appropriate, in the interests of the public and international comity, consistent with the public policy of the United States, warranted pursuant to sections 1520 and 1521 of the Bankruptcy Code, and will not cause hardship to plaintiffs in litigation against the Debtors, if any, or any other parties-in-interest, that is not outweighed by the benefits of granting the relief set forth herein.

NOW THEREFORE, IT IS HEREBY ORDERED THAT:

1. The CCAA Proceeding is granted recognition pursuant to section 1517(a) of the Bankruptcy Code.

2. The CCAA Proceeding is recognized as a foreign main proceeding pursuant to section 1517(b)(1) of the Bankruptcy Code.

3. The Initial Order and Supplemental Initial Order (each as defined in the Monitor's Motion) are hereby enforced on a final basis and shall be given full force and effect in the United States.

4. All relief afforded a foreign main proceeding pursuant to section 1520 of the Bankruptcy Code is granted without limitation. Specifically, to the extent not inconsistent with the Initial Order and Supplemental Initial Order, the automatic stay of section 362 of the

Bankruptcy Code applies with respect to the Debtors, any property of the Debtors that is within the territorial jurisdiction of the United States, and the Debtors' former, current, and future directors and officers.

5. Additional relief pursuant to sections 1521(a)(5) and 1521(b) of the Bankruptcy Code, including, but not limited to, entrusting the administration, realization and distribution of the Debtors' assets located within the territorial jurisdiction of the United States to the Monitor, is granted.

6. Pursuant to sections 105(a), 364(c), 1519(a)(3), and 1521(a)(7) of the Bankruptcy Code, the validity of the indebtedness and the priority of the liens authorized by the Initial Order and Supplemental Initial Order, if any, and made enforceable in the United States by this Order shall not be affected by any reversal or modification of this Order on appeal or the entry of an order denying recognition of the CCAA Proceeding pursuant to section 1517 of the Bankruptcy Code.

7. No action taken by the Monitor, the Debtors or each of their successors, agents, representatives, advisors or counsel, in preparing, disseminating, applying for, implementing or otherwise acting in furtherance of or in connection with the CCAA Proceeding, this Order or these chapter 15 cases or any adversary proceeding herein, or any further proceeding commenced hereunder, shall be deemed to constitute a waiver of the immunity afforded such person under sections 306 and 1510 of the Bankruptcy Code.

8. This Court shall retain jurisdiction with respect to the enforcement, amendment or modification of this Order, any requests for additional relief or any adversary proceeding brought in and through these chapter 15 cases, and any request by an entity for relief

from the provisions of this Order, for cause shown, that is properly commenced and within the jurisdiction of this Court.

Dated: _______________, 2010
Wilmington, Delaware

____
THE HONORABLE ______________________
UNITED STATES BANKRUPTCY JUDGE