



Court File No. CV-09-8247-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

**THE HONOURABLE
JUSTICE CAMPBELL**

) **THURSDAY, THE 29TH**
)
) **DAY OF DECEMBER, 2011**

**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 GRANT FOREST PRODUCTS INC.,
GRANT ALBERTA INC., GRANT FOREST PRODUCTS
SALES INC. and GRANT U.S. HOLDINGS GP**

ORDER

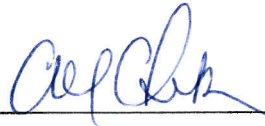
THIS MOTION, made by The Toronto-Dominion Bank (the “**First Lien Lenders’ Agent**”) for an Order, among other things,

- (a) declaring that interest payable pursuant to section 4.05(2) of the syndicated loan agreement dated October 26, 2005 (as amended by an agreement dated as of March 21, 2007, the “**First Lien Credit Agreement**”) remains owing to the lenders under the First Lien Credit Agreement (the “**First Lien Lenders**”) under and pursuant to the First Lien Credit Agreement and has not been irrevocably paid in full, and
- (b) directing Ernst & Young Inc. in its capacity as monitor of the Applicants (the “**Monitor**”), pursuant to the order of this Court made on June 4, 2010 (the “**Distribution Order**”), to distribute sufficient cash or cash equivalents from the proceeds received or realized in these proceedings to the First Lien Lenders’ Agent to satisfy all obligations owing to the First Lien Lenders including interest calculated pursuant to section 4.05(2) of the First Lien Credit Agreement

(“**Default Interest**”) and their costs of these proceedings and this motion on a full indemnity basis,
was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Motion Record of the First Lien Lenders’s Agent, including the affidavit of Ben Montgomery sworn May 11, 2011 and the exhibits thereto, the Supplementary Motion Record of the First Lien Lenders, including the exhibits to the cross-examination of Benjamin Montgomery, the answers to undertakings given by Benjamin Montgomery and the attachments thereto, the Motion Record of the Bank of New York Mellon in its capacity as administrative agent for the second lien lenders (“**BNY**”), the transcript of the cross-examination of Benjamin Montgomery taken October 18, 2011, and the 23rd report of the Monitor dated November 9, 2011, and on hearing the submissions of counsel for the First Lien Lenders, BNY, the Monitor and the Applicants, no one else appearing although duly served as appears from the affidavit of service of Swee Teen Yeoh,

1. **THIS COURT DECLARES** that the First Lien Lenders are entitled to Default Interest pursuant to the First Lien Credit Agreement.
2. **THIS COURT ORDERS** that the Monitor shall distribute (i) to the First Lien Lenders’ Agent C\$715,005.17 plus US\$8,992,780.02 in full and final settlement of the First Lien Lenders’ claim to Default Interest, plus C\$1,351.65 in relation to expenses, and (ii) to McCarthy Tétrault LLP C\$248,300.84 (inclusive of disbursements and HST) for legal fees for services provided to the First Lien Lenders.



C. CHIBA
REGISTRAR, SUPERIOR COURT OF JUSTICE
GREFFIER ADJOINT, COUR SUPÉRIEURE DE JUSTICE

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

JAN 31 2012

AS DOCUMENT NO.:
A TITRE DE DOCUMENT NO.:
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c. C-36, AS AMENDED

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PRODUCTS INC. et al.

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